

Brussels, 17 November 2025 (OR. en)

15494/25

Interinstitutional File: 2025/0045 (COD)

SIMPL 184 ANTICI 183 ECOFIN 1525 EF 373 DRS 89 COMPET 1167 FIN 1361 COH 222 CODEC 1825

## **NOTE**

| From:    | General Secretariat of the Council   |
|----------|--|
| To:      | Delegations  |
| Subject: | 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 - 4 column table |

Delegations will find attached the first 4-column table 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, issued with a view to the first trilogue meeting on 18 November 2025.

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## 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 (Text with EEA relevance)

2025/0045(COD)

[Version for Trilogue on November 18, 2025]

## 17-11-2025 at 14h45

|         | Clean Commission Proposal                                     | vs.ec <b>EP Mandate</b>                                       | VS.EC Council Mandate   | VS.EC Draft Agreement |  |  |  |  |
|---------|---|---|---|-----------------------|--|--|--|--|
| Formula |   |   |   |                       |  |  |  |  |
| 1       | 2025/0045 (COD)   | 2025/0045 (COD)   | 2025/0045 (COD)   |                       |  |  |  |  |
| Docume  | nt Stage  |   |   |                       |  |  |  |  |
| 2       | Proposal for a  | Proposal for a  | Proposal for a  |                       |  |  |  |  |
| Docume  | nt Type   |   |   |                       |  |  |  |  |
| 3       | DIRECTIVE OF THE<br>EUROPEAN PARLIAMENT<br>AND OF THE COUNCIL | DIRECTIVE OF THE<br>EUROPEAN PARLIAMENT<br>AND OF THE COUNCIL | DIRECTIVE OF THE<br>EUROPEAN PARLIAMENT<br>AND OF THE COUNCIL |                       |  |  |  |  |
| Docume  | Document Purpose  |   |   |                       |  |  |  |  |

|          | CLEAN Commission Proposal  | vs.ec EP Mandate   | VS.EC Council Mandate  | VS.EC Draft Agreement |
|----------|--|--|--|-----------------------|
| 4        | 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 | 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 | 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 |                       |
| EEA Rele | evance   |  |  |                       |
| 5        | (Text with EEA relevance)  | (Text with EEA relevance)  | (Text with EEA relevance)  |                       |
| Formula  |  |  |  |                       |
| 6        | THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,   | THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,   | THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,   |                       |
| Citation | 1  |  |  |                       |
| 7        | Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 50 and 114 thereof,   | Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 50 and 114 thereof,   | Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 50 and 114 thereof,   |                       |
| Citation | 2  |  |  |                       |
| 8        | Having regard to the proposal from the European Commission,  | Having regard to the proposal from the European Commission,  | Having regard to the proposal from the European Commission,  |                       |
| Citation | 3  |  |  |                       |
| 9        | After transmission of the draft legislative act to the national parliaments,   | After transmission of the draft legislative act to the national parliaments,   | tive act to the national legislative act to the national   |                       |
| Citation | 4  |  |  |                       |

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|           | CLEAN Commission Proposal   | VS.EC EP Mandate   | VS.EC Council Mandate  | vs.ec Draft Agreement |
|-----------|---|--|--|-----------------------|
| 10        | Having regard to the opinion of the European Economic and Social Committee <sup>1</sup> ,   | Having regard to the opinion of<br>the European Economic and Social<br>Committee <sup>1</sup> ,  | Having regard to the opinion of<br>the European Economic and Social<br>Committee <sup>1</sup> ,  |                       |
|           | 1. OJ C [], [], p. [].  | 1. OJ C [], [], p. [].   | 1. OJ C [], [], p. [].   |                       |
| Citation  | 5   |  |  |                       |
| 11        | Acting in accordance with the ordinary legislative procedure,   | Acting in accordance with the ordinary legislative procedure,  | Acting in accordance with the ordinary legislative procedure,  |                       |
| Formula   | 3   |  |  |                       |
| 12        | Whereas:  | Whereas:   | Whereas:   |                       |
| Recital 2 | 1   |  |  |                       |
| 13        | (1) In its Communication of 11 February 2025 entitled 'A simpler and faster Europe: Communication on implementation and simplification', the European Commission set out a vision for an implementation and simplification agenda that delivers fast and visible improvements for people and business on the ground. This requires more than an incremental approach and the Union must take bold action to achieve this goal. The Commission, the European Parliament, the Council, Member States' authorities at all levels and stakeholders need to work together to streamline and simplify EU, | (1) In its Communication of 11 February 2025 entitled 'A simpler and faster Europe: Communication on implementation and simplification and simplification', the European Commission set out a vision for an implementation and simplification agenda that delivers fast and visible improvements for people and business on the ground. This requires more than an incremental approach and the Union must take bold action to achieve this goal. The Commission, the European Parliament, the Council, Member States' authorities at all levels and stakeholders need to work together to streamline and simplify EU, | (1) In its Communication of 11 February 2025 entitled 'A simpler and faster Europe: Communication on implementation and simplification and simplification', the European Commission set out a vision for an implementation and simplification agenda that delivers fast and visible improvements for people and business on the ground. This requires more than an incremental approach and the Union must take bold action to achieve this goal. The Commission, the European Parliament, the Council, Member States' authorities at all levels and stakeholders need to work together to streamline and simplify EU, |                       |

|           | Clean Commission Proposal  | VS.EC EP Mandate   | vs.ec Council Mandate  | VS.EC Draft Agreement |
|-----------|--|--|--|-----------------------|
|           | national and regional rules and implement policies more effectively.   | national and regional rules and implement policies more effectively.   | national and regional rules and implement policies more effectively.   |                       |
|           | 1. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions of 11 February 2025, 'A simpler and faster Europe: Communication on implementation and simplification', COM/2025/47 final.   | 1. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions of 11 February 2025, 'A simpler and faster Europe: Communication on implementation and simplification', COM/2025/47 final.   | 1. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions of 11 February 2025, 'A simpler and faster Europe: Communication on implementation and simplification', COM/2025/47 final.   |                       |
| Recital 2 | 2  |  |  |                       |
| 14        | (2) In the context of the Commission's commitment to reduce reporting burdens and enhance competitiveness, it is necessary to amend Directives 2006/43/EC¹, 2013/34/EU², (EU) 2022/2464³ and (EU) 2024/1760 of the European Parliament and of the Council⁴, whilst maintaining the policy objectives of the European Green Deal⁵, and the Sustainable Finance Action Plan⁶.  1. Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253/EEC (OJ L 157, 9.6.2006, p. 87, ELI: http://data.europa.eu/eli/dir/2006/43/oj). | (2) In the context of the Commission's commitment to reduce reporting burdens and enhance competitiveness, it is necessary to amend Directives 2006/43/EC¹, 2013/34/EU², (EU) 2022/2464³ and (EU) 2024/1760 of the European Parliament and of the Council⁴, whilst maintaining the policy objectives of the European Green Deal⁵, and the Sustainable Finance Action Plan⁶.  1. Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253/EEC (OJ L 157, 9.6.2006, p. 87, ELI: http://data.europa.eu/eli/dir/2006/43/oj). | (2) In the context of the Commission's commitment to reduce reporting burdens and enhance competitiveness, it is necessary to amend Directives 2006/43/EC¹, – 2013/34/EU², (EU) 2022/2464³ and (EU) 2024/1760 of the European Parliament and of the Council⁴, whilst maintaining the policy objectives of the European Green Deal⁵, and the Sustainable Finance Action Plan⁶.  1. Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253/EEC (OJ L 157, 9.6.2006, p. 87, |                       |

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| CLEAN Commission Proposal   | vs.ec EP Mandate  | vs.ec Council Mandate  | vs.ec Draft Agreement |
|---|---|--|-----------------------|
| 2. Directive 2013/34/EU of the European                                       | 2. Directive 2013/34/EU of the European                                       | ELI: http://data.europa.eu/eli/dir/2006/43/  |                       |
| Parliament and of the Council of 26 June                                      | Parliament and of the Council of 26 June                                      | oj).   |                       |
| 2013 on the annual financial statements,                                      | 2013 on the annual financial statements,                                      | 2. Directive 2013/34/EU of the European  |                       |
| consolidated financial statements and   | consolidated financial statements and   | Parliament and of the Council of 26 June   |                       |
| related reports of certain types of   | related reports of certain types of   | 2013 on the annual financial statements,   |                       |
| undertakings, amending Directive  | undertakings, amending Directive  | consolidated financial statements and  |                       |
| 2006/43/EC of the European Parliament   | 2006/43/EC of the European Parliament   | related reports of certain types of  |                       |
| and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC | and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC | undertakings, amending Directive 2006/43/EC of the European Parliament             |                       |
| (OJ L 182, 29.6.2013, p. 19, ELI:   | (OJ L 182, 29.6.2013, p. 19, ELI:   | and of the Council and repealing Council   |                       |
| http://data.europa.eu/eli/dir/2013/34/oj).                                    | http://data.europa.eu/eli/dir/2013/34/oj).                                    | Directives 78/660/EEC and 83/349/EEC   |                       |
| 3. Directive (EU) 2022/2464 of the  | 3. Directive (EU) 2022/2464 of the  | (OJ L 182, 29.6.2013, p. 19, ELI:  |                       |
| European Parliament and of the Council of                                     | European Parliament and of the Council of                                     | http://data.europa.eu/eli/dir/2013/34/oj).   |                       |
| 14 December 2022 amending Regulation  | 14 December 2022 amending Regulation  | 3. Directive (EU) 2022/2464 of the   |                       |
| (EU) No 537/2014, Directive   | (EU) No 537/2014, Directive   | European Parliament and of the Council of  |                       |
| 2004/109/EC, Directive 2006/43/EC and   | 2004/109/EC, Directive 2006/43/EC and   | 14 December 2022 amending Regulation   |                       |
| Directive 2013/34/EU, as regards  | Directive 2013/34/EU, as regards  | (EU) No 537/2014, Directive  |                       |
| corporate sustainability reporting (OJ L                                      | corporate sustainability reporting (OJ L                                      | 2004/109/EC, Directive 2006/43/EC and  |                       |
| 322, 16.12.2022, p. 15, ELI:  | 322, 16.12.2022, p. 15, ELI:  | Directive 2013/34/EU, as regards   |                       |
| http://data.europa.eu/eli/dir/2022/2464/oj).                                  | http://data.europa.eu/eli/dir/2022/2464/oj).                                  | corporate sustainability reporting (OJ L   |                       |
| 4. Directive (EU) 2024/1760 of the  | 4. Directive (EU) 2024/1760 of the  | 322, 16.12.2022, p. 15, ELI:   |                       |
| European Parliament and of the Council of                                     | European Parliament and of the Council of                                     | http://data.europa.eu/eli/dir/2022/2464/oj).                                       |                       |
| 13 June 2024 on corporate sustainability                                      | 13 June 2024 on corporate sustainability                                      | 4. Directive (EU) 2024/1760 of the   |                       |
| due diligence and amending Directive (EU) 2019/1937 and Regulation (EU)       | due diligence and amending Directive (EU) 2019/1937 and Regulation (EU)       | European Parliament and of the Council of 13 June 2024 on corporate sustainability |                       |
| 2023/2859 (OJ L, 2024/1760, 5.7.2024,   | 2023/2859 (OJ L, 2024/1760, 5.7.2024,   | due diligence and amending Directive   |                       |
| ELI:  | ELI:  | (EU) 2019/1937 and Regulation (EU)   |                       |
| http://data.europa.eu/eli/dir/2024/1760/oj).                                  | http://data.europa.eu/eli/dir/2024/1760/oj).                                  | 2023/2859 (OJ L, 2024/1760, 5.7.2024,  |                       |
| 5. Communication from the Commission  | 5. Communication from the Commission  | ELI:   |                       |
| to the European Parliament, the European                                      | to the European Parliament, the European                                      | http://data.europa.eu/eli/dir/2024/1760/oj).                                       |                       |
| Council, the Council, the European  | Council, the Council, the European  | 5. Communication from the Commission   |                       |
| Economic and Social Committee and the   | Economic and Social Committee and the   | to the European Parliament, the European   |                       |
| Committee of the Regions of 11  | Committee of the Regions of 11  | Council, the European  |                       |
| December 2019, 'The European Green  | December 2019, 'The European Green  | Economic and Social Committee and the  |                       |
| Deal', COM/2019/640 final.  | Deal', COM/2019/640 final.  | Committee of the Regions of 11   |                       |
| 6. Communication from the Commission  | 6. Communication from the Commission  | December 2019, 'The European Green   |                       |
| to the European Parliament, the European                                      | to the European Parliament, the European                                      | Deal', COM/2019/640 final.   |                       |
| Council, the Council, the European Central Bank, the European Economic and    | Council, the Council, the European Central Bank, the European Economic and    | 6. Communication from the Commission   |                       |
| Social Committee and the Committee of   | Social Committee and the Committee of   | to the European Parliament, the European<br>Council, the Council, the European     |                       |
| Social Committee and the Committee of   | Social Committee and the Committee of   | Council, the Council, the European   |                       |

|         | CLEAN Commission Proposal   | vs.ec EP Mandate  | vs.ec Council Mandate   | vs.ec Draft Agreement |
|---------|---|---|---|-----------------------|
|         | the Regions of 8 March 2018, 'Action Plan: Financing Sustainable Growth', COM/2018/097 final. | the Regions of 8 March 2018, 'Action Plan: Financing Sustainable Growth', COM/2018/097 final. | Central Bank, the European Economic and Social Committee and the Committee of the Regions of 8 March 2018, 'Action Plan: Financing Sustainable Growth', COM/2018/097 final.   |                       |
| Recital | 2a  |   |   |                       |
| 14a     |   |   | (2a) Given the change of the scope of undertakings being subject to sustainability reporting, it would be disproportionate to require that audit firms that wish to carry out assurance of sustainability reporting are subject to requirements for approval equivalent to the ones for the approval of audit firms that carry out audits of financial statements. Such approval requirements relate to natural persons who carry out the work on behalf of the audit firm, the majority of the voting rights held by the audit firm and the majority of the members of the administrative or management body of the audit firm. Audit firms that wish to carry out assurance of sustainability reporting should only need to ensure they designate at least one key sustainability partner |                       |

|           | CLEAN   | Commission<br>Proposal   | VS.EC   | EP Mandate  | VS.EC  | Council Mandate   | VS.EC | Draft Agreement |
|-----------|---|--|---|---|--|---|-------|-----------------|
|           |   |  |   |   | condition<br>who is ap   | t satisfy the approval as for this purpose and oproved as statutory at the Member State d.  |       |                 |
| Recital 3 | 3   |  |   |   |  |   |       |                 |
| 15        | 2006/43/E0 States to en auditors and the assurant reporting in limited assurant adopted by Article 26a requires the those stands 2026. Under concerns of by the assurance of lexibility in the areas assurance. Commission those concerns of the concerns of the areas assurance. Commission the areas assurance. Commission those concerns of lexibility in the areas assurance. Commission those concerns of lexibility in the areas assurance. Commission those concerns of lexibility in the areas assurance. Commission those concerns of lexibility in the areas assurance. Commission the areas assurance. Commission the areas assurance. Commission the areas assurance. | ticle 26a(1) of Directive C requires Member insure that statutory and audit firms carry out ace of sustainability in compliance with urance standards to be a the Commission.  (3) of that Directive in adopt dards by 1 October in adopt dards by 1 October in addressing specific | 2006/43/E States to e auditors ar the assurar reporting i limited ass adopted by Article 26a requires th those stand 2026. Und concerns o by the assu have expre flexibility risks and c in the area assurance. Commission take into standards. | ticle 26a(1) of Directive C requires Member insure that statutory and audit firms carry out ince of sustainability in compliance with surance standards to be of the Commission.  (a) of that Directive in the Commission to adopt dards by 1 October in ertakings have raised out interactive in addressing specific in the takeshould duly in the takeshould duly in the takeshould duly in adopting those in adopting those in any case, the in will issue targeted | 2006/43/II<br>States to cauditors at<br>the assurare porting limited as<br>adopted by Article 26<br>requires to those stare 2026. Under concerns by the assistance of the assurance of the a | erticle 26a(1) of Directive EC requires Member ensure that statutory and audit firms carry out ance of sustainability in compliance with esurance standards to be by the Commission.  Sa(3) of that Directive the Commission to adopt adards by 1 October dertakings have raised on the work carried out surance providers and ressed the need for an in addressing specific critical issues identified as of sustainability endertaking the ion to take account of cerns, it should be given ibility in adopting those. In any case, the ion will issue targeted a guidelines by 2026 that |       |                 |

|           | Commission Proposal  | vs.ec EP Mandate   | VS.EC Council Mandate  | vs.ec Draft Agreement |
|-----------|--|--|--|-----------------------|
|           | clarify the necessary procedures that assurance providers are to perform as part of their limited assurance engagement before adopting the standards by delegated act.   | assurance guidelines by 2026 that clarify the necessary procedures that assurance providers are to perform as part of their when working on the limited assurance engagement before adopting thestandards. 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 by delegated act as planned. | clarify the necessary procedures that assurance providers are to perform as part of their limited assurance engagement before adopting the standards by delegated act.   |                       |
| Recital 4 |  |  |  |                       |
| 16        | (4) Article 26a(3), second subparagraph, of Directive 2006/43/EC empowers the Commission to adopt standards for reasonable assurance by 1 October 2028, following an assessment of feasibility. To avoid an increase in costs of assurance for undertakings, the requirement to adopt such standards for reasonable assurance should be removed. | (4) Article 26a(3), second subparagraph, of Directive 2006/43/EC empowers the Commission to adopt standards for reasonable assurance by 1 October 2028, following an assessment of feasibility. To avoid an increase in costs of assurance for undertakings, the requirement to adopt such standards for reasonable assurance should be removed.   | (4) Article 26a(3), second subparagraph, of Directive 2006/43/EC empowers the Commission to adopt standards for reasonable assurance by 1 October 2028, following an assessment of feasibility. To avoid an increase in costs of assurance for undertakings, the requirement to adopt such standards for reasonable assurance should be removed. |                       |
| Recital 4 | la   |  |  |                       |
| 16a       |  |  | (4a) Article 45 of Directive<br>2006/43/EC requires a Member<br>State to register third-country  |                       |

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| CLEAN Commission Proposal | vs.ec EP | Mandate  | vs.ec Council Mand  | date vs.ec  | Draft Agreement |
|---------------------------|----------|--|---|---|-----------------|
|                           |          | is su the total control contro | auditors and audit entities saving assurance reports bustainability information hird country entities adm to trading on a regulated of that Member State. The conditions for that registrate concern the requirements net by the majority of the members of the administrate or management body of the hird-country audit entity requirements to be met by hird country-auditor, the assurance standards to be and the publication of an arransparency report by the hird-country audit entity Moreover, Member States and ject registered third-country audit entities their systems of oversight, quality assurance systems their systems of investigate and penalties. Taking into account the current enternational landscape or regulation of sustainability eporting and its assurance considering that the regists is necessary for the validity hose assurance reports we | on the n of nitted market e ration s to be e rative he rative he e used annual ne v. s are to ountry s to s, their s and tion o n the ray ce, and tration ty of |                 |

|           | CLEAN | Commission<br>Proposal | VS.EC | EP Mandate | VS.EC  | Council Mandate   | VS.EC | Draft Agreement |
|-----------|-------|------------------------|-------|------------|--|---|-------|-----------------|
| Recital   |       |                        |       |            | those regithe first y the sustai regime w disproporthe super third-cou entities is existence adequacy for a transimplified condition from supe introduce auditors a issuing as sustainab third cou to trading of a Mem simplified on condit informati competen Member decline re | istration conditions in vears of application of inability assurance ould be rionate. In addition, rision of registered antry auditors and audit dependent on the of equivalence and/or decisions. Therefore, asitional period, diregistration is and an exemption ervision should be ed for third country and audit entities assurance reports on the oility information of ntry entities admitted g on a regulated market aber State. The diregistration is possible ion that certain ion is provided to the state and they should egistration if the ion is not provided. |       |                 |
| Recital . | )     |                        |       |            |  |   |       |                 |

|    | CLEAN Commission Proposal   | vs.ec <b>EP Mandate</b>  | vs.ec Council Mandate   | VS.EC Draft Agreement |
|----|---|--|---|-----------------------|
| 17 | (5) Article 19a(1) of Directive 2013/34/EU requires large undertakings and small and medium-sized undertakings with securities admitted to trading on an EU regulated market, excluding micro-undertakings, to prepare and publish a sustainability statement at individual level. To reduce the reporting burden on undertakings, the obligation to prepare and publish a sustainability statement at individual level should be reduced to large undertakings with an average of more than 1000 employees during the financial year. Considering that for an undertaking to be large it has to exceed two out of the three criteria in Article 3(4) of Directive 2013/34/EU, this means that to be subject toto the reporting requirements an undertakings must have an average of more than 1000 employees during the financial year and either a net turnover above EUR 50 million or a balance sheet total above EUR 25 million. | 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 10001 750 employees and a net turnover of more than EUR 450 000 000 during the financial year.  Considering that for an undertaking to be large it has to exceed two out of the three criteria in Article 3(4) of Directive | (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 reporting at individual level. The Report on The future of European competitiveness identified the sustainability reporting framework as "a major source of regulatory burden", concluding in this respect that there was a "need to better consider the size of companies affected by regulation". To reduce the reporting burden on undertakings and to achieve the objectives of reporting in a more proportionate way, the obligation to prepare and publish a sustainability statement reporting 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 |                       |

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| CLEAN | Commission<br>Proposal | VS.EC                 | EP Mandate   | VS.EC   | Council Mandate   | VS.EC | Draft Agreement |
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|       |                        | 25 million<br>managem | sheet total above EUR not involved in ent activities from g with reporting ss. | 2013/34/I subject to requirement havea net EUR 450 of more the during the defined in transposis 2013/34/I scope, which will ensure mandato reporting undertake issuers. I groups an conseque environing governant the same able to all by ESG in Undertake issuers be remain for voluntary reporting significant. | e3(4) of Directive EU, this means that to be sto the reporting ents an undertakings must at turnover exceeding 0000 000 and an average than 1000 employees e financial year, as an the national measures ing Directive EU. This more targeted thich should also apply dis groups and issuers, are that the burden of ary sustainability g is limited to the largest kings, groups and Those undertakings, and issuers are the most ential in terms of mental, social and the (ESG) impacts. At a time, they are the most estimate the costs implied reporting. It is kings, groups and elow this threshold ree to carry out a y sustainability g, a possibility that is notly facilitated by the ainability reporting |       |                 |

|         | CLEAN  | Commission<br>Proposal   | VS.EC | EP Mandate | VS.EC                                  | Council Mandate  | VS.EC | Draft Agreement |
|---------|--|--|-------|------------|--|--|-------|-----------------|
|         |  |  |       |            | introduce<br>either a ne<br>50 million | s for voluntary use ed by this Directive and et turnover above EUR 1 or a balance sheet total IR 25 million. |       |                 |
| Recital | 6  |  |       |            |  |  |       |                 |
| 18      | (6) A found bet data gene administra Sustainab the inform Article 8 2020/852 Parliamer large undo of more the during the indispensitransition economy, balance to objectives reduction burden, lathe new sureporting not exceed during the able to displace to dis | a balance needs to be ween the objectives of ration and reduction of ative burden. Sility reporting, including nation referred to in of Regulation (EU) of the European and and of the Council <sup>1</sup> , of ertakings with an average than 1000 employees a financial year is able to understand the to a climate-neutral. In the light of the composition of administrative arge undertakings within cope for sustainability that have a net turnover ding EUR 450 000 000 of financial year should be sclose information of in Article 8 of |       | deleted    |  | deleted  |       |                 |

|         | Clean Commission Proposal  | vs.ec <b>EP Mandate</b>   | vs.ec Council Mandate   | vs.ec Draft Agreement |
|---------|--|---|---|-----------------------|
|         | Regulation (EU) 2020/852 in a more flexible way. The Commission should be empowered to set out rules supplementing the reporting regime for those undertakings. It should in particular be clarified that the Commission is empowered to specify the reporting regime for activities that are only partially taxonomy aligned.  1. 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). |   |   |                       |
| Recital | 7  | ,   |   |                       |
| 19      | (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  | (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 | (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 |                       |

|           | Commission Proposal   | vs.ec EP Mandate   | vs.ec Council Mandate  | vs.ec Draft Agreement |
|-----------|---|--|--|-----------------------|
|           | that Directive, regardless of their legal form. Considering that the scope of individual sustainability reporting should be reduced to large undertakings with an average of more than 1000 employees during the financial year, that reduction in scope should also apply to credit institutions and insurance undertakings. | that Directive, regardless of their legal form. Considering that the scope of individual sustainability reporting should be reduced to large undertakings with an average of more than 10001 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.   | that Directive, regardless of their legal form. Considering that the scope of individual sustainability reporting should be reduced to large undertakings with a net turnover exceeding EUR 450 000 000 and an average of more than 1000 employees during the financial year, that reduction in scope should also apply to credit institutions and insurance undertakings. |                       |
| Recital 7 | 'a  |  |  |                       |
| 19a       |   | (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 |  |                       |

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|           |   |  | legislation, including delegated acts, guidelines by the ESAs and supervisory expectations, ought to be adapted to take into account the content of this Directive.   |   |       |                 |
| Recital 8 | 8   |  |   |   |       |                 |
| 20        | Stability I established Framework to the sustrequiremed 2013/34/I exempted reporting Directive European Council I that Direct large undelegal form Directive has a manification from the second providing assistance whose cur is largely European (ESM), which is the stability of the second providing assistance whose cur is largely European (ESM), which is the substitute of | The European Financial Facility (EFSF) and by the EFSF ark Agreement is subject tainability reporting ents set out in Directive EU, although it is a from the sustainability regime set out in 2004/109/EC of the Parliament and of the pursuant to Article 8 of etive. Despite it being a ertaking incorporated in a man listed in Annex I to 2013/34/EU, the EFSF endate - i.e. to safeguard estability in the Union by a temporary financial et to Member States rrency is the euro — that similar to the one of the Stability Mechanism which is not subject to illity reporting | (8) The European Financial Stability Facility (EFSF) established by the EFSF Framework Agreement is subject to the sustainability reporting requirements set out in Directive 2013/34/EU, although it is exempted from the sustainability reporting regime set out in Directive 2004/109/EC of the European Parliament and of the Council¹ pursuant to Article 8 of that Directive. Despite it being a large undertaking incorporated in a legal form listed in Annex I to Directive 2013/34/EU, the EFSF has a mandate - i.e. to safeguard financial stability in the Union by providing temporary financial assistance to Member States whose currency is the euro – that is largely similar to the one of the European Stability Mechanism (ESM), which is not subject to sustainability reporting | (8) The European Financial Stability Facility (EFSF) established by the EFSF Framework Agreement is subject to the sustainability reporting requirements set out in Directive 2013/34/EU, although it is exempted from the sustainability reporting regime set out in Directive 2004/109/EC of the European Parliament and of the Council¹ pursuant to Article 8 of that Directive. Despite it being a large undertaking incorporated in a legal form listed in Annex I to Directive 2013/34/EU, the EFSF has a mandate - i.e. to safeguard financial stability in the Union by providing temporary financial assistance to Member States whose currency is the euro – that is largely similar to the one of the European Stability Mechanism (ESM), which is not subject to sustainability reporting |       |                 |

|           | CLEAN Commission Proposal  | vs.ec EP Mandate   | VS.EC Council Mandate  | VS.EC Draft Agreement |
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|           | requirements. For the EFSF to benefit from the same treatment as the ESM as regards sustainability reporting, and for consistency with the exemption regime provided by Directive 2004/109/EC, the EFSF should be exempted from the regime on sustainability reporting provided by Directive 2013/34/EU.   | requirements. For the EFSF to benefit from the same treatment as the ESM as regards sustainability reporting, and for consistency with the exemption regime provided by Directive 2004/109/EC, the EFSF should be exempted from the regime on sustainability reporting provided by Directive 2013/34/EU.   | requirements. For the EFSF to benefit from the same treatment as the ESM as regards sustainability reporting, and for consistency with the exemption regime provided by Directive 2004/109/EC, the EFSF should be exempted from the regime on sustainability reporting provided by Directive 2013/34/EU.   |                       |
|           | 1. Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonization of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC (OJ L 39, 31.12.2004, p. 38, ELI: http://data.europa.eu/eli/dir/2004/109/oj). | 1. Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonization of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC (OJ L 39, 31.12.2004, p. 38, ELI: http://data.europa.eu/eli/dir/2004/109/oj). | 1. Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonization of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC (OJ L 39, 31.12.2004, p. 38, ELI: http://data.europa.eu/eli/dir/2004/109/oj). |                       |
| Recital 8 | Ba<br>   |  | (0-) A-4-1-10(1) f41   |                       |
| 20a       |  |  | (8a) Article 19(1), fourth subparagraph, of Directive 2013/34/EU requires large undertakings, and small and medium-sized undertakings, except micro undertakings, which are public-interest entities as defined in point (a) of point (1) of Article 2, that is the undertakings which are subject to mandatory sustainability                                       |                       |

|         | CLEAN   | Commission<br>Proposal   | VS.EC   | EP Mandate  | VS.EC   | Council Mandate  | VS.EC | Draft Agreement |
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|         |   |  |   |   | on key in<br>their role<br>business<br>creation.<br>consisten<br>in Article<br>the object<br>in a more<br>this requ<br>apply to<br>a net turn                                 | g, to report information tangible resources and in the undertaking's model and value. In order to ensure the second of the secon |       |                 |
| Recital | 9   |  |   |   | ı   |  |       |                 |
| 21      | 2013/34/I<br>to report i<br>undertaking<br>about its<br>necessary<br>burden for<br>value chase<br>report on<br>reporting<br>purposes<br>sustainabing<br>individual<br>as require<br>2013/34/I | erticle 19a(3) of Directive EU requires undertakings information about the ng's own operations and value chain. It is to reduce the reporting r undertakings in the in that are not required to their sustainability. The undertaking, for the of reporting ility information at l or at consolidated level, and by Directive EU, and without to Union requirements to | to report in undertakin about its v necessary reduce the undertakin that are no their sustai undertakin reporting s informatio consolidate. | U requires undertakings aformation about the g's own operations and alue chain. It is to <i>provide clarity and</i> reporting burden for gs in the value chain t required to report on inability. The reporting g, for the purposes of sustainability n at individual or at ed level, as required by 2013/34/EU, and ejudice to Union | 2013/34/I<br>to report i<br>undertaki<br>about its<br>nothing i<br>requires<br>undertak<br>informat<br>undertak<br>assuranc<br>they may<br>reporting<br>informat<br>chains th | EU requires undertakings information about the ng's own operations and value chain. However, n that Directive value chain sings to provide any ion to reporting sings nor to subject to e any information that provide. In practice, g undertakings obtain ion about their value trough various means, g contractual   |       |                 |

| CLEAN Commission Proposal            | VS.EC EP Mandate  | VS.EC Council Mandate                                 | vs.ec Draft Agreement |
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| conduct a due diligence process,     | requirements to conduct a due                             | arrangements and buying                               |                       |
| should therefore not seek to obtain  | diligence process, should therefore                       | power. There is evidence that                         |                       |
| from undertakings established in     | not seek to obtain from                                   | undertakings in the value-chain,                      |                       |
| or outside of the Union in its value | undertakings established in or                            | including small and medium-                           |                       |
| chain that have up to 1000           | outside of the Union in its value                         | sized enterprises, are receiving                      |                       |
| employees on average during the      | <del>chain that have up to 1000<mark>with an</mark></del> | disproportionate requests for                         |                       |
| financial year any information that  | average of more than 1 750                                | information from reporting                            |                       |
| goes beyond the information          | employees on average and a net                            | undertakings, notwithstanding                         |                       |
| specified in the standards for       | turnover of more than EUR 450                             | the limitations specified in                          |                       |
| voluntary use by undertakings that   | <u>000 000</u> during the financial year                  | Article 29b(4) of that Directive.                     |                       |
| are not required to report on their  | any information that goes beyond                          | It is <b>therefore</b> necessary to <del>reduce</del> |                       |
| sustainability. The reporting        | the information specified in the                          | the reporting limit the burden for                    |                       |
| undertaking should, however, be      | standards for voluntary use by                            | <b>smaller</b> undertakings in the value              |                       |
| allowed to collect from such         | undertakings that are not required                        | chain that are not required to                        |                       |
| undertakings in its value chain any  | to report on their sustainability.                        | report on their sustainability. The                   |                       |
| additional sustainability            | The reporting undertaking should                          | Reporting undertaking, for the                        |                       |
| information that is commonly         | adopt a risk-based approach,                              | purposes of reporting                                 |                       |
| shared between undertakings in       | prioritising efforts to gather                            | <b>sustainabilityundertakings</b>                     |                       |
| the sector concerned.                | information on high-risk impacts                          | should be prohibited from                             |                       |
| Undertakings reporting on their      | and sustainability issues                                 | requiring information at                              |                       |
| value chain in accordance with       | commonly associated with its                              | individual or at consolidated level,                  |                       |
| those limitations should be          | sector and, however, be allowed to                        | as required by Directive                              |                       |
| deemed to comply with the            | collect from such undertakings in                         | 2013/34/EU, and without                               |                       |
| obligation to report on their        | its value chain any additional                            | prejudice to Union requirements to                    |                       |
| sustainability. Assurance providers  | sustainability information that is                        | conduct a due diligence process,                      |                       |
| should prepare their assurance       | commonly shared between                                   | should therefore not seek to                          |                       |
| opinion respecting the obligation    | undertakings in the sector                                | obtain exceeding certain limits                       |                       |
| on undertakings not to seek to       | concerned. Where not all the                              | from undertakings established in                      |                       |
| obtain from undertakings in their    | necessary information regarding                           | or outside of the Union in itsin                      |                       |
| value chain that have up to 1000     | their value chain is available, or                        | their value chain that have up to                     |                       |
| employees on average during the      | such information is incomplete or                         | 1000 employees on average                             |                       |
| financial year any information that  | subject to legal limitations, the                         | during the financial year. At the                     |                       |

| CLEAN Commission Proposal                                  | VS.EC EP Mandate   | VS.EC Council Mandate   | VS.EC Draft Agreement |
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| goes beyond the information specified in the standards for | undertakings should be allowed to explain the efforts made to        | same time, undertakings in their value chain that have up to 1000 |                       |
| voluntary use by undertakings that                         | obtain the necessary information                                     | employees on average during the                                   |                       |
| are not required to report on their                        | about their value chain, the   | financial year <del>any information that</del>                    |                       |
| sustainability. For that purpose,                          | reasons why that information   | goes beyond the should be given a                                 |                       |
| the Commission should be                                   | could not be obtained, and their                                     | statutory right to refuse to                                      |                       |
| empowered to adopt a delegated                             | plans to obtain such information                                     | <b>provide</b> information specified in                           |                       |
| act to provide for sustainability                          | in the future. Undertakings  | the standards for voluntary use                                   |                       |
| reporting standards for voluntary                          | reporting on their value chain in                                    | byexceeding those limits. To                                      |                       |
| use by undertakings that are not                           | accordance with those limitations                                    | ensure the effectiveness of that                                  |                       |
| required to report on their                                | should be deemed to comply with                                      | right and to avoid placing a                                      |                       |
| sustainability. Those standards                            | the obligation to report on their                                    | burden on smaller companies to                                    |                       |
| should be proportionate to, and                            | sustainability. Assurance providers                                  | proactively assess whether that                                   |                       |
| relevant for, the capacities and the                       | should prepare their assurance                                       | right applies, reporting  |                       |
| characteristics of those                                   | opinion respecting the obligation                                    | undertakings that are notwhich                                    |                       |
| undertakings and to the scale and                          | on undertakings not to seek to                                       | choose to request information                                     |                       |
| complexity of their activities.                            | obtain from undertakings in their                                    | exceeding those limits should be                                  |                       |
| Those standards should also                                | value chain that have up to 10001                                    | required to report on their                                       |                       |
| specify, where possible, the                               | 750 employees and a net turnover                                     | sustainability. The reporting                                     |                       |
| structure to be used to present that                       | of up to EUR 450 000 000 on  | undertaking should, however, be                                   |                       |
| information.   | average during the financial year                                    | allowed to collect from   |                       |
|  | any information that goes beyond                                     | suchensure that undertakings in                                   |                       |
|  | the information specified in the                                     | itstheir value chain any additional                               |                       |
|  | standards for voluntary use by                                       | sustainabilitythat have up to 1000                                |                       |
|  | undertakings that are not required                                   | employees on average during the                                   |                       |
|  | to report on their sustainability.                                   | financial year are informed of                                    |                       |
|  | For that purpose, the Commission                                     | which extra information is  |                       |
|  | should be empowered to adopt a                                       | requested and of their statutory                                  |                       |
|  | delegated act to provide for   | right to decline to provide it. To                                |                       |
|  | sustainability reporting standards for voluntary use by undertakings | ensure proportionality, the scope                                 |                       |
|  | that are not required to report on                                   | of this 'value-chain cap' is limited in the following ways.       |                       |
|  | mai are not required to report on                                    | minited in the following ways.                                    |                       |

| CLEAN Commission Proposal | VS.EC EP Mandate  | VS.EC Council Mandate   | VS.EC Draft Agreement |
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|                           | 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. | First, it does not prohibit the sharing of information on a voluntary basis, such as information that is commonly shared betweenamong undertakings in thea given sector. Second, it does not affect any obligation that may exist, whether contractually or under other Union or national law, to provide information that falls within the scope of the value-chain cap. Third, the value-chain cap only applies to information gathering done for the purpose of reporting sustainability information as required by Directive 2013/34/EU. It does not affect Union requirements to conduct a due diligence process or information gathering made for any other purpose, such as for the reporting undertaking's risk management-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 |                       |

| CLEAN Commission Proposal | VS.EC EP Mandate | vs.ec Council Mandate  | VS.EC Draft Agreement |
|---------------------------|------------------|--|-----------------------|
|                           |                  | opinion respecting the obligation on undertakings not to seek to obtain fromright of undertakings in theirthe value chain that have up to 1000 employees on average during the financial year to decline to provide to the reporting undertakings 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. Those standards should, to the greatest extent possible, take account of Regulation (EC) 1221/2009 of |                       |

|           | CLEAN | Commission<br>Proposal | VS.EC   | EP Mandate   | VS.EC   | Council Mandate   | VS.EC | Draft Agreement |
|-----------|-------|------------------------|---|--|---|---|-------|-----------------|
| Recital S |       |                        |   |  | the Coun<br>It is impoundertak<br>informat<br>in their v<br>necessary<br>importan<br>informat<br>in the sta<br>use if the | pean Parliament and cil (EMAS Regulation). Ortant that reporting tings only request ion from undertakings value chain insofar as y. In particular, it is not that they request less ion than that specified andards for voluntary y do not need all the ion in those standards. |       |                 |
| Recital S | d     |                        |   |  |   |   |       |                 |
| 21a       |       |                        | adopts sus<br>standards<br>undertaki<br>sustainabi<br>voluntaril<br>to the Con<br>recommen<br>which is b<br>standard i<br>developed<br>continuity<br>the sustain<br>standards<br>adopted b<br>delegated<br>that recon | ntil the Commission stainability reporting for voluntary use, ngs that report sility information y may do so according mission adation 2025/4984, sased on the voluntary for SMEs (VSME) by EFRAG. To ensure and proportionality, mability reporting for voluntary use y the Commission as a act should be based on mmendation, and should tionate and take into |   |   |       |                 |

| CLEAN Commission Proposal | vs.ec <b>EP Mandate</b>  | VS.EC Council Mandate | VS.EC Draft Agreement |
|---------------------------|--|-----------------------|-----------------------|
| Proposal                  | 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-, mediumand long-term; and (d) contributing to a more sustainable and inclusive economy. |                       |                       |
| Recital 9a                | ,  |                       |                       |

|     | CLEAN | Commission<br>Proposal | VS.EC | EP Mandate | VS.EC  | Council Mandate   | VS.EC | Draft Agreement |
|-----|-------|------------------------|-------|------------|--|---|-------|-----------------|
| 21b |       |                        |       |            | in which subject to permitted information sustainated requirements of the control | There are circumstances a undertakings should, to assurance, be ed to omit certain tion when applying the bility reporting ments. Those tances should be ed and clarified. First, in cases the disclosure of bility information could y prejudice the cial position of an king. In such cases, the king should be allowed such information, dithat specific conditions omission are met to hat such cases remain nal and that the softhe users of reported bility information are quately protected. In text, the fact that kings not established in on are not required to the same information constitute a serious set to the commercial of the undertaking. undertakings should be emit information such as |       |                 |

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|       |                        |       |            | intellectual capital, intellectual property, know-how or the results of innovation that would qualify as a trade secrets as defined in Directive (EU) 2016/943 of the European Parliament and of the Council. Third, undertakings should be able to omit classified information. Finally, there may be information that should be kept confidential for reasons not relating to commercial prejudice, trade secrecy or classification. In particular, undertakings should be free to omit information that is to be protected from unauthorised access or disclosure according to other Union legislation or national law. Moreover, the sustainability reporting requirements should not oblige undertakings to disclose information which would be prejudicial to the privacy of natural persons or to the security of natural or legal persons. This is especially important in the current geopolitical context. Defence undertakings in particular need |       |                 |

|           | Clean Commission Proposal  | vs.ec EP Mandate   | vs.ec Council Mandate  | VS.EC Draft Agreement |
|-----------|--|--|--|-----------------------|
|           |  |  | discretion to withhold sensitive information the disclosure of which could be prejudicial to their own security or to that of other legal persons, including Member States.  |                       |
| Recital 9 | 9b   |  |  |                       |
| 21c       |  | (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. |  |                       |
| Recital 1 | .0   |  |  |                       |
| 22        | (10) Article 29c(1) of Directive 2013/34/EU allows small and medium-sized undertakings with securities admitted to trading on an EU regulated market, small and non-complex institutions and captive re(insurance) undertakings, to report | (10) Article 29c(1) of Directive 2013/34/EU allows small and medium-sized undertakings with securities admitted to trading on an EU regulated market, small and non-complex institutions and captive re(insurance) undertakings, to report   | (10) Article 29c(1) of Directive 2013/34/EU allows small and medium-sized undertakings with securities admitted to trading on an EU regulated market, small and non-complex institutions and captive re(insurance) undertakings, to report |                       |

|           | Clean Commission Proposal  | VS.EC EP Mandate   | VS.EC Council Mandate  | VS.EC Draft Agreement |
|-----------|--|--|--|-----------------------|
|           | sustainability information in accordance with the limited set of standards to be adopted by the Commission. Considering that small and medium-sized undertakings with securities admitted to trading on an EU regulated market should be excluded from sustainability reporting, the empowerment for the Commission to adopt delegated acts to provide for sustainability reporting standards for those small and medium-sized undertakings should be removed. | sustainability information in accordance with the limited set of standards to be adopted by the Commission. Considering that small and medium-sized undertakings with securities admitted to trading on an EU regulated market should be excluded from sustainability reporting, the empowerment for the Commission to adopt delegated acts to provide for sustainability reporting standards for those small and medium-sized undertakings should be removed. | sustainability information in accordance with the limited set of standards to be adopted by the Commission. Considering that small and medium-sized undertakings with securities admitted to trading on an EU regulated market should be excluded from sustainability reporting, the empowerment for the Commission to adopt delegated acts to provide for sustainability reporting standards for those small and medium-sized undertakings should be removed.  References to Article 29c should accordingly be deleted from that Directive. |                       |
| Recital : | 11   |  |  |                       |
| 23        | (11) Article 19a(7) of Directive 2013/34/EU allows small and medium-sized undertakings with securities admitted to trading on an EU regulated market to opt out from sustainability reporting for the first two years of application of those requirements. Considering that small and medium-sized undertakings should be excluded from the sustainability reporting,   | (11) Article 19a(7) of Directive 2013/34/EU allows small and medium-sized undertakings with securities admitted to trading on an EU regulated market to opt out from sustainability reporting for the first two years of application of those requirements. Considering that small and medium-sized undertakings should be excluded from the sustainability reporting,   | (11) Article 19a(7) of Directive 2013/34/EU allows small and medium-sized undertakings with securities admitted to trading on an EU regulated market to opt out from sustainability reporting for the first two years of application of those requirements. Considering that small and medium-sized undertakings should be excluded from the sustainability reporting,   |                       |

|           | Commission Proposal   | vs.ec EP Mandate  | VS.EC Council Mandate  | VS.EC Draft Agreement |
|-----------|---|---|--|-----------------------|
|           | the provision allowing for the two-<br>year opt out should be removed.  | the provision allowing for the two-<br>year opt out should be removed.  | the provision allowing for the two-<br>year opt out should be removed.   |                       |
| Recital 1 | 2   |   |  |                       |
| 24        | (12) Article 29a(1) of Directive 2013/34/EU requires parent undertakings of large groups to prepare and publish a sustainability statement at consolidated level. To reduce the reporting burden on those parent undertakings, the scope of that obligation should be reduced to parent undertakings of large groups with an average of more than 1000 employees, on a consolidated basis, during the financial year. | (12) Article 29a(1) of Directive 2013/34/EU requires parent undertakings of large groups to prepare and publish a sustainability statement at consolidated level. To reduce the reporting burden on those parent undertakings, the scope of that obligation should be reduced to parent undertakings of <i>large</i> groups with an average of more than 10001 750 employees and a net turnover of more than EUR 450 000 000, on a consolidated basis, during the financial year. | (12) Article 29a(1) of Directive 2013/34/EU requires parent undertakings of large groups to prepare and publish a sustainability statementreporting 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 a net turnover exceeding EUR 450 000 000 and an average of more than 1000 employees, on a consolidated basis, during the financial year as defined in the national measures transposing Directive 2013/34/EU. |                       |
| Recital 1 | 2a  |   |  |                       |
| 24a       |   | (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  | (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  |                       |

| CLEAN Commis Proposa | VS.EC RIP Mand                                 | ate VS.EC               | Council Mandate                                  | VS.EC | Draft Agreement |
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|                      | simplification and stre                        | amlining of on the si   | mplification and                                 |       |                 |
|                      | sustainability reportin                        |                         | ning of sustainability                           |       |                 |
|                      | Commission should ac                           |                         | g the Commission will                            |       |                 |
|                      | delegated act as soon of                       |                         | lelegated act as soon as                         |       |                 |
|                      | and at the latest six me                       | -                       | and at the latest six                            |       |                 |
|                      | the entry into force of                        | this months a           | ifter the entry into force                       |       |                 |
|                      | Directive, to revise the                       | first set of of this di | rective, to revise the                           |       |                 |
|                      | ESRS to substantially                          | reform the first set of | of ESRS to substantially                         |       |                 |
|                      | standards by: (i) remo                         |                         | he standards by: (i)                             |       |                 |
|                      | <u>datapoints deemed lea</u>                   |                         | g datapoints deemed                              |       |                 |
|                      | important for general                          |                         | ortant for general                               |       |                 |
|                      | sustainability reporting                       |                         | sustainability reporting,                        |       |                 |
|                      | prioritising quantitativ                       | · / I                   | itising quantitative                             |       |                 |
|                      | indicators over narrat                         |                         | ts over narrative text                           |       |                 |
|                      | providing clear instruc                        |                         | further distinguishing                           |       |                 |
|                      | how to apply the mate                          |                         | mandatory and                                    |       |                 |
|                      | principle, to ensure th                        |                         | y datapoints. The                                |       |                 |
|                      | undertakings are only                          |                         | will clarify provisions                          |       |                 |
|                      | report material inform                         |                         | deemed unclear. It will                          |       |                 |
|                      | to reduce the risk that                        | -                       | consistency with other                           |       |                 |
|                      | service providers inad                         |                         | EU legislation,                                  |       |                 |
|                      | encourage undertakin                           |                         | g financial services                             |       |                 |
|                      | information that is not                        |                         | n. It will provide                               |       |                 |
|                      | or dedicate excessive r                        |                         | nstructions on how to                            |       |                 |
|                      | the materiality assessm                        | 110                     | e materiality principle,                         |       |                 |
|                      | process, (iv) improving consistency with other |                         | e that undertakings are uired to report material |       |                 |
|                      | EU legislation, includ                         |                         | ion, and to reduce the                           |       |                 |
|                      | financial services legis                       |                         | assurance service                                |       |                 |
|                      | ensuring to the greate                         |                         | s inadvertently                                  |       |                 |
|                      | possible interoperabili                        |                         | ge undertakings to                               |       |                 |
|                      | possible interoperability                      |                         | formation that is not                            |       |                 |
|                      |  | Teport                  | ioi mation that is not                           |       |                 |

|           | CLEAN | Commission<br>Proposal | vs.ec EP Mandate  | vs.ec Council Mandate  | vs.ec Draft Agreement |
|-----------|-------|------------------------|---|--|-----------------------|
|           |       |                        | global sustainability reporting standards.  | necessary or dedicate excessive resources to the materiality assessment process. It will simplify the structure and presentation of the standards. It will further enhance the already very high degree of interoperability with global sustainability reporting standards. If appropriate in light of the goal of reducing burden and providing clarification, it will also introduce provisions regarding the specific situation of financial sector undertakings. It will also make any other modifications that may be considered necessary considering the experience of the first application of ESRS. |                       |
| Recital 1 | L2b   |                        |   |  |                       |
| 24b       |       |                        | (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 |  |                       |

|           | Clean Commission Proposal  | vs.ec EP Mandate  | VS.EC Council Mandate  | vs.ec Draft Agreement |
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|           |  | acquisitions of subsidiaries that are not reporting yet, parent undertaking should benefit of a 24 months transition period.  |  |                       |
| Recital 2 | 13   |   |  |                       |
| 25        | (13) Article 29b(1), third subparagraph, Directive 2013/34/EU empowers the Commission to adopt sectorspecific 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. | (13) Article 29b(1), third subparagraph, Directive 2013/34/EU empowers the Commission to adopt sectorspecific 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 | (13) Article 29b29 (1), third subparagraph, Directive 2013/34/EU empowers the Commission to adopt sectorspecific 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. Depending on the demand from undertakings subject to sustainability reporting requirements of the Directive 2013/34/EU, the Commission could support undertakings by providing sector-specific guidance that illustrates and facilitates the application of ESRS within a given sector, including guidance on the conduct of the double materiality assessment aimed at identifying sustainability |                       |

|           | CLEAN Commission Proposal   | vs.ec EP Mandate  | VS.EC Council Mandate   | vs.ec Draft Agreement |
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| Recital : | 14  | on consultation with relevant<br>stakeholders.  | matters likely to be material for<br>a typical undertaking operating<br>in that sector. Where<br>appropriate, relevant<br>international standards may be<br>taken into account.   |                       |
| necital.  |   | (14) Artisla 201(4) aCD: 1:   | (14) Artisla 201(4) afficial  |                       |
| 26        | (14) Article 29b(4) of Directive 2013/34/EU requires sustainability reporting standards to not specify disclosures requiring undertakings to obtain from small and mediumsized 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 | (14) Article 29b(4) of Directive 2013/34/EU requires sustainability reporting standards to not specify disclosures requiring undertakings to obtain from small and mediumsized 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 | (14) Article 29b(4) of Directive 2013/34/EU requires sustainability reporting standards to not specify disclosures requiring undertakings to obtain from small and mediumsized 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 smaller undertakings in the value chain that are not required to report on their sustainability, the |                       |

|           | Clean Commission Proposal  | vs.ec EP Mandate  | vs.ec Council Mandate  | vs.ec Draft Agreement |
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|           | 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. | sustainability reporting standards should not specify disclosures requiring undertakings to obtain from undertakings in their value chain that have up to 10001 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. | 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. |                       |
| Recital 1 | 14a  | l   |  |                       |
| 26a       |  |   | (14a) 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/XXX, 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                       |                       |

| CLEAN Commission Proposal   | vs.ec EP Mandate  | VS.EC Council Mandate   | VS.EC Draft Agreement |
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|   |   | adopted by the Commission as a delegated act should be based on that recommendation.  |                       |
| Recital 15  |   |   |                       |
| (15) Article 29d of Directive 2013/34/EU requires undertaking subject to the requirements in Articles 19a and 29a of that Directive to prepare their management report, or consolidated management report, where applicable, in the electronic reporting format specified in Article 3 of Commission Delegated Regulation (EU) 2019/815¹ 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 Council², 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. | subject to the requirements in Articles 19a and 29a of that Directive to prepare their management report, or consolidated management report, where applicable, in the electronic reporting format specified in Article 3 of Commission Delegated Regulation (EU) 2019/815¹ 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 Council², 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 | (15) Article 29d of Directive 2013/34/EU requires undertakings subject to the requirements in Articles 19a and 29a of that Directive to prepare their management report, or consolidated management report, where applicable, in the electronic reporting format specified in Article 3 of Commission Delegated Regulation (EU) 2019/815¹ 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 Council², 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 |                       |

|            | CLEAN Commission Proposal   | vs.ec EP Mandate   | VS.EC Council Mandate   | VS.EC Draft Agreement |
|------------|---|--|---|-----------------------|
|            | are should not be required to mark-up their sustainability reporting.  1. 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).  2. 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). | that Delegated Regulation undertakings-are should not be required to mark-up their sustainability reporting.  1. 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). 2. 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). | are should not be required to mark-up their sustainability reporting.  1. 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).  2. 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). |                       |
| Recital 28 | (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   | (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 <i>the followingcertain</i> documents are drawn up and published in accordance with the requirements of that Directive. To provide flexibility <i>do</i> -for  | (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 followingcertain documents are drawn up and published in accordance with the requirements of that Directive. To provide flexibility do for  |                       |

|           | Clean Commission Proposal   | vs.ec EP Mandate  | VS.EC Council Mandate   | VS.EC Draft Agreement |
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|           | 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. | undertakings and reduce their reporting burden, it should be specified 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. | undertakings and reduce their reporting burden, itfor Member States who may have different legal systems, they should be specifiedgiven an option to 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. |                       |
| Recital 1 | 17  |   |   |                       |
| 29        | (17) Pursuant to Article 40a(1), fourth and fifth subparagraph of Directive 2013/34/EU, a subsidiary in the Union of a third-county undertaking that generates a net turnover of more than EUR 150 million in the Union, or, in the absence of such subsidiary, a branch in the Union that generates a net turnover of more than EUR 40 million, is to publish and make accessible sustainability information at the group level of                               | (17) Pursuant to Article 40a(1), fourth and fifth subparagraphsubparagraphs of Directive 2013/34/EU, a subsidiary in the Union of a third-countythird-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  | (17) Pursuant to Article 40a(1), fourth and fifth subparagraph of Directive 2013/34/EU, a subsidiary in the Union of a third-countythird-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   |                       |

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|           | 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. | sustainability information at the group level of the third-country parent undertaking. To reach eloser alignment with the eriteria 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, and in order to ensure a level playing field, the size for a subsidiary undertaking and a branch to be in scope of Article 40a should be adjusted. The size of the subsidiary undertaking should be that of a large undertaking, whilst the net turnover criteria for and the branch should be raised from EUR 40 000 000 to EUR 50 000 000, to align with theset at a net turnover threshold for large undertakings of more than EUR 450 000 000. | 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. <b>Furthermore</b> , 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. |                       |
| Recital 1 | <br>  |   |   |                       |
| 30        | (18) Article 5(2), first subparagraph, of Directive (EU) 2022/2464 specifies the dates by which the Member States are to  | (18) Article 5(2), first subparagraph, of Directive (EU) 2022/2464 specifies the dates by which the Member States are to  | (18) Article 5(2), first subparagraph, of Directive (EU) 2022/2464 specifies the dates by which the Member States are to  |                       |

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|           | Clean Commission Proposal  | vs.ec EP Mandate  | vs.ec Council Mandate   | vs.ec Draft Agreement |
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|           | 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. | 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 10001 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. | 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 a net turnover exceeding EUR 450 000 000 and 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. |                       |
| Recital 1 | .88  |   | (10.)   |                       |
| 30a       |  |   | (18a) It is important to ensure legal certainty regarding this reduction in scope, especially regarding the material scope of the relevant provisions at each point in time. Accordingly,   |                       |

| CLEAN | Commission<br>Proposal | VS.EC | EP Mandate | VS.EC   | Council Mandate   | VS.EC | Draft Agreement |
|-------|------------------------|-------|------------|---|---|-------|-----------------|
| CLEAN |                        | VS.EC | EP Mandate | Article 5(2 point (a) of 2022/2464, undertakin Directive, slimit its apfinancial y 2024. For a starting on 2027, Artic subparagr Directive (second set subject to apply. Accundertakin point (a) b as amende will fall ou this Direct years start January 20 with a view as swiftly a States show | c), first subparagraph, f Directive (EU), on the first set of a subject to that should be amended to oplication to three ears from 1 January financial years a or after 1 January cle 5(2), first eaph, point (b) of EU) 2022/2464, on the of undertakings that Directive, should | VS.EC | Draft Agreement |
|       |                        |       |            | reporting of<br>the financi<br>between 1<br>December  | obligations as regards ial years beginning January 2025 and 31 2026. Member States  |       |                 |
|       |                        |       |            | _   | ed to implement this<br>in a way that ensures   |       |                 |

|           | Clean Commission Proposal  | vs.ec EP Mandate  | VS.EC Council Mandate   | VS.EC Draft Agreement |
|-----------|--|---|---|-----------------------|
|           |  |   | compliance with the principle of legal certainty.   |                       |
| Recital 1 | 9  |   |   |                       |
| 31        | (19) Article 5(2), third subparagraph, of Directive (EU) 2022/2464 specifies the dates by which the Member States are to apply the sustainability reporting requirements set out in Directive 2004/109/EC, with different dates depending on the size of the issuer concerned. Considering that the scope of the individual sustainability reporting requirements should be reduced to include only large undertakings with more than 1000 employees on average during the financial year, and that the scope of the consolidated sustainability reporting requirements should be reduced accordingly, the criteria for determining the dates of application should be adjusted, and the reference to small and medium-sized undertakings should be removed. | (19) Article 5(2), third subparagraph, of Directive (EU) 2022/2464 specifies the dates by which the Member States are to apply the sustainability reporting requirements set out in Directive 2004/109/EC, with different dates depending on the size of the issuer concerned. Considering that the scope of the individual sustainability reporting requirements should be reduced to include only <i>large</i> -undertakings with more than <i>10001 750</i> employees <i>and a net turnover of more than EUR 450 000 000</i> on average during the financial year, and that the scope of the consolidated sustainability reporting requirements should be reduced accordingly, the criteria for determining the dates of application should be adjusted, and the reference to small and medium-sized undertakings should be removed. | (19) Article 5(2), third subparagraph, of Directive (EU) 2022/2464 specifies the dates by which the Member States are to apply the sustainability reporting requirements set out in Directive 2004/109/EC, with different dates depending on the size of the issuer concerned. Considering that the scope of the individual sustainability reporting requirements should be reduced to include only large undertakings with a net turnover exceeding EUR 450 000 000 and 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. |                       |
| Recital 1 | .9a  |   |   |                       |

|     | CLEAN | Commission<br>Proposal | VS.EC | EP Mandate | VS.EC  | Council Mandate  | VS.EC | Draft Agreement |
|-----|-------|------------------------|-------|------------|--|--|-------|-----------------|
| 31a |       |                        |       |            | legal cer reduction regarding the relevation point in Article 5 subparation Directive first set of Directive first set of Directive financial 2024. For starting 2027, Article second second second second second second second financial after 1 Jecuniary possible, be able to second se | It is important to ensure retainty regarding this on in scope, especially ag the material scope of vant provisions at each time. Accordingly, 5(2), third graph, point (a) of e (EU) 2022/2464, on the of issuers subject to that e, should be amended to application to three I years from 1 January or financial years on or after 1 January or financial years on or after 1 January or financial years (EU) 2022/2464, on the et of issuers subject to ective, should apply. In the et of issuers that fall to oint (a) but outside of (b), as amended by this e, will fall outside of the this Directive as of I years starting on or fanuary 2027. The eless, with a view to g burden as swiftly as the exempt such issuers porting obligations as |       |                 |

|            | CLEAN | Commission<br>Proposal | VS.EC | EP Mandate | vs.ec Council Mandate  | VS.EC | Draft Agreement |
|------------|-------|------------------------|-------|------------|--|-------|-----------------|
|            |       |                        |       |            | regards the financial years beginning between 1 January 2025 and 31 December 2026. Member States are required to implement this derogation in a way that ensures compliance with the principle of legal certainty.   |       |                 |
| Recital 19 | 9b    |                        |       |            |  |       |                 |
| 31b        |       |                        |       |            | (19aa) Due to the change in the scope of undertakings subject to sustainability reporting obligation, the review clause included in Article 6(1) should be adjusted. In order to ensure that the Union's objective of enabling the disclosure of sufficient data on corporate sustainability, the Commission should assess the appropriateness of the scope of Directive (EU) 2022/2464 as amended by this Directive. It is appropriate for that review to be based on, in particular, an analysis of the needs for sustainability data to mobilise private investments towards EU Green Deal objectives on the one hand, and the influence of sustainability reporting on the |       |                 |

|           | CLEAN | Commission<br>Proposal | VS.EC | EP Mandate | VS.EC Council Mandate   | VS.EC | Draft Agreement |
|-----------|-------|------------------------|-------|------------|---|-------|-----------------|
|           |       |                        |       |            | competitiveness of the EU undertakings on the other hand. It is also important that the review take into account the best practices developed and the actual level of preparedness of undertakings to provide sustainability disclosures under that Directive. To this end and in the light of the proportionality principle, when considering the possible extension of the scope, it is important that the Commission consider whether to balance this extension with a possibility to establish a simplified reporting regime. |       |                 |
| Recital 1 | 19с   |                        |       |            |   |       |                 |
| 31c       |       |                        |       |            | (19b) In the context of this and other ongoing and future initiatives, including simplification initiatives, it is important to ensure coherence between the sustainability information that undertakings must disclose, on the one hand, and the information that financial market participants subject to the disclosure obligations of Regulation (EU)   |       |                 |

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|           | CLEAN | Commission<br>Proposal | VS.EC | EP Mandate | VS.EC Council Mandate   | VS.EC | Draft Agreement |
|-----------|-------|------------------------|-------|------------|---|-------|-----------------|
|           |       | Proposal               |       |            | 2019/2088 need in order to comply with those obligations, on the other. This Directive does not remove the obligation for the sustainability reporting standards adopted under Article 29b(1) of Directive 2013/34/EU to require disclosure, by the undertakings and parent undertakings within scope, of at least the latter information. Maintaining coherence more broadly, including as regards undertakings outside of the scope of the mandatory sustainability reporting standards, will require careful attention from the Commission and co-legislators in the context of these initiatives. This is particularly important with EU's financial services legislation, which concerns many institutions that have to fulfil their obligations arising from the corporate sustainability reporting directive, the sustainable finance regulation and sector-specific financial services legislation. |       |                 |
| Recital : | 19d   |                        |       |            |   |       |                 |

|     | CLEAN | Commission<br>Proposal | VS.EC | EP Mandate | VS.EC  | Council Mandate   | VS.EC | Draft Agreement |
|-----|-------|------------------------|-------|------------|--|---|-------|-----------------|
| 31d |       |                        |       |            | does not ai compreher the protect or the envi context of Instead, it national la due diligen companies respect, an implement plans, ther companies market con developme processes a rather that specific leg operate to indirectly, environme legal obliga amongst m labour, wo equality laworkplace including thazardous construction building zo | rective (EU) 2024/1760 im to provide a nsive framework for tion of human rights ironment in the companies' operation. aims to harmonise aw concerning general nee obligations on such is, liability in that not the adoption and tation of transition reby ensuring that is active in the internal ntribute to sustainable ent. Due diligence are complementary to, in replacing, the gal obligations that protect, directly or human rights or the ent. Those specific ations include, nany other examples, orking time and the ent in the ent |       |                 |

|           | CLEAN | Commission<br>Proposal | VS.EC | EP Mandate | VS.EC Council Mandate  | VS.EC | Draft Agreement |
|-----------|-------|------------------------|-------|------------|--|-------|-----------------|
|           |       |                        |       |            | safety. All such legal obligations fall outside of the scope of this Directive, unless and insofar as they lay down general due diligence obligations. To increase legal certainty and to ensure that the necessary regulatory freedom is explicitly preserved, Article 1 of Directive (EU) 2024/1760 should be amended to further clarify the limits of the Directive's scope.  |       |                 |
| Recital 1 | L9e   |                        |       |            |  |       |                 |
| 31e       |       |                        |       |            | (19d) Directive (EU) 2024/1760 imposes wide-ranging due diligence obligations on relevant companies. Because of this, its scope is limited to particularly large companies. Nevertheless, the Report on <i>The future of European competitiveness</i> identified the due diligence framework as "a major source of regulatory burden", concluding in this respect that there was a "need to better consider the size of companies affected by regulation". Furthermore, this Directive can best achieve its objectives as regards the very largest |       |                 |

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|         | CLEAN  | Commission<br>Proposal   | VS.EC   | EP Mandate   | VS.EC   | Council Mandate  | VS.EC | Draft Agreement |
|---------|--|--|---|--|---|--|-------|-----------------|
|         |  |  |   |  | greatest is value chasen numa environmesources diligence these reathe cruci simplification Directive particula 450 000 (2(2) show billion, a 000 empl | es, which have the influence over their ain, the greatest impact in rights and the nent, and the greatest is to implement due diligently. For all of sons, and in line with all objective of ation, the scope of this e should be reduced. In ar, the threshold of EUR 1000 in Article 2(1) and all did be raised to EUR 1.5 and the threshold of 1 loyees in Article 2(1) e raised to 5 000 es. |       |                 |
| Recital | 20   |  |   |  |   |  |       |                 |
| 32      | (EU) 2024<br>States from<br>national la<br>field cove<br>laying dovenvironment<br>obligation<br>laid down<br>and Articl<br>To ensure | article 4(1) of Directive 4/1760 prohibits Member m introducing, in their aw, provisions within the ared by the Directive with human rights and ental due diligence as diverging from those in Article 8(1) and (2), le 10(1) of that Directive. In that Member States do yound that Directive and | (EU) 2024<br>States from<br>national la<br>field cover<br>laying dow<br>environme<br>obligations<br>laid down<br>and Article<br>To ensure | rticle 4(1) of Directive /1760 prohibits Member in introducing, in their w, provisions within the red by the Directive vn human rights and ental due diligence is diverging from those in Article 8(1) and (2), at 10(1) of that Directive. That Member States do and that Directive and | (EU) 202<br>States fro<br>national I<br>field cove<br>laying do<br>environm<br>obligation<br>laid down<br>and Artice<br>and 11(1)                     | article 4(1) of Directive 4/1760 prohibits Member of introducing, in their aw, provisions within the ered by the Directive with human rights and mental due diligence in diverging from those in Article 8(1) and (2), le 10(1)Articles 10(1) ) of that Directive. To at Member States do not  |       |                 |

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| to avoid the creation of a fragmented regulatory landscape resulting in legal uncertainty and unnecessary burden, the full harmonisation provisions of Directive (EU) 2024/1760 should be expanded to additional provisions regulating the core aspects of the due diligence process. That includes, in particular, the identification duty, the duties to address adverse impacts that have been or should have been identified, the duties to engage with stakeholders in certain cases, and the duty to provide for a complaints and notification mechanism. At the same time, Member States should be allowed to introduce more stringent or more specific | 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 <i>provisions on due diligence at group level</i> , identification duty, the duties to address adverse impacts that have been or should have been identified, <i>prioritisation</i> , 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 | go beyond that Directive and to avoid the creation of a fragmented regulatory landscape resulting in legal uncertainty and unnecessary burden, the full harmonisation provisions of Directive (EU) 2024/1760 should be expanded to additional provisions regulating the core aspects of the due diligence process. That includes, in particular, the identification duty, the duties to address adverse impacts that have been or should have been identified, the duties to engage with stakeholders in certain cases, and the duty to provide for a complaints and notification mechanism. At the same time, Member States should continue to be allowed to introduce more stringent or more | VS.EC Draft Agreement |
| provisions on other aspects, including to address emerging risks linked to new products or services.   | continue to be allowed to introduce more stringent or more specific or maintain provisions on other aspects, including to address emerging risks linked to new 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,   | specific provisions on other aspects or provisions on due diligence that are more specific in terms of the objective or the field covered. The latter concept includes provisions of national law regulating specific adverse impacts or specific sectors of activity, in order to achieve a different level of protection of human, employment and social   |                       |

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|         | CLEAN   | Commission<br>Proposal   | vs.ec EP Mandate  | vs.ec Council Mandate  | vs.ec Draft Agreement |
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|         |   |  | employment and social rights, the environment or the climate.   | rights, the environment or the climate. To increase legal certainty and to ensure necessary regulatory freedom, in particular as regards, including to address emerging specific risks linked to newfor which due diligence obligations may be important, this concept should be further clarified.  It should be clarified that the concept includes due diligence obligations concerning specific products or, services, or situations. Conversely, national rules going beyond a specific objective or field, for instance by regulating the due diligence process in general or regulating due diligence in a whole sector, do not fall within this concept. |                       |
| Recital | 21  |  |   |  |                       |
| 33      | (EU) 2024<br>States to e<br>companie<br>conduct ri<br>and enviro<br>To reduce | rticle 5 of Directive 4/1760 obliges Member ensure that large s above a certain size isk-based human rights onmental due diligence. burdens on companies to comply with that | (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 <i>ensure effectiveness</i> , reduce burdens on companies that have to | (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 Article 8 requires those companies that   |                       |

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| obligation, the required due          | comply with that obligation and                        | have to comply with that             |                       |
| diligence should, as a general rule,  | ensure that their resources are                        | obligation, theto take appropriate   |                       |
| be limited to the company's own       | used purposefully, the required                        | measures to identify and assess      |                       |
| operations, those of its subsidiaries |  | adverse impacts, taking into         |                       |
| and those of its direct business      | rule, be limited to the company's                      | account relevant risk factors.       |                       |
| partners ('tier 1'). Consequently,    | own operations, those of its                           | Companies should be required         |                       |
| when it comes to business             | subsidiaries and those of its direct                   | due diligence should, as a general   |                       |
| relationships, companies should,      | business partners ('tier 1').                          | rule, be limited to the company'sto  |                       |
| after having mapped their chains      | Consequently, when it comes to                         | conduct a scoping exercise to        |                       |
| of activities, be required to carry   | business relationships,                                | identify areas across their own      |                       |
| out in-depth assessments as           | companies and measures taken                           | operations, those of itstheir        |                       |
| regards direct business partners      | should, after having mapped their                      | subsidiaries and, where related to   |                       |
| only. Companies should, however,      | chains of activities, be required to                   | their chains of activities, those of |                       |
| look beyond their direct business     | carry out in-depth assessments as                      | itstheir direct business partners    |                       |
| relationships where they have         | regards direct business partners                       | ('tier 1'). Consequently, when it    |                       |
| plausible information that suggests   | only. Companies should, however,                       | comes to business relationships,     |                       |
| an adverse impact at the level of     | look beyond their direct business                      | companies should, after having       |                       |
| an indirect business partner.         | relationships where they have                          | mapped their chains of activities,   |                       |
| Plausible information means           | plausible information that                             | be required to carry out in-depth    |                       |
| information of an objective           | suggests an adverse impact at the                      | assessments as regards direct        |                       |
| character that allows the company     | <del>level of an indirect <mark>take into</mark></del> | business partners only. Companies    |                       |
| to conclude that there is a           | account relevant risk factors,                         | should, however, look beyond         |                       |
| reasonable likelihood that the        | including company-level risk                           | their direct business relationships  |                       |
| information is true. This may be      | factors, such as whether the                           | where they have plausible            |                       |
| the case where the company            | business partner. <i>Plausible</i>                     | information that suggests an         |                       |
| concerned has received a              | information means information of                       | adverse impact at the level of an    |                       |
| complaint or is in the possession     | an objective character that allows                     | indirect business partner. Plausible |                       |
| of information, for example           | the is not a company to conclude                       | information means information of     |                       |
| through credible media or NGO         | that there is a reasonable                             | an objective character that allows   |                       |
| reports, reports of recent            | likelihood that the information is                     | the company to conclude that there   |                       |
| incidents, or through recurring       | true. This may be the case where                       | is a reasonable likelihood that the  |                       |
| problems at certain locations         | the company concerned has                              | information is true. This may be     |                       |

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| about likely or actual harmful         | received a complaint or is in the                     | the case where the company            |                       |
| activities at the level of an indirect | possession of information, for                        | concerned has received a              |                       |
| business partner. Where the            | example through credible media                        | complaint or is in the possession     |                       |
| company has such information, it       | or NGO reports, reports of recent                     | of information, for example           |                       |
| should carry out an in-depth           | incidents, or through recurring                       | through credible media or NGO         |                       |
| assessment. Companies should           | problems at certain locations                         | reports, reports of recent            |                       |
| also carry out in-depth                | about likely or actual harmful                        | incidents, or through recurring       |                       |
| assessments with respect to            | activities atcovered by this                          | problems at certain locations         |                       |
| adverse impacts arising beyond         | Directive, business operation risk                    | aboutimpacts are likely or actual     |                       |
| their direct business partner where    | factors, geographic and                               | harmful activities at the level of an |                       |
| the structure of this business         | contextual risk factors, such as                      | indirect business partner. Where      |                       |
| relationship lacks economic            | the level of <del>an indirect business</del>          | the company has such information,     |                       |
| rationale and suggests that it was     | partner. Where the company has                        | it shouldto occur and carry out an    |                       |
| chosen to remove an otherwise          | such information, it should carry                     | in-depth assessment in the areas      |                       |
| direct supplier with harmful           | <del>out an in-depth assessment<mark>law</mark></del> | where adverse impacts were            |                       |
| activities from the purview of the     | enforcement with respect to the                       | identified to be most likely to       |                       |
| company. Where the in-depth            | type of adverse impacts; product                      | occur and most severe. Under          |                       |
| assessment confirms the likelihood     | and service risk factors, and                         | this risk-based scoping               |                       |
| or existence of the adverse impact,    | sectoral risk factors. Companies                      | approach, companies are not           |                       |
| it should then be deemed to be         | should <del>also</del> carry out <del>in-depth</del>  | required to identify and assess       |                       |
| identified. In addition, companies     | assessments with respect tothe                        | every single entity or risk where     |                       |
| should seek to ensure that their       | scoping to identify general areas                     | that would not be reasonable          |                       |
| code of conduct – which is part of     | where adverse impacts arising                         | taking into account the               |                       |
| their due diligence policy and sets    | beyond their direct business                          | circumstances of the specific         |                       |
| out the expectations as to how to      | partner where the structure of this                   | case. In the same vein,               |                       |
| protect human, including labour,       | <del>business relationship lacks</del>                | companies should only be              |                       |
| rights and the environment in          | economic rationale and suggests                       | required to take reasonable           |                       |
| business operations – is followed      | that it was chosen to remove an                       | measures in gathering the             |                       |
| throughout the chain of activities     | otherwise direct supplier with                        | necessary information. When           |                       |
| in accordance with contractual         | harmful activities from the                           | identifying and assessing             |                       |
| cascading and SME support.             | purview of the company. Where                         | adverse impacts, the company          |                       |
|  | the in-depth assessment confirms                      | should take into account, based       |                       |

| CLEAN Commission Proposal | vs.ec EP Mandate  | VS.EC Council Mandate  | VS.EC Draft Agreement |
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|                           | the likelihood or existence of the adverse impact, it should then be deemed are most likely to occur and to be identified. In addition, most severe. Based on the results of scoping the companies should seek to ensure that their code of conduct—which is part of their due diligence policy and sets out the expectations as to how to protect human, including labour, rights and the environment in business operations—is followed throughout the chain of activities in accordance with contractual caseading and SME support 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. | on an overall assessment, relevant risk factors, including company-level risk factors, such as whether the business partner is not a company covered by this Directive; business operation risk factors; geographic and contextual risk factors, such as the level of law enforcement with respect to the type of adverse impacts; product and service risk factors; and sectoral risk factors. Companies should also earry out in depth assessments with respect to adverse impacts arising beyond their directidentify and assess the impact of existing business partner where the structure of this business relationship lacks economic rationale and suggests that it was chosen to remove an otherwise direct supplier with harmful activities from the purview of the company. Where the in-depth assessment confirms the likelihood or existence of the adverse impact, it should then be deemed to be identified. In addition, companies should seek to ensure that their code of conduct which is part of their due diligence |                       |

|           | CLEAN | Commission<br>Proposal | VS.EC | EP Mandate | VS.EC Council Mandate   | VS.EC | Draft Agreement |
|-----------|-------|------------------------|-------|------------|---|-------|-----------------|
|           |       |                        |       |            | policy and sets out the expectations as to how to protect humanmodels and strategies, including labour, rights and the environment in business operations—is followed throughout the chain of activities in accordance with contractual cascading and SME supporttrading, procurement and pricing practices.  |       |                 |
| Recital 2 | 21a   |                        |       |            |   |       |                 |
| 33a       |       |                        |       |            | (21a) Furthermore, with a view to reducing burdens and achieving the objectives of Directive (EU) 2024/1760 in a more proportionate way, this scoping exercise should 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 be required to carry out in-depth assessments as regards direct business partners only. Companies should, however, look beyond their direct business relationships where they have, |       |                 |

| CLEAN | nmission vs.ec | EP Mandate | VS.EC Council Mandate   | vs.ec Draft Agreem | ent |
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|       |                |            | or can be reasonably expected to know of, objective and verifiable information that suggests an adverse impact at the level of an indirect business partner. In order to be able to do this, companies should map their chains of activities to identify their indirect business partners, based on reasonably available information. Objective and verifiable information is information that objectively has a reasonable likelihood of being true, taking into account amongst other things, the credibility of the source. Those sources could include data produced by government bodies, baseline studies or impact assessments commissioned by other parties, local community grievances and demand records, studies and indices by academics, NGOs, government agencies and industry bodies, available reports prepared by other enterprises operating in the local area or region, studies and reports by intergovernmental organisations and multilateral and bilateral |                    |     |

| CLEAN | Commission<br>Proposal | VS.EC | EP Mandate | VS.EC   | Council Mandate   | VS.EC | Draft Agreement |
|-------|------------------------|-------|------------|---|---|-------|-----------------|
|       |                        |       |            | undertak<br>about ker<br>relevant<br>land map<br>informat<br>activity. I<br>informat<br>adverse i<br>notificati<br>stakehold<br>credible of<br>from inte<br>or NGOs<br>social im<br>geograph<br>reports o<br>informat<br>problems<br>the comp<br>certain lo<br>informat<br>good pra<br>Due Dilig<br>Responsi<br>Where th<br>reasonab<br>of, such i<br>carry out<br>assessme<br>also carry | nent institutions, studies ten by communities y issues that may be to project development, oping and other ion about the project or Examples of ion suggesting an impact could include a ion or complaint, der engagement, reports in the media or ernational organisations is, environmental and pact assessments, nical risk assessments, of recent incidents, or ion about recurring in the sector in which pany operates or at ocations. Using such ion sources constitutes ctice under the OECD gence Guidance for ible Business Conduct. The company has, or can oly be expected to know information, it should it an in-depth int. Companies should yout in-depth ints with respect to |       |                 |

| CLEAN | Commission<br>Proposal | VS.EC | EP Mandate | VS.EC     | Council Mandate                             | VS.EC | Draft Agreement |
|-------|------------------------|-------|------------|-----------|---|-------|-----------------|
|       |                        |       |            | adverse   | impacts arising beyond                      |       |                 |
|       |                        |       |            |           | ect business partner                        |       |                 |
|       |                        |       |            |           | ne structure of this                        |       |                 |
|       |                        |       |            |           | relationship lacks                          |       |                 |
|       |                        |       |            |           | c rationale and suggests                    |       |                 |
|       |                        |       |            |           | as chosen to remove an                      |       |                 |
|       |                        |       |            |           | se direct supplier with activities from the |       |                 |
|       |                        |       |            |           | of the company. In each                     |       |                 |
|       |                        |       |            |           | cases, the in-depth                         |       |                 |
|       |                        |       |            |           | ent should be aimed at                      |       |                 |
|       |                        |       |            |           | g accurate and reliable                     |       |                 |
|       |                        |       |            |           | tion, in particular about                   |       |                 |
|       |                        |       |            |           | re and extent, causes,                      |       |                 |
|       |                        |       |            | severity  | and likelihood of the                       |       |                 |
|       |                        |       |            | identifie | d adverse impacts, to                       |       |                 |
|       |                        |       |            |           | he company to conduct                       |       |                 |
|       |                        |       |            |           | ritisation in accordance                    |       |                 |
|       |                        |       |            |           | icle 9 and adopt                            |       |                 |
|       |                        |       |            |           | iate measures to address                    |       |                 |
|       |                        |       |            |           | accordance with Articles                    |       |                 |
|       |                        |       |            |           | In addition, to reduce                      |       |                 |
|       |                        |       |            |           | and create legal<br>y, it should be made    |       |                 |
|       |                        |       |            |           | hat the entire                              |       |                 |
|       |                        |       |            |           | ation and assessment                        |       |                 |
|       |                        |       |            |           | should be based on risk                     |       |                 |
|       |                        |       |            | -         | implying a 'risk-based                      |       |                 |
|       |                        |       |            |           | h'. Furthermore, the                        |       |                 |
|       |                        |       |            |           | n of 'risk factors' should                  |       |                 |
|       |                        |       |            | be furth  | er clarified, drawing on                    |       |                 |
|       |                        |       |            | recital 4 | 1 of the existing                           |       |                 |

|         | CLEAN Com  | mission<br>osal   | VS.EC   | EP Mandate   | VS.EC  | Council Mandate   | VS.EC | Draft Agreement |
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|         |  |   |   |  | assessmer<br>likelihood<br>adverse ir<br>deemed to<br>addition,<br>able to re-<br>conduct—<br>due dilige<br>the expect<br>protect hu<br>labour, ri<br>environm<br>operation<br>throughou<br>activities | Where the in-depth at confirms the lor existence of the inpact, it should then be to be identified. In companies should be quest that their code of which is part of their ence policy and sets out tations as to how to aman, including ghts and the ent in business s — is followed at the chain of in accordance with al cascading and SME |       |                 |
| Recital | 22   |   |   |  |  |   |       |                 |
| 34      | (22) To limit to effect on small are undertakings and companies when mapping the valuation identify adverse it companies should information require information specific standards for volume ferred to in Art Directive (EU) 20 | small midcap<br>it comes to<br>e chain to<br>mpacts, large<br>d limit<br>ests to the<br>ified in the<br>untary use<br>icle 29a of | effect on or including sundertaking companies mapping the the chain—adverse im within the information seek to obt | climit the trickle-down ther companies, small and medium-sized gs and small midcap when it comes to the valuethe scoping of the of activities to identify pacts, large companies scope should limit in requests to the not the standards for | effect on of including undertaking companies mapping the identifythe across the where advilikely to o limit infor  | o limit the trickle-down other companies, small and medium-sized ags and small midcap s, when it comes to he value chain—to e scoping of areas eir chains of activities werse impacts, large are occur, companies should mation requests to the on specified in the   |       |                 |

| CLEAN Commission Proposal   | VS.EC EP Mandate   | VS.EC Council Mandate   | VS.EC Draft Agreement |
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| unless they need additional information to carry out the mapping and they cannot obtain that information in any other reasonable way. | voluntary use referred to in Article 29a of Directive (EU) 2013/34/EU, unless they need 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 to carry out the mapping and they cannot reasonably be obtained by other means, mainly from existing or secondary sources. In any case, any request should be targeted, reasonable and | standards for voluntary use referred to in Article 29a ofsubject to Directive (EU) 2013/34/EU, unless they need additional 2024/1760 should only request information to carry out the mapping and they cannot obtain from direct business partners where that information is necessary and, in the case of direct business partners with fewer than 1000 employees, cannot reasonably be obtained by in any other reasonable way means. |                       |

| CLEAN       | Commission<br>Proposal | vs.ec EP Mandate  | VS.EC | Council Mandate | VS.EC | Draft Agreement |
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|             |                        | proportionate. In order to facilitate compliance for companies and the relevant business partners, it should be possible to obtain that the necessary information in any other reasonable wayeither individually or collaboratively.  |       |                 |       |                 |
| Recital 22a |                        |   |       |                 |       |                 |
| 34a         |                        | (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 |       |                 |       |                 |

|         | CLEAN Commission Proposal  | vs.ec EP Mandate  | VS.EC Council Mandate  | VS.EC Draft Agreement |
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|         |  | addressed according to the prioritisation in line with these principles.  |  |                       |
| Recital | 23   |   |  |                       |
| 35      | (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. | 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 | (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. The suspension should end once the adverse impact is addressed. |                       |

| CLEAN | Commission<br>Proposal | VS.EC      | EP Mandate  | VS.EC | Council Mandate | VS.EC | Draft Agreement |
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|       |                        |            | rials, products or                                |       |                 |       |                 |
|       |                        |            | which are essential to the                        |       |                 |       |                 |
|       |                        |            | 's business to which no                           |       |                 |       |                 |
|       |                        |            | alternative exists.                               |       |                 |       |                 |
|       |                        |            | ial prejudice should be                           |       |                 |       |                 |
|       |                        |            | ed as a negative and<br>nt effect on the          |       |                 |       |                 |
|       |                        |            | 's legal, financial or                            |       |                 |       |                 |
|       |                        |            | c situation or its                                |       |                 |       |                 |
|       |                        |            | on capacity, including in                         |       |                 |       |                 |
|       |                        |            | term, such as an effect                           |       |                 |       |                 |
|       |                        |            | se to the likelihood of                           |       |                 |       |                 |
|       |                        |            | cy. In order not to                               |       |                 |       |                 |
|       |                        |            | ne the aims of this                               |       |                 |       |                 |
|       |                        | Directive  | , the decision not to                             |       |                 |       |                 |
|       |                        | suspend t  | the business relationship                         |       |                 |       |                 |
|       |                        | should be  | e subject to conditions,                          |       |                 |       |                 |
|       |                        | including  | greporting to the                                 |       |                 |       |                 |
|       |                        | competer   | it supervisory authority                          |       |                 |       |                 |
|       |                        |            | e duly justified reasons                          |       |                 |       |                 |
|       |                        |            | a decision. Companies                             |       |                 |       |                 |
|       |                        |            | so assess if the adverse                          |       |                 |       |                 |
|       |                        |            | from suspension can be                            |       |                 |       |                 |
|       |                        |            | ly expected to be                                 |       |                 |       |                 |
|       |                        |            | ly more severe than the                           |       |                 |       |                 |
|       |                        |            | mpact that could not be                           |       |                 |       |                 |
|       |                        |            | d or adequately                                   |       |                 |       |                 |
|       |                        |            | 1. Should that be the                             |       |                 |       |                 |
|       |                        |            | company should not be<br>to suspend the business  |       |                 |       |                 |
|       |                        |            | to suspend the business<br>hip and should be in a |       |                 |       |                 |
|       |                        |            | nip ana snouta be in a<br>to report to the        |       |                 |       |                 |
|       |                        | position l | o report to the                                   |       |                 |       |                 |

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|  | competent supervisory authority about the duly justified reasons for such a decision.  |  |                       |
| Recital 24   |  |  |                       |
| (24) To reduce burdens on companies and make stakeholder engagement more proportionate, companies should only have to engage with workers, their representatives including trade unions, and individuals and communities whose rights or interests are or could be directly affected by the products, services and operations of the company, its subsidiaries and its business partners, and that have a link to the specific stage of the due diligence process being carried out. That includes individuals or communities in the neighbourhood of plants operated by business partners where those individuals or communities are directly affected by pollution, or indigenous people whose right to lands or resources are directly affected by how a business partner acquires, develops or otherwise uses land, forests or waters. Moreover, stakeholder engagement should | companies and make stakeholder engagement more proportionate, companies should only have to engage with workers, their representatives including trade unions, and individuals and communities whose rights or interests are or could be directly affected by the products, services and operations of the company, its subsidiaries and its business partners, and that have a link to the specific stage of the due diligence process being carried out. That includes individuals or communities in the neighbourhood of plants operated by business partners where those individuals or communities are directly affected by pollution, or indigenous people whose right to lands or resources are directly affected by how a business partner acquires, develops or otherwise uses land, forests or waters. Moreover, stakeholder engagement should | companies and make stakeholder engagement more proportionate, companies should only have to engage with workerstheir employees, the employees of their subsidiaries and of their business partners, the representatives of those employees including trade unions, and individuals and communities whose rights or interests are or could be directly affected by the products, services and operations of the company, its subsidiaries and its business partners. In line with the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, this includes the legitimate representatives of those individuals or communities. They play an important role for communities, such as indigenous peoples or local communities, but can also be relevant for individuals, in particular in |                       |

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| CLEAN Commission Proposal  | VS.EC EP Mandate   | VS.EC Council Mandate  | vs.ec Draft Agreement |
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| only be required for certain parts of the due diligence process, namely at the identification stage, for the development of (enhanced) action plans and when designing remediation measures. | only be required for certain parts of the due diligence process, namely at the identification stage, for the development of (enhanced) action plans and when designing remediation measures. | situations where it is not possible or appropriate to engage directly with individual rightsholders, or not all of them. For instance, it may be difficult to reach out to certain rightsholders, due to, for example, communication barriers, but especially in situations where their security cannot be guaranteed (such as in conflict areas or if rightsholders fear reprisals) or there is a serious lack of trust. Legitimate representatives might for instance be community leaders, the individuals or bodies representing indigenous peoples in accordance with their organisational rules and traditions (e.g., elected elders), consumer protection groups or, in certain situations, civil society organisations where they can be considered to genuinely represent the interests of rightsholders.  Conversely, this does not include individuals or organisations which show solidarity with the case but without any specific connection and without any |                       |

|           | CLEAN | Commission<br>Proposal | VS.EC | EP Mandate | vs.ec Council M   | <b>Iandate</b>   | VS.EC | Draft Agreement |
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|           |       |                        |       |            | formal representation Directly affected indiv communities are those holders and that have a specific stage of the du process being carried o includes individuals or communities in the nei of plants operated by b partners where those in communities are direct by pollution, or indiger whose right to lands or are directly affected by business partner acquir develops or otherwise a forests or waters. More stakeholder engagemen only be required for cer of the due diligence pro namely at the identificat for the development of action plans and when remediation measures. | widuals or e right- a link to the de diligence out. That ghbourhood usiness dividuals or ly affected hous people resources how a res, dividuals or ly affected hous people resources how a res, dividuals or ly affected hous people resources how a res, dividuals or ly affected hous people resources how a res, dividuals or ly affected hous people resources how a res, dividuals or ly affected hous people resources how a res, dividuals or ly affected hous people resources how a res, dividuals or ly affected hous people resources how a res, dividuals or ly affected hous people resources how a res, dividuals or ly affected hous people resources how a res, dividuals or ly affected hous people resources how a res, dividuals or ly affected hous people resources how a res, dividuals or ly affected hous people resources how a res, dividuals or ly affected hous people resources how a res, dividuals or ly affected hous people resources how a res, dividuals or ly affected hous people resources how a res, dividuals or ly affected hous people resources how a res, dividuals or ly affected hous people resources how a res, dividuals or ly affected hous people resources how a res, dividuals or ly affected hous people resources |       |                 |
| Recital 2 | 24a   |                        |       |            |   |  |       |                 |
| 36a       |       |                        |       |            | (24a) Companies sh<br>monitor the implement<br>effectiveness of their of<br>diligence measures. T<br>carry out periodic ass<br>of their own operation   | ntation and<br>due<br>hey should<br>sessments  |       |                 |

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| their subsidiaries and, where related to the chain of activities of the company, those of their business partners, to assess the implementation and to monitor the adequacy and effectiveness of the identification, prevention, minimisation, bringing to an end and mitigation of adverse impacts. Such assessments should verify that adverse impacts are properly identified, due diligence measures are implemented and adverse impacts have actually been prevented or brought to an end. In order to ensure that such assessments are up-to-date, they should be carried out without undue deay after a significant change occurs, but at least every 5 years and be revised inbetted in between if there are reasonable grounds to believe that the measures are no longer adequate or effective or new risks of adverse impact could have arisen. In order to ensure alignment with the international | CLEAN | Commission<br>Proposal | VS.EC | EP Mandate | VS.EC   | Council Mandate   | VS.EC | Draft Agreement |
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| standards companies could also consider conducting periodic assessments annually in order to   |       | Proposal               |       |            | related to of the cor business implement the adequ of the ide minimisa and mitig impacts. should ve impacts a due dilige implement impacts b prevented In order assessment should be undue de change of 5 years and between if grounds to measures or effectivadverse in arisen. In alignment standard consider | sidiaries and, where the chain of activities in pany, those of their partners, to assess the intation and to monitor uncy and effectiveness entification, prevention, ition, bringing to an end gation of adverse Such assessments erify that adverse are properly identified, ence measures are inted and adverse have actually been d or brought to an end. ito ensure that such ints are up-to-date, they exercised out without elay after a significant iccurs, but at least every ind be revised in- if there are reasonable ito believe that the is are no longer adequate ito be revised in- if there are reasonable ito believe that the is are no longer adequate ito with the international is companies could also conducting periodic |       |                 |

| CLEAN | Commission<br>Proposal | VS.EC | EP Mandate | VS.EC  | Council Mandate   | VS.EC | Draft Agreement |
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|       | торозаі                |       |            | about the effective identifica mitigation and minitude of adversal relevant, date. In poperating having benefit for assessment maintain informat decision better metowards target. The foresees policy is delay aftoccurs and where no least even monitoria proper | nat the information e adequacy and ness of the ation, prevention, on, bringing to an end imisation of the extent se impacts remains accurate and up-to- particular, companies g in high risk sectors or usiness partners g in such sectors could rom more frequent ents, which serve to a the usefulness of the tion for the company's making or in order to onitor the progress the net zero interim the Directive also that the due diligence updated without undue eer a significant change and it is reviewed and, ecessary, updated at ry two years.  equent, including ad hoc ang should contribute to update of the due epolicy. A significant |       |                 |
|       |                        |       |            | _  | hould be understood as  |       |                 |

| CLEAN Commission Proposal | VS.EC | EP Mandate | VS.EC Council Mandate   | VS.EC | Draft Agreement |
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|                           |       |            | a change to the status quo of the company's own operations, operations of its subsidiaries or business partners, the legal or business environment or any other substantial shift from the situation of the company or its operating context. Examples of a significant change could be cases when the company starts to operate in a new economic sector or geographical area, starts producing new products or changes the way of producing the existing products using technology with potentially higher adverse impact, or changes its corporate structure via restructuring or via mergers or acquisitions. Reasonable grounds to believe that there are new risks may arise in different ways, including learning about the adverse impact from publicly available information, through stakeholder engagement, or through notifications. Companies should retain documentation demonstrating their compliance with this requirement for at least five years. Such |       |                 |

|           | CLEAN                             | Commission<br>Proposal  | VS.EC                                   | EP Mandate   | VS.EC  | Council Mandate  | VS.EC | Draft Agreement |
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|           |                                   |   |   |  | include, videntified assessments, the precorrective to Article 11(3), points assurance concluded 10(2), points and 11(3) verification Articles 1 remediate assessments company obligation notification only of the those of the correction of the corr | tation should at least where relevant, the limpacts and in-depth ints pursuant to Article evention and/or e action plan pursuant is 10(2), point (a), and int (b), contractual es obtained or contracts did pursuant to Articles int (b), Article 10(4) (c), Article 11(5), ons pursuant to 10(5) and 11(6), ion measures, periodic ints as part of the 's monitoring in, as well as ons and complaints. I undertakings should it periodic assessment inter own operations, heir subsidiaries and heir upstream business |       |                 |
| Recital 2 | 25                                |   | 1                                       |  |  | T  |       |                 |
| 37        | burdens o<br>Commissi<br>adoption | or reduce administrative on companies, the ion's deadline for the of general due diligence is should be advanced to | burdens or<br>Commission<br>adoption of | o reduce administrative<br>in companies, the<br>on's deadline for the<br>of general due diligence<br>should be advanced to | burdens o<br>Commissi<br>adoption  | o reduce administrative<br>n companies, the<br>ion's <del>deadline for the</del><br>of general due diligence<br>s should be <del>advanced</del>  |       |                 |

|           | Clean Commission Proposal  | vs.ec EP Mandate  | VS.EC Council Mandate   | VS.EC Draft Agreement |
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|           | 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/XXX <sup>1</sup> . 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.  1. Directive (EU) 2025/XX of | 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/XXX¹. 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.  1. Directive (EU) 2025/XX of | tomade available prior to the transposition deadline, by 26 July 20262027. In parallel, the application deadline for Directive (EU) 2024/1760 for the first group ofall companies should be deferred to 26 July 2028 in accordance with Directive (EU) XXX/XXX¹2029. 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.  1. Directive (EU) 2025/XX of |                       |
| Recital 2 | 26   |   |   |                       |
| 38        | (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                    | (26) To ensure better alignment The provisions of Directive (EU) 2024/1760 with the sustainability reporting regime laid down in Directive (EU) 2022/2464, the requirement to put into effecton 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                            | (26) To ensure better alignment of Directive (EU) 2024/1760 with the wording of 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   |                       |

|           | Commission Proposal   | vs.ec EP Mandate  | VS.EC Council Mandate  | VS.EC Draft Agreement |
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|           | updated design remains subject to administrative supervision. | to adopt the plan and its initial and updated design remains subject to have been deemed to be disproportionate, particularly due to the administrative supervision 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. | the This way, the behavioural duty under Directive (EU) 2024/1760 is consistent with the requirement for the reported plan and its initial and updated design remains subject to administrative supervision to set out 'implementing actions' in Directive (EU) 2022/2464.   |                       |
| Recital 2 | 26a<br>I  |   |  |                       |
| 38a       |   |   | (26a) With a view to reducing burden for companies and achieving the objectives of Directive (EU) 2024/1760 in a more proportionate way, Article 22 of that Directive should be tailored in the following ways. First, it is difficult for individual companies to translate the highlevel goals of the transition to a sustainable economy and the limiting of global warming in line with the Paris Agreement into the specific steps necessary for their business model and strategy to be 'compatible' with those goals. Accordingly, this |                       |

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| obligation should be replaced I a more concrete, more proportionate and more clear! defined obligation to aim, via reasonable efforts, towards a business model and strategy th 'contribute to' those goals. The transition plan should thus ain to ensure, through reasonable efforts, that the business mode and strategy of the company contribute to the limiting of global warming in line with the Paris Agreement and in line with the objective of achieving climate neutrality as establishe in Regulation (EU) 2021/1119. Second, the required behavioural standard should n longer be 'best efforts' but 'reasonable efforts'. Recital 73 of the Directive already clarific that even the concept of 'best efforts' should be understood an 'obligation of means' and that due account shall be given to the complexity and evolving nature of climate transitioning and the progress made by companies. While companies should strive to achieve the objectives contained in their |  |

| CLEAN | Commission<br>Proposal | VS.EC | EP Mandate | VS.EC (  | Council Mandate  | VS.EC | Draft Agreement |
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|       |                        |       |            | may lead to able to reach where this is reasonable. providing further that the notice efforts' referenced from reach the targular, taking industry prefectiveness and the primal proportional require make effort, adopts tandard in all actions in the reasonab circumstance the underlyicompanies of the plan. companies of the plan. companies of the plan, namely includes the described all | With a view to urther legal should be clarified ion of 'reasonable ers to what can be om a diligent party to argets in its transition g into account best actices, the ss of actions taken |       |                 |

|           | CLEAN | Commission<br>Proposal | VS.EC | EP Mandate | vs.ec Council Mandate  | VS.EC | Draft Agreement |
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|           |       |                        |       |            | 22(1), second subparagraph of that Directive should be made optional. Finally, given the particular complexity of formulating transition plans for climate change mitigation, there should be a transitional period during which adoption of such a plan is optional rather than obligatory for companies. That transitional period should be limited to two years following application of the measures referred to in Article 37(1), second subparagraph of that Directive (hence two years from 26 July 2029). During the transitional period, companies are encouraged to adopt transition plans for climate change mitigation on a voluntary basis and engage with supervisory authorities to adequately prepare for when the plan adoption becomes obligatory. |       |                 |
| Recital 2 | 260   |                        |       |            |  |       |                 |
| 38b       |       |                        |       |            | (26b) As announced in the Clean Industrial Deal, the Commission is working on defining sectorial pathways  |       |                 |

| CLEAN Commission Proposal | vs.ec EP Mandate | VS.EC Council Mandate   | VS.EC Draft Agreement |
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|                           |                  | which should help companies develop plans that aim to ensure that their business plans and strategy contribute to the transition to a sustainable economy and the limiting of global warming in line with the Paris Agreement, and should also provide a common EU methodology to guide companies and supervisors ('sectoral emission pathways') as well as the adequacy of implementing actions ('sectoral decarbonisation lever pathways'). The pathways will be developed in dialogue with industry and other stakeholders, including SMEs. The pathways are based on an indicative 2030-2050 GHG budget that is fully compatible with the Paris Agreement's long-term temperature goals. Because guidance could assist companies in designing and adopting their transition plans, thereby reducing the burden on those companies, the Commission guidelines on transition plans under the Directive should be required to reflect the results of |                       |

|         | CLEAN | Commission<br>Proposal | VS.EC | EP Mandate | VS.EC  | Council Mandate  | VS.EC | Draft Agreement |
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| Decited |       |                        |       |            | guidance sectoral pathways certain se earlier th acknowle sectors the gas reduce and even pathways scenarios reasons, of these pathways based on long-term European do not co Conseque are not co pathways take into internation of the sector o | s by including practical on sectoral and cross- pathways. These is reflect the need for sectors to transition an others while edging that in some in pace of greenhouse etions can be slower, within sectors, the is are based on different is. For all of these companies should take hways into account in their transition plans the change mitigation. It is are being developed the intermediate and in targets of the intermediate and in targets of the inclimate Law, which were all global emissions. The entity, for emissions that the entity, for emissions that the entity, for emissions that overed by those is, companies should account other onal, science-based, is aligned with the Paris int. |       |                 |
| Recital | 200   |                        |       |            |  |  |       |                 |

|     | CLEAN | Commission<br>Proposal | VS.EC | EP Mandate | VS.EC   | Council Mandate  | VS.EC | Draft Agreement |
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| 38c |       |                        |       |            | Directive companion transition change in with the 2022/246 complied adopt a transition change in same as in 2022/246 degated 2023/277 appropria (EU) 202 alignment made to the concept that concept in Directive the Concept | Under Article 22(2) of a (EU) 2024/1760, es that report a in plan for climate ditigation in accordance CSRD Directive (EU) 44 are deemed to have a with the obligation to cransition plan for change mitigation as to in Article 22(1) of a (EU) 2024/1760. This in plan for climate ditigation is one and the fin Directive (EU) 44 and the Commission de Regulation (EU) 22. Accordingly, it is tate to amend Directive at with the changes the obligation to adopt a change transition plan in a (EU) 2024/1760, with the performance of the contribution desame meaning in the same meaning in the contribution desame d |       |                 |

| CLEAN | Commission<br>Proposal | VS.EC | EP Mandate | VS.EC  | Council Mandate  | VS.EC | Draft Agreement |
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|       |                        |       |            | requirem climate-ralso in of those rul different transform Industria (Directive climate-ralso in the ETS 2003/87/1 at install different under the Directive 2013/36/1 Directive 2009/138 address familiation in template integration in the stallatic company This tem existing in the state of the stallatic company the state of the stallatic company the sta | nents for the adoption of related transition plans ther areas of EU law, les either have a scope (e.g., mation plans under the al Emissions Directive (e.g., plans under Directive (Directive EC), both of which are ation level) or pursue to bjectives (e.g., plans e Capital Requirements e VI (Directive EU) and the Solvency II e (Directive EU) an |       |                 |

|         | CLEAN | Commission<br>Proposal | VS.EC | EP Mandate | VS.EC   | Council Mandate   | VS.EC | Draft Agreement |
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| Recital | 26d   | _                      |       |            |   |   |       |                 |
| 38d     |       |                        |       |            | amendm 22(1) of 3 2024/176 appropriate power authoritic plans for supervise only sup adoption as regard adoption authoritic inter alia inherent greenhous availabil climate of technolo complex of climate is import supervise plans are whether actions a assumpt compani necessar | n light of the lents made to Article Directive (EU) 60 by this Directive, it is iate to adjust and clarify ers of supervisory ies regarding transition or climate change. First, ory authorities should ervise the mandatory of such a plan. Second, ds supervision of that a, it is important that ies take due account of, a, the difficulties in estimating future use gas emissions, the lity and effectiveness of change mitigation gies, and the overall ity and evolving nature te transitioning. While it tant that authorities e whether transition escience-based and the plan, including the and underlying ions, is generally robust, ies should be granted the y flexibility in ning the nature of their |       |                 |

| CLEAN Commission Proposal | vs.ec EP Mandate | VS.EC Council Mandate  | VS.EC Draft Agreement |
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|                           |                  | contribution within the limits set by the Directive. In carrying out their functions, it is important that supervisory authorities, where appropriate, prioritise cooperation over enforcement action, in particular through penalties. While the authorities retain discretion over the performance of their supervisory role, they may find it useful to seek to engage in a dialogue with companies and guide their efforts in adopting transition plans through advice and, where needed, assistance, in a manner that does not compromise their independence or responsibilities to ensure legality. Where appropriate, they should be able to afford companies an opportunity to rectify non-compliance and avoid sanctions by coming into compliance within a specified time. This might include, for instance, seeking or accepting time-bound commitments to address shortcomings. However, that does not prevent them from taking immediate enforcement action for example where the |                       |

|        | CLEAN  | Commission<br>Proposal  | VS.EC   | EP Mandate   | VS.EC   | Council Mandate   | VS.EC | Draft Agreement |
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|        |  |   |   |  | cooperati<br>repeated<br>its obliga<br>previous<br>proposed<br>insufficie<br>should be<br>from sup<br>regarding<br>plans. Ad<br>should be<br>regarding  | has not been ive in the past, has ly failed to comply with tions, including with commitments, or if commitments are nt. Third, companies e able to request advice ervisory authorities g the adoption of these lditionally, companies e able to request advice g the design or ntation of those plans.  |       |                 |
| Recita | 27   |   | 1   |  | T   |   |       |                 |
| 39     | EU 2024/<br>States to be and dissurthat Direct<br>States, whimpose per determining appropriation account of determined infringer aggravating 27(4) of the states o | article 27(1) of Directive (1760 requires Member lay down penalties that "effective, proportionate asive". Article 27(2) of ctive requires Member hen deciding whether to enalties and, if so, when ng their nature and the level, to take due of a series of factors that e the gravity of the nent and attenuating or ng circumstances. Article hat Directive requires States to base any | EU 2024/I<br>States to la<br>are to be "<br>and dissua<br>that Direct<br>States, wh<br>impose pe<br>determining<br>appropriat<br>account of<br>determine<br>infringement<br>aggravating<br>27(4) of the | rticle 27(1) of Directive 1760 requires Member ay down penalties that effective, proportionate sive". Article 27(2) of tive requires Member en deciding whether to nalties and, if so, when ag their nature and e level, to take due a series of factors that the gravity of the ent and attenuating or g circumstances. Article that Directive requires tates to base any | EU 2024/<br>States to lare to be and dissuathat Direct<br>States, whimpose pedeterminian account of determined infringemaggravating 27(4) of the state of | article 27(1) of Directive 1760 requires Member lay down penalties that "effective, proportionate asive". Article 27(2) of etive requires Member nen deciding whether to enalties and, if so, when ng their nature and te level, to take due f a series of factors that et the gravity of the lent and attenuating or ng circumstances. Article hat Directive requires States to base any |       |                 |

| CLEAN     | Commission<br>Proposal       | VS.EC EP Mandate                                | VS.EC Council Mandate              | VS.EC Draft Agreement |
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| impose    | d pecuniary penalties on     | imposed pecuniary penalties on                  | imposed, when imposing             |                       |
|           | worldwide turnover of the    | the net worldwide turnover of the               | pecuniary penalties, to base them  |                       |
| compar    | ny concerned. However,       | company concerned. However,                     | on the net worldwide turnover of   |                       |
| given the | ne fact that Member States   | given the fact that In order to                 | the company concerned. However,    |                       |
| already   | have to take into account    | ensure proportionate penalties,                 | given the fact that Member States  |                       |
| the seri  | es of factors laid down in   | Member States already have to                   | already havethis requirement       |                       |
| Article   | 27(2) of that directive, the | take into account the series of                 | appears unnecessary and could      |                       |
| need to   | base pecuniary penalties     | factors laid down in Article 27(2)              | be misinterpreted as requiring     |                       |
| on the i  | net worldwide turnover of    | of that directive, the need to                  | pecuniary penalties to be based    |                       |
| the con   | npany concerned is           | baseshould guarantee that the                   | solely or primarily on that        |                       |
|           | uous. However, to ensure a   | maximum limit for pecuniary                     | turnover. Instead, in accordance   |                       |
| _         | aying field across the       | penalties on is set at 5% of the net            | with the requirement that          |                       |
|           | Member States should be      | worldwide turnover of the                       | penalties be effective,            |                       |
|           | ted from introducing in      | company <del>concerned is</del>                 | proportionate and dissuasive,      |                       |
|           | tional law a ceiling or cap  | superfluous. However, to ensure a               | supervisory authorities are        |                       |
|           | pecuniary penalties          | level playing field across the                  | required to take intoappropriate   |                       |
|           | d on companies under their   | Union, Member States should be                  | account of the net worldwide       |                       |
| 3         | tion that would prevent      | prohibited from introducing in                  | turnover (or, in the case of       |                       |
|           | sory authorities from        | their national law a ceiling or cap             | companies belong to a group, the   |                       |
|           | ng penalties in accordance   | for any pecuniary penalties                     | net consolidated worldwide         |                       |
|           | e factors laid down in       | imposed on or, for companies                    | turnover of the ultimate parent    |                       |
|           | 27(2). Moreover, to          | <u>falling</u> under their jurisdiction         | company), alongside the series of  |                       |
|           | ise enforcement practices    | that would prevent supervisory                  | factors laid down in Article 27(2) |                       |
|           | the Union, the Commission,   | authorities from imposing                       | of that Directive. Accordingly,    |                       |
|           | boration with the Member     | penalties in accordance with the                | this separate requirement          |                       |
|           | should develop guidelines    | factors laid down in Article 2(1)(b)            | should be removed. Conversely,     |                       |
|           | t supervisory authorities in | <u>and</u> Article <u>27(2)</u> 2(2)(b), of the | the need to base pecuniary         |                       |
| determ    | ning the level of penalties. | consolidated worldwide turnover                 | penalties on the net worldwide     |                       |
|           |                              | of the ultimate parent                          | turnover of the company            |                       |
|           |                              | undertaking, in the financial year              | concerned is superfluous.          |                       |
|           |                              | preceding that of the decision to               | However, to ensure a level playing |                       |
|           |                              | <u>impose the fine</u> . Moreover, to           | field across the Union and in line |                       |

|           | CLEAN   | Commission<br>Proposal   | vs.ec EP Mandate  | vs.ec Council Mandate   | VS.EC Draft Agreement |
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|           |   |  | 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. | with the objective of harmonization, Member States should be prohibited from introducing in their national law a ceiling or cap for anyrequired to set a uniform maximum limit of pecuniary penalties imposed onof 5% of the net worldwide turnover. The application of this maximum limit to companies under their jurisdiction that would prevent supervisory authorities from imposing penalties in accordance with the factors laid down in Article 27(2)belonging to groups should be clarified. Moreover, to harmoniseincrease the consistency of enforcement practices across the Union, the Commission, in collaboration with the Member States, should develop guidelines to assist supervisory authorities in determining the level of penalties. |                       |
| Recital 2 | 28  |  |   |   |                       |
| 40        | risks linke<br>civil liabil<br>(EU) 2024<br>Union-wie | o limit possible litigation<br>ed to the harmonised<br>lity regime of Directive<br>4/1760, the specific,<br>de liability regime<br>provided for in Article | (28) To limit possible litigation risks linked to the harmonised civil liability regime of Directive (EU) 2024/1760, the specific, Union-wide liability regime currently provided for in Article                          | (28) To limit possible litigation risks linked to the harmonised eivil liability regime of Directive (EU) 2024/1760better achieve the principle of subsidiarity, the specific, Union-wide liability   |                       |

| CLEAN Commission Proposal            | vs.ec EP Mandate                     | vs.ec Council Mandate                | vs.ec Draft Agreement |
|--------------------------------------|--------------------------------------|--------------------------------------|-----------------------|
| 29(1) of that Directive should be    | 29(1) of that Directive should be    | regime currently provided for in     |                       |
| removed. At the same time, as a      | removed. At the same time, as a      | Article 29(1) of that Directive      |                       |
| matter of both international and     | matter of both international and     | should be removed. At the same       |                       |
| Union law, Member States should      | Union law, Member States should      | time, as a matter of both            |                       |
| be required to ensure that victims   | be required to ensure that victims   | international and Union law,         |                       |
| of adverse impacts have effective    | of adverse impacts have effective    | Member States should be required     |                       |
| access to justice and to guarantee   | access to justice and to guarantee   | to ensure that victims of adverse    |                       |
| their right to an effective remedy,  | their right to an effective remedy,  | impacts have effective access to     |                       |
| as enshrined in Article 2(3) of the  | as enshrined in Article 2(3) of the  | justice and to guarantee their right |                       |
| International Covenant on Civil      | International Covenant on Civil      | to an effective remedy, as           |                       |
| and Political Rights, Article 8 of   | and Political Rights, Article 8 of   | enshrined in Article 2(3) of the     |                       |
| the Universal Declaration of         | the Universal Declaration of         | International Covenant on Civil      |                       |
| Human Rights, Article 9(3) of the    | Human Rights, Article 9(3) of the    | and Political Rights, Article 8 of   |                       |
| Convention on Access to              | Convention on Access to              | the Universal Declaration of         |                       |
| Information, Public Participation    | Information, Public Participation    | Human Rights, Article 9(3) of the    |                       |
| in Decision-making and Access to     | in Decision-making and Access to     | Convention on Access to              |                       |
| Justice in Environmental Matters     | Justice in Environmental Matters     | Information, Public Participation    |                       |
| (Aarhus Convention) and Article      | (Aarhus Convention) and Article      | in Decision-making and Access to     |                       |
| 47 of the EU Charter of              | 47 of the EU Charter of              | Justice in Environmental Matters     |                       |
| Fundamental Rights. Member           | Fundamental Rights. Member           | (Aarhus Convention) and Article      |                       |
| States should therefore ensure that, | States should therefore ensure that, | 47 of the EU Charter of              |                       |
| in case a company is held liable     | in case a company is held liable     | Fundamental Rights. Member           |                       |
| for a failure to comply with the     | for a failure to comply with the     | States should therefore ensure that, |                       |
| due diligence requirements laid      | due diligence requirements laid      | in case a company is held liable     |                       |
| down in Directive (EU)               | down in Directive (EU)               | for a failure to comply with the     |                       |
| 2024/1760, and that where such       | 2024/1760, and that where such       | due diligence requirements laid      |                       |
| failure caused damage, victims are   | failure caused damage, victims are   | down in Directive (EU)               |                       |
| able to receive full compensation,   | able to receive full compensation,   | 2024/1760, and that where such       |                       |
| which should be granted in           | which should be granted in           | failure caused damage, victims are   |                       |
| accordance with the principles of    | accordance with the principles of    | able to receive full compensation,   |                       |
| effectiveness and equivalence,       | effectiveness and equivalence,       | which should be granted in           |                       |
| while balancing this through         | while balancing this through         | accordance with the principles of    |                       |

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| safeguards should prevent agains                                  | safeguards should prevent against                                 | effectiveness and equivalence,                             |                       |
| overcompensation. In view of the                                  | overcompensation. In view of the                                  | while balancing this through                               |                       |
| different rules and traditions that                               | different rules and traditions that                               | safeguards should prevent against                          |                       |
| exist at national level when it                                   | exist at national level when it                                   | overcompensation. In view of the                           |                       |
| comes to allowing representative                                  |   | different rules and traditions that                        |                       |
| actions, the specific requirement                                 |   | exist at national level when it                            |                       |
| that regard in Directive (EU)                                     | that regard in Directive (EU)                                     | comes to allowing representative                           |                       |
| 2024/1760 should be deleted. Su                                   |   | actions, the specific requirement in                       |                       |
| deletion is without prejudice to                                  | deletion is without prejudice to                                  | that regard in Directive (EU)                              |                       |
| any provision of the applicable                                   | any provision of the applicable                                   | 2024/1760 should be deleted. Such                          |                       |
| national law allowing a trade                                     | national law allowing a trade                                     | deletion is without prejudice to                           |                       |
| union, non-governmental human                                     | union, non-governmental human                                     | any provision of the applicable                            |                       |
| rights or environmental   | rights or environmental   | national law allowing a trade                              |                       |
| organisation, other non-  | organisation, other non-  | union, non-governmental human rights or environmental      |                       |
| governmental organisation or a                                    | governmental organisation or a                                    | •  |                       |
| national human rights institution to bring actions to enforce the | national human rights institution to bring actions to enforce the | organisation, other non-<br>governmental organisation or a |                       |
| rights of the alleged injured party                               | <u> </u>  | national human rights institution to                       |                       |
| or to support such actions brough                                 |   | bring actions to enforce the rights                        |                       |
| directly by such party.   | directly by such party.   | of the alleged injured party, or to                        |                       |
| Furthermore, for the same reason                                  |   | support such actions brought                               |                       |
| the requirement for Member State                                  |   | directly by such party.                                    |                       |
| to ensure that the liability rules a                              |   | Furthermore, for the same reason,                          |                       |
| of overriding mandatory   | of overriding mandatory   | the requirement for Member States                          |                       |
| application in cases where the la                                 |   | to ensure that the liability rules are                     |                       |
| applicable to claims to that effect                               | * *   | of overriding mandatory                                    |                       |
| is not the national law of the                                    | is not the national law of the                                    | application in cases where the law                         |                       |
| Member State should be deleted.                                   | Member State should be deleted.                                   | applicable to claims to that effect                        |                       |
| That deletion does not restrict the                               | That deletion does not restrict the                               | is not the national law of the                             |                       |
| possibility for Member States to                                  | possibility for Member States to                                  | Member State should be deleted.                            |                       |
| provide that the provisions of                                    | provide that the provisions of                                    | That deletion does not restrict the                        |                       |
| national law transposing Article                                  | 29 national law transposing Article 29                            | possibility for Member States to                           |                       |

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|         | of Directive EU 2024/1760 are of overriding mandatory application in accordance with Article 16 of Regulation (EC) No 864/2007, in cases where the law applicable to claims to that effect is not the national law of a Member State.  | of Directive EU 2024/1760 are of overriding mandatory application in accordance with Article 16 of Regulation (EC) No 864/2007, in cases where the law applicable to claims to that effect is not the national law of a Member State.  | provide that the provisions of national law transposing Article 29 of Directive EU 2024/1760 are of overriding mandatory application in accordance with Article 16 of Regulation (EC) No 864/2007, in cases where the law applicable to claims to that effect is not the national law of a Member State.   |                       |
| Recital | 29   |  |  |                       |
| 41      | (29) Article 36(1) of Directive (EU) 2024/1760 requires the Commission to submit by no later than 26 July 2026 a report to the European Parliament and to the Council on the necessity of laying down additional sustainability due diligence requirements tailored to regulated financial undertakings with respect to the provision of financial services and investment activities, and the options for such due diligence requirements and their impacts. As that review clause does not leave any time to take into account the experience with the newly established, general due diligence framework, it should be removed. | (29) Article 36(1) of Directive (EU) 2024/1760 requires the Commission to submit by no later than 26 July 2026 a report to the European Parliament and to the Council on the necessity of laying down additional sustainability due diligence requirements tailored to regulated financial undertakings with respect to the provision of financial services and investment activities, and the options for such due diligence requirements and their impacts. As that review clause does not leave any time to take into account the experience with the newly established, general due diligence framework, it should be removed. | (29) Article 36(1) of Directive (EU) 2024/1760 requires the Commission to submit by no later than 26 July 2026 a report to the European Parliament and to the Council on the necessity of laying down additional sustainability due diligence requirements tailored to regulated financial undertakings with respect to the provision of financial services and investment activities, and the options for such due diligence requirements and their impacts. As that review clause does not leave any time to take into account the experience with the newly established, general due diligence framework, it should be removed. |                       |

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| 41a |       |                        | compliante reporting obligation to enhance usability informate should endigital reportal shop, profession of charge template requirem voluntary on funding opportune effective portal, tippromote existing seamless and analy complement of the Compotential solution trustworth. | In order to facilitate nce by companies with g and due diligence ons under Union law, and nce the accessibility and to f sustainability-related tion, the Commission stablish a dedicated eporting portal. That nould serve as a one-stop oviding companies, free te, with tailored access to as, guidelines, reporting ments, including ty tools, and information ing and tendering mities. To ensure the functioning of the the Commission should the interoperability of data platforms, enabling a transmission, exchange lysis of data, as well as mentarity with the the Single Access point. The more, and in view of the chnological developments, mission should assess the difference of thy artificial intelligence dance with Regulation | deadline one year which M apply Di should b compani to give co prepare that Dire several o Directive reflect th postpone postpone | The transposition is should be postponed by and the dates from lember States are to directive (EU) 2024/1760 be unified for all dies within scope in order companies more time to for the requirements of ective. Additionally, other dates in that the should be amended to his one-year ement, as well as the ement implemented by the (EU) 2025/794. |       |                 |

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|           |   |  | (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, |  |  |       |                 |
| Recital 3 | 20  |  | <u>12.7.2024).</u>  |  |  |       |                 |
| 42        | (30) Sincetive achieved but can rascale or expected better ach Union mascordance subsidiari of the Tre In accordance proportion | ince the objectives of this cannot be sufficiently by the Member States ther, by reason of the ffects of the action, be ieved at Union level, the sy adopt measures, in the with the principle of the ty as set out in Article 5 that on European Union. In ance with the principle of the nality as set out in that his Directive does not go | (30) Since the objectives of this Directive cannot be sufficiently achieved by the Member States but can rather, by reason of the scale or effects of the action, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality as set out in that Article, this Directive does not go   | Directive achieved but can rat scale or ef better achi Union maj accordanc subsidiarit of the Trea In accorda proportion | nce the objectives of this cannot be sufficiently by the Member States ther, by reason of the fects of the action, be leved at Union level, the y adopt measures, in e with the principle of the action as set out in Article 5 aty on European Union. Ince with the principle of the action ality as set out in that is Directive does not go |       |                 |

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|           | beyond what is necessary in order to achieve those objectives.  | beyond what is necessary in order to achieve those objectives.  | beyond what is necessary in order to achieve those objectives.  |                       |
| Recital 3 | 31  |   |   |                       |
| 43        | (31) Directive 2006/43/EC,<br>Directive 2013/34/EU, Directive<br>(EU) 2022/2464 and Directive<br>(EU) 2024/1760 should therefore<br>be amended accordingly, | (31) Directive 2006/43/EC,<br>Directive 2013/34/EU, Directive<br>(EU) 2022/2464 and Directive<br>(EU) 2024/1760 should therefore<br>be amended accordingly, | (31) Directive 2006/43/EC,<br>Directive 2013/34/EU, Directive<br>(EU) 2022/2464 and Directive<br>(EU) 2024/1760 should therefore<br>be amended accordingly, |                       |
| Formula   | 1   |   |   |                       |
| 44        | HAVE ADOPTED THIS DIRECTIVE:  | HAVE ADOPTED THIS DIRECTIVE:  | HAVE ADOPTED THIS DIRECTIVE:  |                       |
| Article 1 |   |   |   |                       |
| 45        | Article 1 Amendments to Directive 2006/43/EC  | Article 1<br>Amendments to Directive<br>2006/43/EC  | Article 1<br>Amendments to Directive<br>2006/43/EC  |                       |
| Article 1 | , first paragraph   |   | ,   |                       |
| 46        | Directive 2006/43/EC is amended as follows:   | Directive 2006/43/EC is amended as follows:   | Directive 2006/43/EC is amended as follows:   |                       |
| Article 1 | , first paragraph a   |   |   |                       |
| 46a       |   |   | (-1) Article 3, paragraph 4 is replaced by the following:   |                       |
| Article 1 | , first paragraph b   |   |   |                       |
| 46b       |   |   | '4. The competent authorities of the Member States may approve as audit firms only those entities which satisfy the following conditions:                   |                       |

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| Article 1 | , first para | graph c                |       |            |   |                       |
| 46c       |              |                        |       |            | (a) the natural persons who carry out statutory audits on behalf of an audit firm must satisfy at least the conditions for statutory audit imposed by Article 4, Article 6(1), Article 7(1), Article 8(1) and (2), Article 9, Article 10(1) first subparagraph, Article 11 and Article 12 of this Directive and must be approved as statutory auditors in the Member State concerned;   |                       |
| Article 1 | , first para | graph d                |       |            |   |                       |
| 46d       |              |                        |       |            | (b) a majority of the voting rights in an entity must be held by audit firms which are approved in any Member State or by natural persons who satisfy at least the conditions for statutory audit imposed by Article 4, Article 6(1), Article 7(1), Article 8(1) and (2), Article 9, Article 10(1) first subparagraph, Article 11 and Article 12 of this Directive. Member States may provide that such natural persons must also have been approved in another Member State. For the purpose |                       |

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|           |                |                        |       |            | of the statutory audit of cooperatives, savings banks and similar entities as referred to in Article 45 of Directive 86/635/EEC, a subsidiary or legal successor of a cooperative, savings bank or similar entity as referred to in Article 45 of Directive 86/635/EEC, Member States may lay down other specific provisions in relation to voting rights;   |       |                 |
| Article 1 | L, first parag | raph e                 |       |            |  |       |                 |
| 46e       |                |                        |       |            | (c) a majority - up to a maximum of 75 % - of the members of the administrative or management body of the entity must be audit firms which are approved in any Member State or natural persons who satisfy at least the conditions for statutory audit imposed under Article 4, Article 6(1), Article 7(1), Article 8(1) and (2), Article 9, Article 10(1) first subparagraph, Article 11 and Article 12 of this Directive. Member States may provide that such natural persons must also have been approved in another Member State. Where such a |       |                 |

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|           |               |                        |       |            | body has no more than two<br>members, one of those members<br>must satisfy at least the<br>conditions in this point;   |       |                 |
| Article 1 | , first parag | graph f                |       |            |  |       |                 |
| 46f       |               |                        |       |            | (d) the firm must satisfy the condition imposed by Article 4.'   |       |                 |
| Article 1 | , first parag | graph g                |       |            |  |       |                 |
| 46g       |               |                        |       |            | (-1a) In Article 24b(1), the second subparagraph is replaced by the following:   |       |                 |
| Article 1 | , first parag | graph h                |       |            |  |       |                 |
| 46h       |               | , up                   |       |            | 'Member States shall ensure that, when the assurance of sustainability reporting is carried out by an audit firm, that audit firm designates at least one key sustainability partner who must satisfy at least the conditions imposed by Articles 4 and 6 to 12 and must be approved as statutory auditor in the Member State concerned. That key sustainability partner may be (one of) the key audit partner(s). The audit firm shall provide the key sustainability partner(s) with sufficient resources and with personnel that have the necessary |       |                 |

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|           |  |   | competence and capabilities to carry out his, her or its duties appropriately.';   |                       |
| Article 1 | , first paragraph, point (1)   |   |  |                       |
| 47        | (1) in Article 26a, paragraph 3 is replaced by the following:  | (1) in Article 26a, paragraph 3 is replaced by the following:   | (1) in Article 26a, paragraph 3 is replaced by the following:  |                       |
| Article 1 | , first paragraph, point (1), amending   | provision, numbered paragraph (3),  | first subparagraph   |                       |
| 48        | 3. The Commission shall be empowered to adopt delegated acts in accordance with Article 48a in order to supplement this Directive in order to provide for limited assurance standards setting out the procedures that the auditor(s) and the audit firm(s) shall perform in order to draw his, her or its conclusions on the assurance of sustainability reporting, including engagement planning, risk consideration and response to risks and type of conclusions to be included in the assurance report on sustainability reporting, or, where relevant, in the audit report. | 3. The Commission shall-be empowered to, no later than 1 October 2026, adopt delegated acts in accordance with Article 48a in order to supplement this Directive in order to provide for limited assurance standards setting out the procedures that the auditor(s) and the audit firm(s) shall perform in order to draw his, her or its conclusions on the assurance of sustainability reporting, including engagement planning, risk consideration and response to risks and type of conclusions to be included in the assurance report on sustainability reporting, or, where relevant, in the audit report. | 3. The Commission shall be empowered to adopt delegated acts in accordance with Article 48a in order to supplement this Directive in order to provide for limited assurance standards setting out the procedures that the auditor(s) and the audit firm(s) shall perform in order to draw his, her or its conclusions on the assurance of sustainability reporting, including engagement planning, risk consideration and response to risks and type of conclusions to be included in the assurance report on sustainability reporting, or, where relevant, in the audit report. |                       |
| Article 1 | The Commission may adopt the assurance standards referred to in  | The Commission mayshall adopt the assurance standards referred to   | The Commission may adopt the assurance standards referred to in  |                       |

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|           | the first subparagraph only where those standards:   | in the first subparagraph only where those after having obtained an opinion from EFRAG while ensuring that the standards: | the first subparagraph only where those standards:  |                       |
| Article 1 | , first paragraph, point (1), amending   | provision, numbered paragraph (3),  | second subparagraph, point (a)  |                       |
| 50        | (a) have been developed with proper due process, public oversight and transparency;                                | (a) have been developed with proper due process, public oversight and transparency;                                       | (a) have been developed with proper due process, public oversight and transparency;                                       |                       |
| Article 1 | , first paragraph, point (1), amending   | provision, numbered paragraph (3),  | second subparagraph, point (b)  |                       |
| 51        | (b) contribute a high level of credibility and quality to the annual or consolidated sustainability reporting; and | (b) contribute a high level of credibility and quality to the annual or consolidated sustainability reporting; and        | (b) contribute a high level of credibility and quality to the annual or consolidated sustainability reporting; and        |                       |
| Article 1 | , first paragraph, point (1), amending   | provision, numbered paragraph (3),  | second subparagraph, point (c)  |                       |
| 52        | (c) are conducive to the Union public good.;   | (c) are conducive to the Union public good.;  | (c) are conducive to the Union public good.;  |                       |
| Article 1 | , first paragraph h, point (1), amendi   | ng provision, numbered paragraph (1)  | , second subparagraph, point (ca)   |                       |
| 52a       |  |   | (1a) in Article 45, paragraph 5, the second subparagraph, point (a) is replaced by the following:                         |                       |
| Article 1 | , first paragraph h, point (1), amendi   | ng provision, numbered paragraph (1)  | , second subparagraph, point (cb)   |                       |
| 52b       |  |   | '(a) the majority of the<br>members of the administrative<br>or management body of the<br>third-country audit entity meet |                       |

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|           |                |                        |       |            | requirements which are equivalent to those laid down in Articles 4 to 10, with the exception of Article 7(2), Article 8(3) and the second subparagraph of Article 10(1);   |       |                 |
| Article 1 | , first paragr | raph h, point (2)      |       |            |  |       |                 |
| 52c       |                |                        |       |            | (1aa) in Article 45, the following paragraph is inserted:  |       |                 |
| Article 1 | , first paragr | raph h, point (3)      |       |            |  |       |                 |
| 52d       |                |                        |       |            | '5b. Member States shall not apply paragraphs 1 to 5a in relation to assurance reports concerning annual or consolidated sustainability reporting, issued for financial years starting during the period from 1 January 2025 to 31 December 2030 in cases where the third-country auditor or audit entity concerned provides the competent authorities of the Member State with the following: |       |                 |
| Article 1 | , first paragr | aph h, point (4)       |       |            |  |       |                 |
| 52e       |                |                        |       |            | (a) the name and address of the auditor or audit entity  |       |                 |

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|           |               |                        |       |            | concerned and information about its legal structure;   |       |                 |
| Article 1 | , first parag | graph h, point (5)     |       |            |  |       |                 |
| 52f       |               |                        |       |            | (b) the declaration that the third country auditor who signs the assurance report acquired knowledge in the area of sustainability reporting and its assurance and the information on the level of that knowledge; |       |                 |
| Article 1 | , first parag | graph h, point (6)     |       |            |  |       |                 |
| 52g       |               |                        |       |            | (c) where the auditor or the audit entity belongs to a network, a description of that network;   |       |                 |
| Article 1 | , first parag | raph h, point (7)      |       |            |  |       |                 |
| 52h       |               |                        |       |            | (d) the assurance standards and independence related requirements which have been applied to the assurance of sustainability reporting concerned;  |       |                 |
| Article 1 | , first parag | raph h, point (8)      |       |            | ,  |       |                 |
| 52i       |               |                        |       |            | (e) a description of the internal quality control system of the audit entity that covers the assurance of the sustainability reporting; and  |       |                 |
| Article 1 | , first parag | raph h, point (9)      |       |            |  |       |                 |

|           | CLEAN            | ommission<br>roposal                      | VS.EC | EP Mandate                                       | VS.EC   | Council Mandate   | VS.EC | Draft Agreement |
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| 52j       |                  |   |       |  | and when assurance or audit e sustainab engageme and neces the outcome assurance. Upon receinformatic authorities register the auditor of concerned assurance informatithat the reunder the provision, informatithe third-audit enticompeten Member 5 | indication of whether the last quality review of the auditor ntity for the ility assurance ents was carried out sary information about me of that quality review.  eiving all of the above on the competent es of the Member State ne third-country r audit entity I for the purpose of of sustainability on and make it clear egistration was done transition period If any of the above on is not provided by country auditor or ty concerned, the t authorities of the State shall not register for or audit entity. |       |                 |
| Article 1 | , first paragrap | h, point (2)                              |       | 1  |   | <u> </u>  |       |                 |
| 53        | \ /              | cicle 48a(2), the ragraph is replaced ng: |       | Article 48a(2), the paragraph is replaced owing: |   | Article 48a(2), the oparagraph is replaced owing:   |       |                 |

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| Article 1 | , first paragraph, point (2), amending   | provision, first paragraph   |  |                       |
| 54        | The power to adopt delegated acts referred to in Article 26a(3) shall be conferred on the Commission for an indeterminate period of time | The power to adopt delegated acts referred to in Article 26a(3) shall be conferred on the Commission for an indeterminate period of time | The power to adopt delegated acts referred to in Article 26a(3) shall be conferred on the Commission for an indeterminate period of time |                       |
| Article 2 | 2  |  |  |                       |
| 55        | Article 2<br>Amendments to Directive<br>2013/34/EU   | Article 2<br>Amendments to Directive<br>2013/34/EU   | Article 2<br>Amendments to Directive<br>2013/34/EU   |                       |
| Article 2 | 2, first paragraph   |  |  |                       |
| 56        | Directive 2013/34/EU is amended as follows:  | Directive 2013/34/EU is amended as follows:  | Directive 2013/34/EU is amended as follows:  |                       |
| Article 2 | 2, first paragraph, point (1)  |  |  |                       |
| 57        | (1) Article 1 is amended as follows:   | (1) Article 1 is amended as follows:   | (1) Article 1 is amended as follows:   |                       |
| Article 2 | 2, first paragraph, point (1)(a)   |  |  |                       |
| 58        | (a) in paragraph 3, the introductory wording is replaced by the following:   | (a) in paragraph 3, the introductory wording is replaced by the following:   | (a) in paragraph 3, the introductory wording is replaced by the following:   |                       |
| Article 2 | 2, first paragraph, point (1)(a), amendi   | ng provision, first paragraph  |  |                       |
| 59        | The coordination measures prescribed by Articles 19a, 19b, 29a, 29aa, 29d, 30 and 33, Article  | The coordination measures prescribed by Articles 19a, 19b, 29a, 29aa, 29d, 30 and 33, Article  | The coordination measures prescribed by Articles 19a, <del>19b,</del> <del>29a, 29aa</del> <b>29a</b> , 29d, 30 and 33,                  |                       |

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|           | 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:; | 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 exceed, on their balance sheet dates, exceed the average number of 10001 750 employees—and a net turnover of EUR 450 000 000 during the financial year:; | 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 a net turnover of EUR 450 000 000 and the average number of 1000 employees—during the financial year:; |                       |
| Article 2 | , first paragraph, point (1)(b)  |  |  |                       |
| 60        | (b) paragraph 4 is replaced by the following:  | (b) paragraph 4 is replaced by the following:  | (b) paragraph 4 is replaced by the following:  |                       |
| Article 2 | , first paragraph, point (1)(b), amend   | ing provision, numbered paragraph (4   | l), first subparagraph   |                       |
| 61        | 4. The coordination measures prescribed by Articles 19a, 29a and 29d shall not apply to the European Financial Stability Facility (EFSF) established by the EFSF Framework Agreement nor to financial products listed in Article 2, point (12), (b) and (f) of   | 4. The coordination measures prescribed by Articles 19a, 29a and 29d shall not apply to the European Financial Stability Facility (EFSF) established by the EFSF Framework Agreement nor to financial products listed in Article 2, point (12), (b) and (f) of   | 4. 'The coordination measures prescribed by Articles 19a, 29a and 29d shall not apply to the European Financial Stability Facility (EFSF) established by the EFSF Framework Agreement nor to financial products listed in Article 2, point (12), (b) and (f) of  |                       |

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|           | Regulation (EU) 2019/2088 of the European Parliament and of the Council*.   | Regulation (EU) 2019/2088 of the European Parliament and of the Council*.   | Regulation (EU) 2019/2088 of the European Parliament and of the Council*.  |                       |
| Article 2 | , first paragraph, point (1)(b), amend  | ing provision, numbered paragraph (4  | ), second subparagraph   |                       |
| 62        |   |   |  |                       |
| Article 2 | , first paragraph, point (1)(b), amend  | ing provision, numbered paragraph (4  | 1), third subparagraph   |                       |
| 63        | * Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (OJ L 317, 9.12.2019, p. 1, ELI: http://data.europa.eu/eli/reg/2019/2088/oj).; | * Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (OJ L 317, 9.12.2019, p. 1, ELI: http://data.europa.eu/eli/reg/2019/2088/oj).; | * Regulation (EU) 2019/2088 of<br>the European Parliament and of<br>the Council of 27 November 2019<br>on sustainability-related<br>disclosures in the financial<br>services sector (OJ L 317,<br>9.12.2019, p. 1, ELI:<br>http://data.europa.eu/eli/reg/2019/<br>2088/oj).; |                       |
| Article 2 | , first paragraph, point (1a)   |   |  |                       |
| 63a       |   | (1a) in Article 19(1), the fourth subparagraph is replaced by the following:  | (1a) Article 19(1), fourth subparagraph is replaced by the following:  |                       |
| Article 2 | , first paragraph, point (1b)   |   |  |                       |
| 63b       |   | '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  | 'Undertakings which, on<br>their balance sheet dates, exceed<br>a net turnover of EUR 450 000<br>000 and the average number of<br>1000 employees during the<br>financial year, shall report  |                       |

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|           |   | 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.';   | 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.'   |                       |
| Article 2 | , first paragraph, point (2)  |  |   |                       |
| 64        | (2) Article 19a is amended as follows:  | (2) Article 19a is amended as follows:   | (2) Article 19a is amended as follows:  |                       |
| Article 2 | , first paragraph, point (2)(a)   |  |   |                       |
| 65        | (a) in paragraph 1, the first subparagraph is replaced by the following:  | (a) in paragraph 1, the first subparagraph is replaced by the following:   | (a) in paragraph 1, the first subparagraph is replaced by the following:  |                       |
| Article 2 | , first paragraph, point (2)(a), amend  | ing provision, first paragraph   |   |                       |
| 66        | Large undertakings which, on their balance sheet dates, exceed the average number of 1000 employees during the financial year shall include in their management report information necessary to understand the undertaking's impacts on sustainability matters, and information necessary to understand how sustainability matters affect the undertaking's | Large Undertakings which, on their balance sheet dates, exceed the average number of 10001 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 impacts on sustainability matters, and information necessary to understand how sustainability matters affect the undertaking's | Large Undertakings which, on their balance sheet dates, exceed a net turnover of EUR 450 000 000 and the average number of 1000 employees during the financial year shall include in their management report information necessary to understand the undertaking's impacts on sustainability matters, and information necessary to understand how sustainability matters affect the undertaking's |                       |

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|           | development, performance and position.; | development, performance and position.   | development, performance and position.;  |                       |
| Article 2 | , first paragraph, point (2)(a), amend  | ing provision, first paragraph a   |  |                       |
| 66a       |   | (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.'; |  |                       |
| Article 2 | , first paragraph, point (2)(a), amend  | ing provision, first paragraph a   |  |                       |
| 66b       |   |  | (aa) in paragraph 2, point (iii) is replaced by the following:   |                       |
| Article 2 | , first paragraph, point (2)(a), amend  | ing provision, first paragraph b   |  |                       |
| 66c       |   |  | 'the plans of the undertaking, including implementing actions and related financial and investment plans, to ensure that its business model and strategy contribute to the transition to a sustainable economy and to the limiting of global warming in line with the Paris Agreement under the United Nations Framework Convention on |                       |

|           | CLEAN          | Commission<br>Proposal                     | VS.EC              | EP Mandate                                  | VS.EC  | Council Mandate   | VS.EC | Draft Agreement |
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|           |                |  |                    |   | Climate Change adopted on 12 December 2015 (the 'Paris Agreement') and with the objective of achieving climate neutrality by 2050 as established in Regulation (EU) 2021/1119 of the European Parliament and of the Council (¹), and, where relevant, the exposure of the undertaking to coal-, oil- and gas-related activities;'  1. Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1)." |   |       |                 |
| Article 2 | 2, first parag | graph, point (2)(a), amend                 | ing provisior      | n, first paragraph b                        |  |   |       |                 |
| 66d       |                |  |                    |   |  |   |       |                 |
| Article 2 | 2, first parag | graph, point (2)(b)                        | ·                  |   |  |   |       |                 |
| 67        | (b) pa         | aragraph 3 is amended as                   | (b) pa<br>follows: | ragraph 3 is amended as                     | (b) p follows:   | aragraph 3 is amended as  |       |                 |
| Article 2 | 2, first parag | graph, point (2)(b)(i)                     |                    |   |  |   |       |                 |
| 68        |                | ne first subparagraph is by the following: |                    | e first subparagraph is<br>y the following: | subparagi  | fter the first raph <del>is replaced by</del> , the subparagraphs are |       |                 |

|         | CLEAN          | Commission<br>Proposal                        | VS.EC       | EP Mandate                              | VS.EC       | Council Mandate                                       | VS.EC | Draft Agreement |
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| Article | 2, first parag | raph, point (2)(b)(i), amen                   | ding provis | ion, first paragraph                    |             |   |       |                 |
|         | 4              |   | 6           |   | 4           |   |       |                 |
|         | Where app      | plicable, the information                     | Where app   | olicable, the information               | Where ar    | oplicable, the information                            |       |                 |
|         |                | in paragraphs 1 and 2                         |             | in paragraphs 1 and 2                   | referred t  | to in paragraphs 1 and 2                              |       |                 |
|         | shall conta    | ain information about the                     | shall conta | ain information about the               |             | tain information about the                            |       |                 |
|         | undertakir     | ng's own operations and                       | undertakir  | ng's own operations and                 |             | ing's own operations and                              |       |                 |
|         |                | value chain, including its                    |             | ralue chain, including its              |             | value chain, including its                            |       |                 |
|         |                | and services, its business                    |             | and services, its business              | 1           | and services, its business                            |       |                 |
|         |                | ips and its supply chain.                     |             | ips and its supply chain.               |             | hips and its supply chain.                            |       |                 |
|         |                | States shall ensure that,                     |             | states shall ensure that,               |             | States shall ensure                                   |       |                 |
|         |                | orting of sustainability                      |             | orting of sustainability                |             | en establishing                                       |       |                 |
|         |                | on as required by this                        |             | on as required by this                  |             | ual and other   |       |                 |
|         |                | undertakings do not                           |             | undertakings do not                     |             | ments for the reporting of                            |       |                 |
|         |                | tain from undertakings                        |             | tain from undertakings                  |             | pility information as                                 |       |                 |
|         |                | lue chain which, on their                     |             | lue chain which, on their               |             | by this Directive,                                    |       |                 |
| 60      |                | neet dates, do not exceed                     |             | eet dates, do not exceed                |             | ings do not seek to obtain                            |       |                 |
| 69      | _              | ge number of 1000                             | _           | e number of <u>10001 750</u>            |             | indertaking shall not                                 |       |                 |
|         |                | s during the financial                        |             | and a net turnover of                   |             | undertakings in theirits                              |       |                 |
|         |                | information that exceeds                      |             | <u>000 000</u> during the               |             | ain which, on their                                   |       |                 |
|         |                | nation specified in the                       |             | year_any information ds the information |             | sheet dates, do not exceed                            |       |                 |
|         |                | for voluntary use                             |             | n the standards for                     |             | ge number of 1000                                     |       |                 |
|         |                | o in Article 29ca, except onal sustainability |             | use referred to in Article              |             | es during the financial <b>to provide</b> information |       |                 |
|         |                | on that is commonly                           | -           | ept for additional                      |             | g the information                                     |       |                 |
|         |                | ween undertakings in                          | ,           | lity information that is                |             | in the standards for                                  |       |                 |
|         |                | concerned.                                    |             | shared between                          |             | y use referred to in                                  |       |                 |
|         |                | ngs that report the                           |             | ngs in the sector                       | Article 2   |   |       |                 |
|         |                | value chain information                       |             | . Undertakings that                     | All ticic 2 |   |       |                 |
|         | -              | eporting from                                 |             | necessary value chain                   | Any con     | tractual provision                                    |       |                 |
|         |                | ngs in their value chain                      |             | on without reporting                    |             | to the second   |       |                 |
|         |                | their balance sheet                           |             | rtakings in their value                 | · ·         | graph shall not be                                    |       |                 |
|         | /              | not exceed the average                        |             | ch, on their balance sheet              |             | This shall not affect the                             |       |                 |

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| 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.; | dates, do not exceed the average number of 10001 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.; | binding nature of the remainder of the contract.  Where an undertaking requests information:  (i) for the purposes of sustainability information as required by this Directive, from undertakings in its value chain; and  (ii) some or all of that information falls outside of that exceeds the information specified in the standards for voluntary use referred to in Article 29ca,  that undertaking shall ensure that undertakings in its value chain which, on their balance sheet dates, do not exceed the average number of 1000 employees during the financial year, are informed of which information falls into point (ii) of this subparagraph and of their statutory right to decline to provide that information.  Any undertaking in the value chain which, on its balance sheet date, does not exceed the |                       |

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|       |                        |       |            | average number of 1000 employees during the financial year, shall have a right to decline to provide information exceeding the information specified in the standards for voluntary use referred to in Article 29ca in response to a request made for the purposes of reporting of sustainability as required by this Directive.  Nothing in the second, third, fourth or fifth subparagraphs:  (i) affects information requests for purposes other than for the reporting of except for additional sustainability information that is commonly shared betweenas required by this Directive, including Union requirements on undertakings to conduct a due diligence process; |       |                 |
|       |                        |       |            | or  |       |                 |
|       |                        |       |            | (ii) imposes or implies any obligation on undertakings in the sector concerned. value-chain to provide information falling within the standards for   |       |                 |

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|           |                |                              |             |                        | Undertak necessary without rundertaki which, or dates, do number of the financi informati informati standards referred to for additi informati shared be the sector deemed to obligation | ings that report the value chain information eporting from ngs in their value chain in their balance sheet not exceed the average of 1000 employees during cial year—any on that exceeds the on specified in the for voluntary use of in Article 29ca, except onal sustainability on that is commonly tween undertakings in concerned, shall be of have complied with the into report value chain on set out in this eathe first |       |                 |
| Article 2 | , first parag  | graph, point (2)(b)(i), amen | ding provis | ion, first paragraph a |  |  |       |                 |
| 69a       |                |                              |             |                        |  | he fourth subparagraph<br>ed by the following<br>graph:  |       |                 |
| Article 2 | 2, first parag | graph, point (2)(b)(i), amen | ding provis | ion, first paragraph b |  | eporting the<br>ion referred to in   |       |                 |

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|       | Τισμοναί               |       |            | paragraphs 1 and 2, undertakings may omit the following information:  (a) in exceptional cases, information the disclosure of which would be seriously prejudicial to the commercial position of the undertaking, provided that all of the following conditions are met:  (i) such omission does not prevent a fair and balanced understanding of the undertaking's development, performance and position, or of its principal risks or principal impacts;  (ii) the undertaking has determined that it is impossible to disclose the information in a manner, such as at an aggregated level, that would enable it to meet the objectives of the disclosure requirement without seriously prejudicing its commercial position; |       |                 |

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|       |                        |       |            | <ul><li>(iii) the undertaking discloses the fact that it has used this exemption;</li><li>(iv) the undertaking reassesses at each reporting date whether</li></ul> |       |                 |
|       |                        |       |            | the information may still be omitted.  |       |                 |
|       |                        |       |            | (b) information corresponding<br>to intellectual capital,<br>intellectual property, know-how<br>or the results of innovation that                                  |       |                 |
|       |                        |       |            | qualifies as a trade secret as defined in Article 2, point (1), of Directive (EU) 2016/943, provided that both of the  |       |                 |
|       |                        |       |            | following conditions are met:  (i) the undertaking discloses the fact that it has used this exemption; and   |       |                 |
|       |                        |       |            | (ii) the undertaking reassesses at each reporting date whether the information may still be omitted.   |       |                 |
|       |                        |       |            | (c) classified information as defined in Article 2, point (7) of Regulation (EU) 2023/2418, provided that both of the following conditions are met:                |       |                 |

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| Article   | ) first para   | graph, point (2)(b)(ia) |       |            | (i) the undertaking discloses the fact that it has used this exemption; and  (ii) the undertaking reassesses at each reporting date whether the information may still be omitted;  (d) other information that is to be protected from unauthorised access or disclosure because of obligations laid down in other Union legislation or in national law, or in order to safeguard the privacy or security of a natural person or the security of a legal person, provided that both of the following conditions are met:  (i) the undertaking discloses the fact that it has used this exemption; and  (ii) the undertaking reassesses at each reporting date whether the information may still be omitted; |       |                 |
| Article . | z, iirst parag | grapn, point (2)(b)(id) |       |            |  |       |                 |

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| 69c       |  | (ia) the second subparagraph is replaced by the following:  |                       |                       |
| Article 2 | 2, first paragraph, point (2)(b)(ib)   |   |                       |                       |
| 69d       |  | '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. '; |                       |                       |
| Article 2 | 2, first paragraph, point (2)(b)(ii)   |   |                       |                       |
| 70        | (ii) the following subparagraph is added:  | (ii) the following subparagraph is added:   | deleted               |                       |
| Article 2 | 2, first paragraph, point (2)(b)(ii), am   | ending provision, first paragraph   |                       |                       |
| 71        | The first subparagraph is without prejudice to Union requirements on undertakings to conduct a due diligence process.; | The first subparagraph is without prejudice to <u>information requests</u> made for purposes other than the reporting of sustainability information as required by this <u>Directive</u> , including Union requirements on undertakings to conduct a due diligence process.;  | deleted               |                       |

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|           |                     |                        |  |  |                       |
| Article 2 | , first paragı      | raph, point (2)(ba)    |  |  |                       |
| 71a       |                     |                        | (ba) the following paragraph is inserted:  |  |                       |
| Article 2 | , first paragr      | aph, point (2)(bb)     |  |  |                       |
| 71b       |                     |                        | '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.'; |  |                       |
| Article 2 | , first paragr      | aph, point (2)(c)      |  |  |                       |
| 72        | (c) par<br>deleted; | ragraphs 6 and 7 are   | (c) paragraphs 6 and 7 are deleted;  | (c) paragraphs 6 and 7 are deleted;  |                       |
| Article 2 | , first paragr      | aph, point (2)(ca)     |  |  |                       |
| 72a       |                     |                        | (ca) paragraph 10 is replaced by the following:  | <ul><li>(d) paragraph 10 is replaced by the following:</li><li>'The exemption laid down in paragraph 9 shall also apply to</li></ul> |                       |

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|           |   |   | public-interest entities subject to the requirements of this Article'. |                       |
| Article 2 | 2, first paragraph, point (2)(cb)   |   |  |                       |
| 72b       |   | '10. The exemption laid down in paragraph 9 shall also apply to public-interest entities subject to the requirements of this Article.'; |  |                       |
| Article 2 | 2, first paragraph, point (3)   |   |  |                       |
| 73        | (3) the following Article 19b is inserted:  | deleted   | deleted  |                       |
| Article 2 | , first paragraph, point (3), amendin   | provision, first paragraph  |  |                       |
| 74        | Article 19b   | deleted   | deleted  |                       |
| Article 2 | 2, first paragraph, point (3), amendin  | g provision, second paragraph   |  |                       |
| 75        | Optional taxonomy reporting for certain undertakings  | deleted   | deleted  |                       |
| Article 2 | p, first paragraph, point (3), amendin  | provision, numbered paragraph (1)   |  |                       |
| 76        | 1. Member States shall ensure that, by way of derogation from Article 8 of Regulation (EU) 2020/852, undertakings as referred to in Article 19a(1) of this Directive which, on their balance sheet dates, do not exceed a net turnover of EUR 450 000 000 | deleted   | deleted  |                       |

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|           | during the financial year shall apply the paragraphs 2, 3 and 4 of this Directive.  |                                      |                               |                       |
| Article 2 | , first paragraph, point (3), amending  | provision, numbered paragraph (2)    |                               |                       |
| 77        | 2. An undertaking as referred to in paragraph 1 that claims that its activities are associated with economic activities that qualify as environmentally sustainable under Articles 3 and 9 of Regulation (EU) 2020/852 or with economic activities that fulfil only certain requirements of that provision shall include in its management report information on how and to what extent its activities are associated with those economic activities. | deleted                              | deleted                       |                       |
| Article 2 | 2, first paragraph, point (3), amending   | provision, numbered paragraph (3), j | first subparagraph            |                       |
| 78        | 3. In particular, a non-financial undertaking that claims that its activities are associated with economic activities that qualify as environmentally sustainable under Articles 3 and 9 of Regulation (EU) 2020/852 shall disclose the following indicators:   | deleted                              | deleted                       |                       |
| Article 2 | 2, first paragraph, point (3), amending   | provision, numbered paragraph (3), j | first subparagraph, point (a) |                       |
| 79        | (a) the proportion of its turnover derived from products or   | deleted                              | deleted                       |                       |

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|           | services associated with economic activities that qualify as environmentally sustainable under Articles 3 and 9 of that Regulation;   |                                      |                               |                       |
| Article 2 | , first paragraph, point (3), amending  | provision, numbered paragraph (3), f | first subparagraph, point (b) |                       |
| 80        | (b) the proportion of its capital expenditure related to assets or processes associated with economic activities that qualify as environmentally sustainable under Articles 3 and 9 of that Regulation.   | deleted                              | deleted                       |                       |
| Article 2 | , first paragraph, point (3), amending  | provision, numbered paragraph (3), s | second subparagraph           |                       |
| 81        | A non-financial undertaking that discloses the indicators referred to in the first subparagraph may disclose the proportion of its operating expenditure related to assets or processes associated with economic activities that qualify as environmentally sustainable under Articles 3 and 9 of Regulation (EU) 2020/852. | deleted                              | deleted                       |                       |
| Article 2 | , first paragraph, point (3), amending  | provision, numbered paragraph (4), f | irst subparagraph             |                       |
| 82        | 4. In particular, a non-financial undertaking that claims that its activities are associated with economic activities that fulfil only certain requirements of  | deleted                              | deleted                       |                       |

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|           | Article 3 of Regulation (EU) 2020/852 shall disclose the following indicators:  |                                      |                               |                       |
| Article 2 | , first paragraph, point (3), amending  | provision, numbered paragraph (4), j | first subparagraph, point (a) |                       |
| 83        | (a) the proportion of its turnover derived from products or services associated with economic activities fulfilling only certain requirements of Article 3 of that Regulation;  | deleted                              | deleted                       |                       |
| Article 2 | , first paragraph, point (3), amending  | provision, numbered paragraph (4), j | first subparagraph, point (b) |                       |
| 84        | (b) the proportion of its capital expenditure related to assets or processes associated with economic activities that fulfil only certain requirements of Article 3 of that Regulation;   | deleted                              | deleted                       |                       |
| Article 2 | , first paragraph, point (3), amending  | provision, numbered paragraph (4), s | second subparagraph           |                       |
| 85        | A non-financial undertaking that discloses the indicators referred to in the first subparagraph may disclose the proportion of its operating expenditure related to assets or processes associated with economic activities that fulfil only certain requirements of Article 3 of Regulation (EU) 2020/852. | deleted                              | deleted                       |                       |
| Article 2 | , first paragraph, point (3), amending  | provision, numbered paragraph (5)    |                               |                       |

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| 86        | 5. The Commission shall adopt a delegated act in accordance with Article 49 of this Directive to supplement paragraphs 1, 2, 3 and 4 of this Article to specify the content and presentation of the information to be disclosed pursuant to those paragraphs, including the content of the information concerning economic activities that fulfil only certain of the criteria set out in Article 3 of Regulation (EU) 2020/852, and the methodology to be used in order to comply with them, taking into account the specificities of both financial and non-financial undertakings and the technical screening criteria established pursuant to that Regulation.; | deleted  | deleted  |                       |
| Article 2 | 2, first paragraph, point (4)   |  |  |                       |
| 87        | (4) Article 29a is amended as follows:  | (4) Article 29a is amended as follows:                                   | (4) Article 29a is amended as follows:                                   |                       |
| Article 2 | 2, first paragraph, point (4)(a)  |  |  |                       |
| 88        | (a) in paragraph 1, the first subparagraph is replaced by the following:  | (a) in paragraph 1, the first subparagraph is replaced by the following: | (a) in paragraph 1, the first subparagraph is replaced by the following: |                       |

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| Article 2 | , first paragraph, point (4)(a), amend  | ing provision, first paragraph   |  |                       |
| 89        | Parent undertakings of a large group which, on their balance sheet dates, exceed the average number of 1000 employees, on a consolidated basis, during the financial year, shall include in the consolidated management report information necessary to understand the group's impacts on sustainability matters, and information necessary to understand how sustainability matters affect the group's development, performance and position.; | Parent undertakings of a large group which, on their balance sheet dates, exceed the average number of 10001 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 group's impacts on sustainability matters, and information necessary to understand how sustainability matters affect the group's development, performance and position.; | Parent undertakings of a large group which, on their balance sheet dates, exceed, on a consolidated basis, a net turnover of EUR 450 000 000 and the average number of 1000 employees, on a consolidated basis, during the financial year, shall include in the consolidated management report information necessary to understand the group's impacts on sustainability matters, and information necessary to understand how sustainability matters affect the group's development, performance and position.'; |                       |
| Article 2 | , first paragraph, point (4)(a), amend  | ing provision, first paragraph a   |  |                       |
| 89a       |   | (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   |  |                       |

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|           |               |                            | referred to<br>subparage<br>undertaki,<br>months tra<br>being requ<br>information<br>subsidiary | orting of information o in the first raph, the parent ng will benefit of a 24 ansition period before wired to integrate on on its new o, within its consolidated ility report.'; |  |   |       |                 |
| Article 2 | , first parag | raph, point (4)(a), amendi | ng provisio   | n, first paragraph a   |  |   |       |                 |
| 89b       |               |                            |   |  |  | n paragraph 2, point placed by the following:   |       |                 |
| Article 2 | , first parag | raph, point (4)(a), amendi | ng provisio   | n, first paragraph b   |  |   |       |                 |
| 89c       |               |                            |   |  | including and relativestme its busing contribusustainal limiting cline with under the Framework Climate December Agreeme objective | s of the group, g implementing actions ted financial and nt plans, to ensure that tess model and strategy te to the transition to a ple economy and to the of global warming in the Paris Agreement to United Nations ork Convention on Change adopted on 12 or 2015 (the 'Paris ent') and with the e of achieving climate y by 2050 as established |       |                 |

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|           |  |  |  |   | in Regulation (EU) 2021/1119 of<br>the European Parliament and of<br>the Council (¹), and, where<br>relevant, the exposure of the<br>group to coal-, oil- and gas-<br>related activities;' |   |       |                 |
|           |  |  |  |   | European I<br>Council of a<br>framework<br>neutrality a<br>(EC) No 40  | on (EU) 2021/1119 of the Parliament and of the 30 June 2021 establishing the for achieving climate and amending Regulations 11/2009 and (EU) 2018/1999 a Climate Law') (OJ L 243, . 1). |       |                 |
| Article 2 | , first paragrap                             | h, point (4)(b)  |  |   |  |   |       |                 |
| 90        | (b) parag follows:                           | raph 3 is amended as   | (b) par follows:                           | agraph 3 is amended as  | (b) pa   | aragraph 3 is amended as  |       |                 |
| Article 2 | , first paragrap                             | h, point (4)(b)(i)   |  |   |  |   |       |                 |
| 91        | (i) the fir replaced by the                  | rst subparagraph is<br>ne following:   | paragraph is (i) the first subparagraph is |   | subparagr  | fter the first raph-is replaced by, the subparagraphs are   |       |                 |
| Article 2 | , first paragrap                             | h, point (4)(b)(i), amen   | ding provision                             | on, first paragraph   |  |   |       |                 |
| 92        | referred to in shall contain i group's own o | able, the information paragraphs 1 and 2 information about the operations and about 1, including its | referred to<br>shall contai<br>group's ow  | licable, the information<br>in paragraphs 1 and 2<br>in information about the<br>n operations and about<br>ain, including its | 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                    |   |       |                 |

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| products and services, its business                            | products and services, its business                      | products and services, its business |                       |
| relationships and its supply chain.                            | relationships and its supply chain.                      | relationships and its supply chain. |                       |
| Member States shall ensure that,                               | Member States shall ensure that,                         | Member States shall ensure          |                       |
| for the reporting of sustainability                            | for the reporting of sustainability                      | that, When establishing             |                       |
| information as required by this                                | information as required by this                          | contractual and other               |                       |
| Directive, undertakings do not                                 | Directive, undertakings do not                           | arrangements for the reporting of   |                       |
| seek to obtain from undertakings                               | seek to obtain from undertakings                         | sustainability information as       |                       |
| in their value chain which, on their                           | in their value chain which, on their                     | required by this Directive,         |                       |
| balance sheet dates, do not exceed                             | balance sheet dates, do not exceed                       | undertakings do not seek to obtain  |                       |
| the average number of 1000                                     | the average number of <u>1000</u> <u>1 750</u>           | froman undertaking shall not        |                       |
| employees during the financial                                 | employees and a net turnover of                          | require undertakings in theirits    |                       |
| year any information that exceeds                              | <b>EUR 450 000 000</b> during the                        | value chain which, on their         |                       |
| the information specified in the                               | financial year any information that                      | balance sheet dates, do not exceed  |                       |
| standards for voluntary use                                    | exceeds the information specified                        | the average number of 1000          |                       |
| referred to in Article 29ca, except                            | in the standards for voluntary use                       | employees during the financial      |                       |
| for additional sustainability                                  | referred to in Article 29ca, except                      | year, to provide any information    |                       |
| information that is commonly                                   | for additional sustainability                            | exceeding the information           |                       |
| shared between undertakings in                                 | information that is commonly                             | specified in the standards for      |                       |
| the sector concerned.  | shared between undertakings in                           | voluntary use referred to in        |                       |
| Undertakings that report the                                   | the sector concerned.                                    | Article 29ca.                       |                       |
| necessary value chain information                              | Undertakings that report the                             |                                     |                       |
| without reporting from   | necessary value chain information                        | Any contractual provision           |                       |
| undertakings in their value chain                              | without reporting from                                   | contrary to the second              |                       |
| which, on their balance sheet                                  | undertakings in their value chain                        | subparagraph shall not be           |                       |
| dates, do not exceed the average                               | which, on their balance sheet                            | binding. This shall not affect the  |                       |
| number of 1000 employees during                                | dates, do not exceed the average                         | binding nature of the remainder     |                       |
| the financial year any information                             | number of <u>10001 750</u> employees                     | of the contract.                    |                       |
| that exceeds the information                                   | and a net turnover of EUR 450                            | XX/I                                |                       |
| specified in the standards for                                 | 000 000 during the financial year                        | Where an undertaking requests       |                       |
| voluntary use referred to in Article                           | any information that exceeds the                         | information:                        |                       |
| 29ca, except for additional sustainability information that is | information specified in the standards for voluntary use |                                     |                       |
| sustamatinity information that is                              | standards for voluntary use                              |                                     |                       |

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| 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.; | 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.; | (i) for the purposes of sustainability information as required by this Directive, from undertakings in its value chain; and  (ii) some or all of that information falls outside ofthat exceeds the information specified in the standards for voluntary use referred to in Article 29ca,  that undertaking shall ensure that undertakings in its value chain which, on their balance sheet dates, do not exceed the average number of 1000 employees during the financial year, are informed of which information falls into point (ii) of this subparagraph and of their statutory right to decline to provide that information.  Any undertaking in the value chain which, on its balance sheet date, does not exceed the average number of 1000 employees during the financial year, shall have a right to decline to provide information exceeding the information |                       |

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|       |                        |       |            | specified in the standards for voluntary use referred to in Article 29ca in response to a request made for the purposes of reporting of sustainability as required by this Directive.  Nothing in the second, third, fourth or fifth subparagraphs:  (i) affects information requests for purposes other than for the reporting of except for additional sustainability information that is commonly shared between as required by this Directive, including Union requirements on undertakings to conduct a due diligence process; or |       |                 |
|       |                        |       |            | (ii) imposes or implies any obligation on undertakings in the sector concerned value-chain to provide information falling within the standards for voluntary use referred to in Article 29ca.  Parent undertakings that report the necessary value chain information without reporting from undertakings in their value  |       |                 |

|           | CLEAN         | Commission<br>Proposal       | VS.EC        | EP Mandate             | VS.EC   | Council Mandate  | VS.EC | Draft Agreement |
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|           |               |                              |              |                        | dates, do number of the finan that exce specified voluntary 29ca, exc sustainal common undertak concerne have con to report | not exceed the average of 1000 employees during cial year any information eds the information in the standards for y use referred to in Article cept for additional collity information that is ly shared between ings in the sector d, shall be deemed to applied with the obligation value chain information this paragraphthe first graph.; |       |                 |
| Article 2 | 2, first para | graph, point (4)(b)(i), amen | ding provisi | ion, first paragraph a |   |  |       |                 |
| 92a       |               |                              |              |                        | subpara   | The fourth<br>graph is replaced by the<br>g subparagraph:  |       |                 |
| Article 2 | , first para  | graph, point (4)(b)(i), amen | ding provisi | ion, first paragraph b | 1   |  |       |                 |
| 92b       |               |                              |              |                        | informa<br>paragra<br>undertal  | eporting the tion referred to in phs 1 and 2, parent kings may omit the g information:   |       |                 |
|           |               |                              |              |                        | which w<br>prejudic   | mation the disclosure of<br>ould be seriously<br>ial to the commercial<br>of the group, provided   |       |                 |

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|       | Proposal               |       |            | that all of the following conditions are met:  (i) such omission does not prevent a fair and balanced understanding of the group's development, performance and position, or of its principal risks or principal impacts;  (ii) the parent undertaking has determined that it is impossible to disclose the information in a manner, such as at an aggregated level, that would enable it to meet the objectives of the disclosure requirement without seriously prejudicing the group's commercial position;  (iii) the parent undertaking discloses the fact that it has used this exemption;  (iv) the parent undertaking reassesses at each reporting date whether the information may still be omitted; |       |                 |
|       |                        |       |            | (b) information corresponding to intellectual capital,   |       |                 |

| CLEAN | Commission<br>Proposal | VS.EC | EP Mandate | vs.ec Council Mandate  | VS.EC | Draft Agreement |
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|       | Proposal               |       |            | intellectual property, know-how or the results of innovation that qualifies as a trade secret as defined in Article 2, point (1), of Directive (EU) 2016/943, provided that both of the following conditions are met:  (i) the parent undertaking discloses the fact that it has used this exemption; and  (ii) the parent undertaking reassesses at each reporting date whether the information may still be omitted;  (c) classified information as defined in Article 2, point (7) of Regulation (EU) 2023/2418, provided that both of the following conditions are met:  (i) the parent undertaking discloses the fact that it has used this exemption; and  (ii) the parent undertaking reassesses at each reporting date whether the information may still be omitted; |       |                 |
|       |                        |       |            |  |       |                 |

|           | Commission Proposal                      | vs.ec <b>EP Mandate</b>            | vs.ec Council Mandate  | vs.ec Draft Agreement |
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|           |  |                                    | (d) other information that is to be protected from unauthorised access or disclosure because of obligations laid down in other Union legislation or in national law, or in order to safeguard the privacy or security of a natural person or the security of a legal person, provided that both of the following conditions are met:  (i) the parent undertaking discloses the fact that it has used this exemption; and  (ii) the parent undertaking reassesses at each reporting date whether the information may still be omitted.' |                       |
| Article 2 | , first paragraph, point (4)(b)(i), amer | nding provision, first paragraph c |  |                       |
| 92c       |  |                                    | (c) paragraph 9 is replaced by the following:  |                       |
| Article 2 | , first paragraph, point (4)(b)(i), amer | nding provision, first paragraph d |  |                       |
| 92d       |  |                                    | 'The exemption laid down in<br>paragraph 8 shall also apply to<br>public-interest entities subject to<br>the requirements of this Article.'  |                       |
| Article 2 | , first paragraph, point (4)(b)(ii)      |                                    |  |                       |

|           | CLEAN Commission Proposal  | vs.ec EP Mandate  | VS.EC Council Mandate | VS.EC Draft Agreement |
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| 93        | (ii) the following subparagraph is added:  | (ii) the following subparagraph is added:   | deleted               |                       |
| Article 2 | , first paragraph, point (4)(b)(ii), ame   | nding provision, first paragraph  |                       |                       |
| 94        | The first subparagraph is without prejudice to Union requirements on undertakings to conduct a due diligence process.; | The first subparagraph is without prejudice to <u>information requests</u> made for purposes other than the reporting of sustainability information as required by this <u>Directive</u> , including Union requirements on undertakings to conduct a due diligence process.;  | deleted               |                       |
| Article 2 | , first paragraph, point (4)(b)(ii), ame   | nding provision, first paragraph a  |                       |                       |
| 94a       |  | (ia) the second subparagraph is replaced by the following:  |                       |                       |
| Article 2 | , first paragraph, point (4)(b)(ii), ame   | nding provision, first paragraph b  |                       |                       |
| 94b       |  | '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.'; |                       |                       |
| Article 2 | , first paragraph, point (4)(b)(ii), ame   | nding provision, first paragraph c  |                       |                       |

|           | CLEAN   | Commission<br>Proposal       | vs.ec <b>EP</b>   | Mandate   | VS.EC | Council Mandate | VS.EC | Draft Agreement |  |  |  |
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| 94c       |   | -                            | (ba) the following subparagraph (   |   |       |                 |       |                 |  |  |  |
| Article 2 | orticle 2, first paragraph, point (4)(b)(ii), amending provision, first paragraph d |                              |   |   |       |                 |       |                 |  |  |  |
| 94d       |   |                              | set out in this A<br>prejudice to Di<br>2016/943. Then<br>undertakings s<br>required to disc<br>on intellectual<br>intellectual pro<br>how, business i<br>technological i<br>constitutes trad<br>defined in Artic<br>Directive (EU) | refore, hall not be close information capital, perty or know- information or information which le secrets as cle 2, point (1), of |       |                 |       |                 |  |  |  |
| Article 2 | , first para <sub>l</sub>   | graph, point (4)(b)(ii), ame | nding provision,  | first paragraph e   |       |                 |       |                 |  |  |  |
| 94e       |   |                              |   | graph 8, the first is replaced by the   |       |                 |       |                 |  |  |  |
| Article 2 | , first para  | graph, point (4)(b)(ii), ame | nding provision,  | first paragraph f   |       |                 |       |                 |  |  |  |
| 94f       |   |                              | out in the secon<br>of this paragra<br>parent underta<br>subsidiary und<br>exempted from  | king which is a ertaking shall be the obligations set ohs 1 to 5 of this empted parent  |       |                 |       |                 |  |  |  |

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|           |               |                              | undertaking and its sundertakings are inconsolidated manage of another undertaking accordance with Athis Article. A parent which is a subsidiary of a parent undertake established in a third shall also be exempted obligations set out in 1 to 5 of this Article   | duded in the ement report ing, drawn up article 29 and it undertaking ing that is a country ed from the paragraphs where:   |                 |       |                 |
| Article 2 | !, first para | graph, point (4)(b)(ii), ame | nding provision, first p   | aragraph g  |                 |       |                 |
| 94g       |               |                              | and its subsidiary unare included in the consustainability reports parent undertaking the established in a third where that consolidate sustainability reports out in accordance with sustainability reports adopted pursuant to or in a manner equipation of the equivalent sustainability restandards, as determined accordance with an accordance with accordance wit | dertakings onsolidated ing of that hat is l country and ted ing is carried ing standards Article 29b valent to reporting ined in implementing ce of ing standards |                 |       |                 |

|           | CLEAN   | Commission<br>Proposal      | VS.EC EP Mandate  | vs.ec Council N | <b>Mandate</b> | VS.EC | Draft Agreement |  |  |  |
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|           |   |                             | subparagraph of Article 23(4) of Directive 2004/109/EC;   |                 |                |       |                 |  |  |  |
| Article 2 | e 2, first paragraph, point (4)(b)(ii), amending provision, first paragraph h |                             |   |                 |                |       |                 |  |  |  |
| 94h       |   |                             | (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.'; |                 |                |       |                 |  |  |  |
| Article 2 | , first parag   | raph, point (4)(b)(ii), ame | nding provision, first paragraph i  |                 |                |       |                 |  |  |  |
| 94i       |   |                             | (bc) paragraph 9 is replaced by the following:  |                 |                |       |                 |  |  |  |
| Article 2 | , first parag   | raph, point (4)(b)(ii), ame | nding provision, first paragraph j  |                 |                |       |                 |  |  |  |
| 94j       |   |                             | '9. The exemption laid down in paragraph 8 shall also apply to public-interest entities subject to the requirements of this Article.';  |                 |                |       |                 |  |  |  |
| Article 2 | , first parag   | raph, point (5)             |   |                 | <u>l</u>       |       |                 |  |  |  |
| 95        | (5) th  | e following Article 29aa    | deleted   | deleted         |                |       |                 |  |  |  |
| Article 2 | , first parag   | raph, point (5), amending   | provision, first paragraph  |                 | <u>'</u>       |       |                 |  |  |  |
| 96        | Article 29  | aa                          | deleted   | deleted         |                |       |                 |  |  |  |
| Article 2 | , first parag   | graph, point (5), amending  | provision, second paragraph   |                 |                |       |                 |  |  |  |

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| 97        | Optional taxonomy reporting for certain parent undertakings  | deleted                           | deleted               |                       |
| Article 2 | , first paragraph, point (5), amending   | provision, numbered paragraph (1) |                       |                       |
| 98        | 1. Member States shall ensure that, by way of derogation from Article 8 of Regulation (EU) 2020/852, parent undertakings as referred to in Article 29a(1) of this Directive which, on their balance sheet dates, do not exceed a net turnover of EUR 450 000 000, on a consolidated basis, during the financial year shall apply the paragraphs 2, 3 and 4 of this Directive.                                    | deleted                           | deleted               |                       |
| Article 2 | P, first paragraph, point (5), amending  | provision, numbered paragraph (2) |                       |                       |
| 99        | 2. A parent undertaking as referred to in paragraph 1 that claims that its activities are associated with economic activities that qualify as environmentally sustainable under Articles 3 and 9 of Regulation (EU) 2020/852 or with economic activities that fulfil only certain requirements of that provision shall include in its management report information on how and to what extent its activities are | deleted                           | deleted               |                       |

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|           | associated with those economic activities.   |                                      |                               |                       |
| Article 2 | , first paragraph, point (5), amending   | provision, numbered paragraph (3), j | first subparagraph            |                       |
| 100       | 3. In particular, a non-financial parent undertaking that claims that its activities are associated with economic activities that qualify as environmentally sustainable under Articles 3 and 9 of Regulation (EU) 2020/852 shall disclose the following indicators: | deleted                              | deleted                       |                       |
| Article 2 | , first paragraph, point (5), amending   | provision, numbered paragraph (3), f | first subparagraph, point (a) |                       |
| 101       | (a) the proportion of its turnover derived from products or services associated with economic activities that qualify as environmentally sustainable under Articles 3 and 9 of that Regulation;  | deleted                              | deleted                       |                       |
| Article 2 | , first paragraph, point (5), amending   | provision, numbered paragraph (3), j | first subparagraph, point (b) |                       |
| 102       | (b) the proportion of its capital expenditure related to assets or processes associated with economic activities that qualify as environmentally sustainable under Articles 3 and 9 of that Regulation.  | deleted                              | deleted                       |                       |
| Article 2 | , first paragraph, point (5), amending   | provision, numbered paragraph (3), s | second subparagraph           |                       |

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| 103       | A non-financial parent undertaking that discloses the indicators referred to in the first subparagraph may disclose the proportion of its operating expenditure related to assets or processes associated with economic activities that qualify as environmentally sustainable under Articles 3 and 9 of that Regulation. | deleted                              | deleted                       |                       |
| Article 2 | , first paragraph, point (5), amending  | provision, numbered paragraph (4), f | first subparagraph            |                       |
| 104       | 4. In particular, a non-financial parent undertaking that claims that its activities are associated with economic activities that fulfil only certain requirements of Article 3 of Regulation (EU) 2020/852 shall disclose the following indicators:  | deleted                              | deleted                       |                       |
| Article 2 | , first paragraph, point (5), amending  | provision, numbered paragraph (4), f | first subparagraph, point (a) |                       |
| 105       | (a) the proportion of its turnover derived from products or services associated with economic activities fulfilling only certain requirements of Article 3 of that Regulation;  | deleted                              | deleted                       |                       |
| Article 2 | r, first paragraph, point (5), amending   | provision, numbered paragraph (4), f | first subparagraph, point (b) |                       |
| 106       | (b) the proportion of its capital expenditure related to  | deleted                              | deleted                       |                       |

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|           | assets or processes associated with<br>economic activities that fulfil only<br>certain requirements of Article 3<br>of that Regulation;   |                 |                          |             |                 |       |                 |
| Article 2 | 2, first paragraph, point (5), amending   | g provision, n  | umbered paragraph (4), s | second subj | paragraph       |       |                 |
| 107       | A non-financial parent undertaking that discloses the indicators referred to in the first subparagraph may disclose the proportion of its operating expenditure related to assets or processes associated with economic activities that fulfil only certain requirements of Article 3 of that Regulation.   |                 | deleted                  |             | deleted         |       |                 |
| Article 2 | 2, first paragraph, point (5), amending   | g provision, n  | umbered paragraph (5)    |             |                 |       |                 |
| 108       | 5. The Commission shall adopt a delegated act in accordance with Article 49 of this Directive to supplement paragraphs 1, 2, 3 and 4 of this Article to specify the content and presentation of the information to be disclosed pursuant to those paragraphs, including the content of the information concerning economic activities that fulfil only certain of the criteria set out in Article 3 of Regulation (EU) 2020/852, and the methodology to be used in order to comply with | g provision, in | deleted                  |             | deleted         |       |                 |

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|           | them, taking into account the specificities of both financial and non-financial undertakings and the technical screening criteria established pursuant to this Regulation.; |   |  |                       |
| Article 2 | , first paragraph, point (6)  |   |  |                       |
| 109       | (6) Article 29b is amended as follows:  | (6) Article 29b is amended as follows:  | (6) Article 29b is amended as follows: |                       |
| Article 2 | , first paragraph, point (6)(-a)  |   |  |                       |
| 109a      |   | (-a) in paragraph 1, the following subparagraph is inserted after the second subparagraph:  |  |                       |
| Article 2 | , first paragraph, point (6)(-b)  |   |  |                       |
| 109b      |   | '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 |  |                       |

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|           |   | across companies operating in the same sector.';   |  |                       |
| Article 2 | , first paragraph, point (6)(a)                                     |  |  |                       |
| 110       | (a) in paragraph 1, the third and fourth subparagraphs are deleted; | (a) in paragraph 1, the third and, fourth and sixth subparagraphs are deleted;   | (a) in paragraph 1, the third and, fourth and sixth subparagraphs are deleted; |                       |
| Article 2 | , first paragraph, point (6)(aa)                                    |  |  |                       |
| 110a      |   | (aa) in paragraph 2, the first subparagraph is replaced by the following:  |  |                       |
| Article 2 | , first paragraph, point (6)(ab)                                    |  |  |                       |
| 110b      |   | '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: |  |                       |
| Article 2 | , first paragraph, point (6)(ac)                                    | -  | -  |                       |
| 110c      |   | (a) to the extent possible, be quantitative in nature;   |  |                       |
| Article 2 | , first paragraph, point (6)(ad)                                    |  |  |                       |
| 110d      |   | (b) avoid double reporting and any overlap with obligations  |  |                       |

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|           |   | stemming from other legislative instruments;  |   |                       |
| Article 2 | , first paragraph, point (6)(ae)  |   |   |                       |
| 110e      |   | (c) avoid imposing a disproportionate administrative and financial burden on undertakings; and  |   |                       |
| Article 2 | , first paragraph, point (6)(af)  |   |   |                       |
| 110f      |   | (d) ensure to the greatest extent possible interoperability with internationally recognised standards set by global standardsetting initiatives for sustainability reporting as required by point (a) of paragraph 5.'; |   |                       |
| Article 2 | , first paragraph, point (6)(b)   |   |   |                       |
| 111       | (b) in paragraph 4, first subparagraph, the last sentence is replaced by the following:   | (b) in paragraph 4, <u>the</u> first subparagraph, <u>the last sentence</u> is replaced by the following:   | (b) in paragraph 4, first subparagraph, the last sentence is replaced by the following:   |                       |
| Article 2 | , first paragraph, point (6)(b), amend  | ing provision, first paragraph  |   |                       |
| 112       | 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 | 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             | 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 of1000of 1000 |                       |

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| 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.; | 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 require undertakings to obtain from undertakings in their value chain which, on their balance sheet dates, do not exceed the average number of 1000 of 1750 employees and a net turnover of EUR 450 000 000 during the financial year any information to be disclosed pursuant to the sustainability | 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.'; |                       |

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|           |   | reporting standards for voluntary use referred to in Article 29ca.;   |   |                       |
| Article 2 | L   |   |   |                       |
| 113       | (7) Article 29c is deleted;   | (7) Article 29c is deleted;   | (7) Article 29c is deleted;   |                       |
| Article 2 | 2, first paragraph, point (8)   |   |   |                       |
| 114       | (8) the following Article 29ca is inserted:   | (8) the following Article 29ca is inserted:   | (8) the following Article 29ca is inserted:   |                       |
| Article 2 | 2, first paragraph, point (8), amending   | provision, first paragraph  |   |                       |
| 115       | Article 29ca  | Article 29ca  | Article 29ca  |                       |
| Article 2 | 2, first paragraph, point (8), amending   | provision, second paragraph   |   |                       |
| 116       | Sustainability reporting standards for voluntary use  | Sustainability reporting standards for voluntary use  | Sustainability reporting standards for voluntary use  |                       |
| Article 2 | 2, first paragraph, point (8), amendin  | provision, numbered paragraph (1)   |   |                       |
| 117       | 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 | 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 | 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 may be required for the purposes of this Directive from undertakings in the value chain, which on their balance sheet date, do not exceed the average number of 1000 employees during the financial |                       |

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|           | standards for voluntary use by such undertakings.  | supplementing this Directive to provide for sustainability reporting standards for voluntary use by such undertakings.   | year, the Commission shall adopt a delegated act by [4 months after entry into force of this Directive4 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.   |                       |
| Article 2 | 2, first paragraph, point (8), amending  | provision, numbered paragraph (2)  |   |                       |
| 118       | 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.; | 2. The sustainability reporting standards referred to in paragraph 1 shall be <u>based on</u> <u>Commission Recommendation</u> <u>2025/4984 and</u> proportionate to the size of the undertakings, and beand 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.; <u>Undertakings within the value chain may choose a template for reporting of sustainability information, so that undertakings requesting information are not</u> | 2. Without prejudice to paragraph 3, the sustainability reporting standards referred to in paragraph 1 shall be based on Commission Recommendation 2025/XXX, in its original version. They shall also be proportionate to and relevant for the capacities and the characteristics of the undertakings for which they are designed and to the scale and complexity of their activities. They shall also, to the extent possible, specify the structure to be used to present such sustainability information.; |                       |

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|           |                  |                                 | required to assess<br>categories of all en<br>value chain.  | ntities in their   |   |  |       |                 |
| Article 2 | , first parag    | graph, point (8), amending      | provision, numbere  | d paragraph (2a)   |   |  |       |                 |
| 118a      |                  |                                 | 3. The Comm<br>least every four ye<br>date of its applicat<br>delegated act refer<br>paragraph 1 and,<br>necessary, it shall<br>take into account of<br>relevant to sustain<br>reporting. | ion, review the red to in where amend it to developments | shall, at l<br>after the<br>review th<br>to in para<br>necessary<br>take into | The Commission east every four years date of its application, the delegated act referred agraph 1 and, where ty, it shall amend it to account developments to sustainability g.; |       |                 |
| Article 2 | , first parag    | graph, point (8), amending      | provision, numbere  | d paragraph (2b)   |   |  |       |                 |
| 118b      |                  |                                 | 4. When ame delegated acts purparagraph 3, the Conshirt take into contechnical advice from  | suant to<br>Commission<br>sideration                     |   |  |       |                 |
| Article 2 | , first parag    | graph, point (9)                |   |  |   |  |       |                 |
| 119       | (9) A the follow | rticle 29d is replaced by ving: | (9) Article 290 the following:  | l is replaced by   | (9) A the follow  | rticle 29d is replaced by ving:  |       |                 |
| Article 2 | , first parag    | graph, point (9), amending      | provision, first para   | graph  | T   |  |       |                 |
| 120       | ' Article 29     | <sup>o</sup> d                  | Article 29d   |  | Article 29  | 0d   |       |                 |

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| Article 2 | 2, first paragraph, point (9), amending   |   |  |                       |
| 121       | Single electronic reporting format  | Single electronic reporting format  | Single electronic reporting format   |                       |
| Article 2 | , first paragraph, point (9), amending  | provision, numbered paragraph (1)   |  |                       |
| 122       | 1. Undertakings subject to the requirements of Article 19a of this Directive shall prepare their management report in the electronic reporting format specified in Article 3 of Commission Delegated Regulation (EU) 2019/815* and shall mark up their sustainability reporting, including the disclosures provided for in Article 8 of Regulation (EU) 2020/852, in accordance with the electronic reporting format to be specified in that Delegated Regulation. Until such rules on the marking up are adopted by way of that Delegated Regulation, undertakings shall not be required to markup their sustainability reporting. | 1. Undertakings subject to the requirements of Article 19a of this Directive shall prepare their management report in the electronic reporting format specified in Article 3 of Commission Delegated Regulation (EU) 2019/815* and shall mark up their sustainability reporting, including the disclosures provided for in Article 8 of Regulation (EU) 2020/852, in accordance with the electronic reporting format to be specified in that Delegated Regulation. Until such rules on the marking up are adopted by way of that Delegated Regulation, undertakings shall not be required to markup their sustainability reporting. | 1. Undertakings subject to the requirements of Article 19a of this Directive shall prepare their management report in the electronic reporting format specified in Article 3 of Commission Delegated Regulation (EU) 2019/815* and shall mark up their sustainability reporting, including the disclosures provided for in Article 8 of Regulation (EU) 2020/852, in accordance, with the electronic reporting format to be specified in that Delegated Regulation. Until such rules on the marking up are adopted by way of that—Delegated Regulation, undertakings shall not be required to markup their sustainability reporting. |                       |
| Article 2 | 2, first paragraph, point (9), amending   |   |  |                       |
| 123       | 2. Parent undertakings subject to the requirements of Article 29a shall prepare their consolidated management report in the electronic reporting format specified in Article 3 of Delegated   | 2. Parent undertakings subject to the requirements of Article 29a shall prepare their consolidated management report in the electronic reporting format specified in Article 3 of Delegated   | 2. Parent undertakings subject to the requirements of Article 29a shall prepare their consolidated management report in the electronic reporting format specified in Article 3 of Delegated  |                       |

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|           | Regulation (EU) 2019/815 ar shall mark up their sustainable reporting, including the disclosures provided for in A 8 of Regulation (EU) 2020/83 accordance with the electronic reporting format to be specificated that Delegated Regulation. Usuch rules on the marking up adopted by way of that Delegalation, parent undertaking shall not be required to marking their sustainability reporting. | shall mark reporting, i disclosures (52, in accordance red in ntil that Delegal are ated adopted by Regulation shall not be | (EU) 2019/815 and up their sustainability including the provided for in Article ation (EU) 2020/852, in with the electronic format to be specified in ited Regulation. Until on the marking up are way of that Delegated, parent undertakings a required to markup inability reporting.; | shall mark<br>reporting, i<br>disclosures<br>8 of Regula<br>accordance<br>reporting for<br>that Delega<br>such rules<br>adopted by<br>Regulation<br>shall not be | (EU) 2019/815 and up their sustainability including the provided for in Article ation (EU) 2020/852, in with the electronic format to be specified in ated Regulation. Until on the marking up are way of that Delegated parent undertakings a required to markup nability reporting.; |       |                 |
| Article 2 | 2, first paragraph, point (9), am  | ending provision, n   | umbered paragraph (2), s   | second subp  | aragraph   |       |                 |
| 124       | 2, first paragraph, point (9), am  | ending provision n  | umhered paragraph (2) t  | hird subpar  | agranh   |       |                 |
| 125       | * Commission Delegated Regulation (EU) 2018/815 of December 2018 supplementin Directive 2004/109/EC of the European Parliament and of t Council with regard to regulat technical standards on the specification of a single elect reporting format (OJ L 143, 29.5.2019, p. 1, ELI: http://data.europa.eu/eli/reg_019/815/oj).;  | * Commiss Regulation December 2 Directive 2 European F Council wi technical st ronic specification reporting for 29.5.2019, | ion Delegated (EU) 2018/815 of 17 2018 supplementing 004/109/EC of the Parliament and of the th regard to regulatory andards on the on of a single electronic format (OJ L 143, p. 1, ELI: europa.eu/eli/reg_del/20  | * Commiss<br>Regulation<br>December<br>Directive 2<br>European I<br>Council wi<br>technical st<br>specification<br>reporting for<br>29.5.2019,                   | sion Delegated (EU) 2018/815 of 17 2018 supplementing 2004/109/EC of the Parliament and of the th regard to regulatory tandards on the on of a single electronic format (OJ L 143, p. 1, ELI: europa.eu/eli/reg_del/20   |       |                 |

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| Article : | 2, first paragraph, point (10)   |  |  |                       |
| 126       | (10) in Article 33, paragraph 1 is replaced by the following:  | (10) in Article 33, paragraph 1 is replaced by the following:  | (10) in Article 33, paragraph 1 is replaced by the following:  |                       |
| Article : | 2, first paragraph, point (10), amendir  | ng provision, numbered paragraph (1)   | , first subparagraph   |                       |
| 127       | 1. Member States shall ensure that the members of the administrative, management and supervisory bodies of an undertaking, acting within the competences assigned to them by national law, have collective responsibility for ensuring that the following documents are drawn up and published in accordance with the requirements of this Directive and, where applicable, with the international accounting standards adopted pursuant to Regulation (EC) No 1606/2002, with Delegated Regulation (EU) 2019/815, with the sustainability reporting standards referred to in Article 29b of this Directive, and with the requirements of Article 29d of this Directive: | 1. Member States shall ensure that the members of the administrative, management and supervisory bodies of an undertaking, acting within the competences assigned to them by national law, have collective responsibility for ensuring that the following documents are drawn up and published in accordance with the requirements of this Directive and, where applicable, with the international accounting standards adopted pursuant to Regulation (EC) No 1606/2002, with Delegated Regulation (EU) 2019/815, with the sustainability reporting standards referred to in Article 29b of this Directive, and with the requirements of Article 29d of this Directive: | 1. Member States shall ensure that the members of the administrative, management and supervisory bodies of an undertaking, acting within the competences assigned to them by national law, have collective responsibility for ensuring that the following documents are drawn up and published in accordance with the requirements of this Directive and, where applicable, with the international accounting standards adopted pursuant to Regulation (EC) No 1606/2002, with Delegated Regulation (EU) 2019/815, with the sustainability reporting standards referred to in Article 29b of this Directive, and with the requirements of Article 29d of this Directive: |                       |
| Article : | 2, first paragraph, point (10), amendir  | ng provision, numbered paragraph (1)   | , first subparagraph, point (a)  |                       |
| 128       | (a) the annual financial statements, the management report and the corporate governance  | (a) the annual financial statements, the management report and the corporate governance  | (a) the annual financial statements, the management report and the corporate governance  |                       |

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|           | statement when provided separately; and  | statement when provided separately; and  | statement when provided separately; and   |                       |  |  |
| Article 2 | 2, first paragraph, point (10), amendir  | g provision, numbered paragraph (1),   | , first subparagraph, point (b)   |                       |  |  |
| 129       | (b) the consolidated financial statements, the consolidated management reports and the consolidated corporate governance statement when provided separately.   | (b) the consolidated financial statements, the consolidated management reports and the consolidated corporate governance statement when provided separately.   | (b) the consolidated financial statements, the consolidated management reports and the consolidated corporate governance statement when provided separately.  |                       |  |  |
| Article 2 | 2, first paragraph, point (10), amendir  | g provision, numbered paragraph (1),   | , second subparagraph   |                       |  |  |
| 130       | 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 shall ensuremay 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.2; | By way of derogation from subparagraph 1, Member States shall ensuremay 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.; |                       |  |  |
| Article 2 | Article 2, first paragraph, point (11)   |  |   |                       |  |  |
| 131       | (11) Article 34 is amended as follows:   | (11) Article 34 is amended as follows:   | (11) Article 34 is amended as follows:  |                       |  |  |

| (a) paragraph 1, second subparagraph, point (aa), is replaced by the following: (a) paragraph l, second subparagraph, point (aa), is replaced by the following: replaced by the following: (a) where applicable, express an opinion based on a limited assurance engagement as regards the compliance of the sustainability reporting with the sustainability reporting with the sustainability reporting standards adopted pursuant to    |           | CLEAN Commission Proposal   | vs.ec EP Mandate   | vs.ec Council Mandate  | vs.ec Draft Agreement |
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| subparagraph, point (aa), is replaced by the following:  Article 2, first paragraph, point (11)(a), amending provision, numbered paragraph (aa)  (aa) where applicable, express an opinion based on a limited assurance engagement as regards the compliance of the sustainability reporting with the requirements of this Directive, including the compliance of the sustainability reporting standards adopted pursuant to Article 29b, the process carried out by the undertaking to identify the information reported pursuant to those sustainability reporting in accordance with Article 29d, and as regards the compliance with the requirements provided for in Article 8 of Regulation (EU) 2020/852;;  subparagraph, point (aa), is replaced by the following:  subparagraph, point (aa), is replaced by the following:  (aa) where applicable, express an opinion based on a limited assurance engagement as regards the compliance of the sustainability reporting with the requirements of this Directive, including the compliance of the sustainability reporting standards adopted pursuant to Article 29b, the process carried out by the undertaking to identify the information reported pursuant to those sustainability reporting standards, and the compliance with the requirement to mark up sustainability reporting in accordance with Article 29d, and as regards the compliance with the requirements provided for in Article 8 of Regulation (EU) 2020/852;;   | Article 2 | 2, first paragraph, point (11)(a)   |  |  |                       |
| (aa) where applicable, express an opinion based on a limited assurance engagement as regards the compliance of the sustainability reporting with the requirements of this Directive, including the compliance of the sustainability reporting with the sustainability reporting with the sustainability reporting standards adopted pursuant to Article 29b, the process carried out by the undertaking to identify the information reported pursuant to those sustainability reporting standards, and the compliance with the requirement to mark up sustainability reporting in accordance with Article 29d, and as regards the compliance with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852;;  (aa) where applicable, express an opinion based on a limited assurance engagement as regards the compliance of the sustainability reporting with the requirements of this Directive, including the compliance of the sustainability reporting with the s | 132       | subparagraph, point (aa), is  | subparagraph, point (aa), is   | subparagraph, point (aa), is   |                       |
| an opinion based on a limited assurance engagement as regards the compliance of the sustainability reporting with the requirements of this Directive, including the compliance of the sustainability reporting standards adopted pursuant to Article 29b, the process carried out by the undertaking to identify the information reported pursuant to those sustainability reporting in accordance with Article 29d, and as regards the compliance with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852;;  an opinion based on a limited assurance engagement as regards the compliance of the sustainability reporting with the requirements assurance engagement as regards the compliance of the sustainability reporting with the requirements of this Directive, including the compliance of the sustainability reporting standards adopted pursuant to Article 29b, the process carried out by the undertaking to identify the information reported pursuant to those sustainability reporting in accordance with Article 29d, and as regards the compliance with the requirements provided for in Article 8 of Regulation (EU) 2020/852;;  an opinion based on a limited assurance engagement as regards the compliance of the sustainability reporting with the requirements of this Directive, including the compliance of the sustainability reporting with the requirements of this Directive, including the compliance of the sustainability reporting with the requirements of this Directive, including the compliance of the sustainability reporting with the requirements of this Directive, including the complia | Article 2 | 2, first paragraph, point (11)(a), amen   | ding provision, numbered paragraph   | (aa)   |                       |
| Article 2, first paragraph, point (11)(b)  |           | an opinion based on a limited assurance engagement as regards the compliance of the sustainability reporting with the requirements of this Directive, including the compliance of the sustainability reporting with the sustainability reporting standards adopted pursuant to Article 29b, the process carried out by the undertaking to identify the information reported pursuant to those sustainability reporting standards, and the compliance with the requirement to mark up sustainability reporting in accordance with Article 29d, and as regards the compliance with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852;; | an opinion based on a limited assurance engagement as regards the compliance of the sustainability reporting with the requirements of this Directive, including the compliance of the sustainability reporting with the sustainability reporting standards adopted pursuant to Article 29b, the process carried out by the undertaking to identify the information reported pursuant to those sustainability reporting standards, and the compliance with the requirement to mark up sustainability reporting in accordance with Article 29d, and as regards the compliance with the reporting requirements provided for in Article 8 of Regulation (EU) | an opinion based on a limited assurance engagement as regards the compliance of the sustainability reporting with the requirements of this Directive, including the compliance of the sustainability reporting with the sustainability reporting standards adopted pursuant to Article 29b, the process carried out by the undertaking to identify the information reported pursuant to those sustainability reporting standards, and the compliance with the requirement to mark up sustainability reporting in accordance with Article 29d, and as regards the compliance with the reporting requirements provided for in Article 8 of Regulation (EU) |                       |

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| 134       | (b) the following paragraph 2a is inserted:  | (b) the following paragraph 2a is inserted:  | (b) the following paragraph 2a is inserted:   |                       |
| Article 2 | 2, first paragraph, point (11)(b), amen  | ding provision, numbered paragraph   | (2a)  |                       |
| 135       | 2a. Member States shall ensure that the opinion referred to in paragraph 1, second subparagraph, point (aa), is prepared in full respect of the obligation on undertakings not to seek to obtain from undertakings in their value chain which, on their balance sheet dates, do not exceed the average number of 1000 employees during the financial year any information that exceeds the information specified in the standards for voluntary use referred to in Article 29ca, except for additional sustainability information that is commonly shared between undertakings in the sector concerned.; | 2a. Member States shall ensure that the opinion referred to in paragraph 1, second subparagraph, point (aa), is prepared in full respect of the obligation on undertakings not to seek to obtain from undertakings in their value chain which, on their balance sheet dates, do not exceed the average number of 10001750 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.; | 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 fromright of the undertakings in theirthe value chain which, on their balance sheet dates, do not exceed the average number of 1000 employees during the financial year to decline to provide to the reporting entity 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.; |                       |
| Article 2 | 2, first paragraph, point (11)(b), amen  | ding provision, numbered paragraph   | (2aa)   |                       |
| 135a      |  | (ba) the following paragraph is inserted:  |   |                       |

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| Article 2 | , first paragraph, point (11)(b), amen                  | ding provision, numbered paragraph   | (2ab)   |                       |
| 135b      |   | 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.; |   |                       |
| Article 2 | , first paragraph, point (12)                           |  |   |                       |
| 136       | (12) in Article 40a, paragraph 1 is amended as follows: | (12) in Article 40a, paragraph 1 is amended as follows:  | (12) in Article 40a, paragraph 1 is amended as follows: |                       |
| Article 2 | , first paragraph, point (12)(-a)                       |  |   |                       |
| 136a      |   | (-a) the first subparagraph is replaced by the following:  |   |                       |
| Article 2 | , first paragraph, point (12)(-b)                       |  |   |                       |
| 136b      |   | 'A Member State shall require that a subsidiary undertaking established in its territory whose ultimate parent undertaking is governed by the  |   |                       |

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|           |  | 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.'; |  |                       |
| Article 2 | 2, first paragraph, point (12)(a)  |  |  |                       |
| 137       | (a) the second subparagraph is replaced by the following:  | (a) the second subparagraph is replaced by the following:  | (a) the second subparagraph is replaced by the following:  |                       |
| Article 2 | 2, first paragraph, point (12)(a), amen  | ding provision, first paragraph  |  |                       |
| 138       | The first subparagraph shall only apply to large subsidiary undertakings as defined in Article 3(4) of this Directive; | The first subparagraph shall only apply to large subsidiary 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.;  | The first subparagraph shall only apply to large subsidiary undertakings as defined in Article 3(4) of this Directive; |                       |
| Article 2 | 2, first paragraph, point (12)(b)  |  |  |                       |
| 139       | (b) the fourth and fifth subparagraphs are replaced by the following:  | (b) the fourth and fifth subparagraphs are subparagraph is replaced by the following:  | (b) the fourth and fifth subparagraphs are replaced by the following:  |                       |

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|-----------|---|---|---|-----------------------|--|--|--|
| Article 2 | Article 2, first paragraph, point (12)(b), amending provision, first paragraph  |   |   |                       |  |  |  |
| 140       | 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 the threshold referred to in Article 3(4) point (b) of this Directive EUR 450 000 000 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 the threshold referred to in Article 3(4) point (b) of this Directive in the preceding financial year. |                       |  |  |  |
| Article 2 | 2, first paragraph, point (12)(b), amen   | ding provision, first paragraph a   |   |                       |  |  |  |
| 140a      |   | (ba) the fifth subparagraph is deleted  |   |                       |  |  |  |
| Article 2 | 2, first paragraph, point (12)(b), amen   | ding provision, second paragraph  |   |                       |  |  |  |
| 141       | 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.;   | 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.;   |                       |  |  |  |

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|           |  |   | ,  |                       |
| Article 2 | , first paragraph, point (13)          |   |  |                       |
| 142       | (13) Article 49 is amended as follows: | (13) Article 49 is amended as follows:  | (13) Article 49 is amended as follows:   |                       |
| Article 2 | , first paragraph, point (13)(-a)      |   |  |                       |
| 142a      |  | (-a) in paragraph 2, first sentence, the reference to Article 29c is deleted;                 | (-a) in paragraph 2, first sentence, the reference to Article 29c is deleted;                          |                       |
| Article 2 | , first paragraph, point (13)(-b)      |   |  |                       |
| 142b      |  | (-aa) in paragraph 3, first<br>sentence, the reference to Article<br>29c is deleted           | (-aa) in paragraph 3, first sentence, the reference to Article 29c is deleted;                         |                       |
| Article 2 | , first paragraph, point (13)(-c)      |   |  |                       |
| 142c      |  | (-ab) paragraph 3b is amended as follows  | (-ab) paragraph 3b is amended as follows:  |                       |
| Article 2 | , first paragraph, point (13)(-d)      |   |  |                       |
| 142d      |  | (i) in the first subparagraph, introductory wording, the reference to Article 29c is deleted: | (i) in the first<br>subparagraph, introductory<br>wording, the reference to Article<br>29c is deleted; |                       |
| Article 2 | , first paragraph, point (13)(-e)      |   |  |                       |
| 142e      |  | (ii) in the fourth subparagraph, the reference to Article 29c is deleted;                     | (ii) in the fourth<br>subparagraph, the reference to<br>Article 29c is deleted;                        |                       |
| Article 2 | 2, first paragraph, point (13)(-f)     |   |  |                       |

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| 142f      |  | (iii) in the sixth<br>subparagraph, the reference to<br>Article 29c is deleted  | (iii) in the sixth subparagraph, the reference to Article 29c is deleted.  |                       |
| Article 2 | , first paragraph, point (13)(a)   |   |  |                       |
| 143       | (a) the following paragraphs 3c to 3e are inserted:  | (a) the following paragraphs 3c to 3e and 3d are inserted:  | (a) the following paragraphs 3c to 3eand 3d are inserted:  |                       |
| Article 2 | , first paragraph, point (13)(a), amen   | ding provision, numbered paragraph  | (3c)   |                       |
| 144       | 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 Articles 19b(5), 29aa(5) and Article 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 a delegated actsact referred to in Articles 19b(5), 29aa(5) and Article 29ca shall be conferred on the Commission for an indeterminate period from [date of entry into force of amending Directive] [date of entry into force of amending Directive].   |                       |
| Article 2 | , first paragraph, point (13)(a), amen   | ding provision, numbered paragraph  | (3d)   |                       |
| 145       | 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 | 3d. The delegations of powers referred to in Articles 19b(5), 29aa(5) and 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 | 3d. The delegations of powers referred to in Articles 19b(5), 29aa(5) and 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 Official |                       |

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|   | therein. It shall not affect the validity of any delegated acts already in force.  | date specified therein. It shall not affect the validity of any delegated acts already in force.   | 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. |                       |  |
| Article 2   | , first paragraph, point (13)(a), amen   | ding provision, numbered paragraph   | (3e)   |                       |  |
| 146   | 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.; | deleted  | deleted  |                       |  |
| Article 2   | , first paragraph, point (13)(b)   |  |  |                       |  |
| 147   | (b) paragraph 5 is replaced by the following:  | (b) paragraph 5 is replaced by the following:  | (b) paragraph 5 is replaced by the following:  |                       |  |
| Article 2, first paragraph, point (13)(b), amending provision, numbered paragraph (5) |  |  |  |                       |  |
| 148   | 5. A delegated act adopted pursuant to Article 1(2), Article 3(13), Article 19b, Article 29aa, Articles 29b, 29ca or 40b, or   | 5. A delegated act adopted pursuant to Article 1(2), Article 3(13), <i>Article 19b</i> , <i>Article 29aa</i> , Articles 29b, 29ca or 40b, or | 5. A delegated act adopted pursuant to Article 1(2), Article 3(13), Article 19b, Article 29aa, Articles 29b, 29ca or 40b, or                 |                       |  |

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|           | 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 Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or the Council | Article 46(2) shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or the Council | Article 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 Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or the Council |                       |
| Article 3 | 3   |  |   |                       |
| 149       | Article 3<br>Amendments to Directive (EU)<br>2022/2464  | Article 3<br>Amendments to Directive (EU)<br>2022/2464   | Article 3<br>Amendments to Directive (EU)<br>2022/2464  |                       |
| Article 3 | , first paragraph   |  |   |                       |
| 150       | In Directive (EU) 2022/2464,<br>Article 5(2) is amended as<br>follows:  | In Directive (EU) 2022/2464,<br>Article 5(2) is amended as<br>follows:   | In Directive (EU) 2022/2464,<br>Article 5(2) is amended as<br>follows:  |                       |
| Article 3 | , first paragraph, point (1)  |  |   |                       |
| 151       | (1) the first subparagraph is amended as follows:   | (1) the first subparagraph is amended as follows:  | (1) the first subparagraph is amended as follows:   |                       |

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| Article 3 | , first paragraph, point (1)(a)  |   |  |                       |
| 152       | (a) point (a) is deleted;  | (a) point (a) is deleted;   | (a) in point (a), the introductory text is replaced by 'for financial years starting between 1 January 2024 and 31 December 2026 inclusive: 'is deleted;                     |                       |
| Article 3 | , first paragraph, point (1)(b)  |   |  |                       |
| 153       | (b) point (b) is amended as follows:   | (b) point (b) is amended as follows:  | (b) point (b) is amended as follows:   |                       |
| Article 3 | , first paragraph, point (1)(b)(i)   |   |  |                       |
| 154       | (i) point (i) is replaced by the following:  | (i) point (i) is replaced by the following:   | (i) point (i) is replaced by the following:  |                       |
| Article 3 | , first paragraph, point (1)(b)(i), ame  | nding provision, numbered paragraph   | (i)  |                       |
| 155       | (i) to large undertakings which, on their balance sheet dates, exceed the average number of 1000 employees during the financial year;; | (i) to large undertakings which, on their balance sheet dates, exceed the average number of 10001 750 employees and a net turnover of EUR 450 000 000 during the financial year;; | (i) to-large undertakings which, on their balance sheet dates, exceed a net turnover of EUR 450 000 000 and the average number of 1000 employees during the financial year;; |                       |
| Article 3 | s, first paragraph, point (1)(b)(ii)   |   |  |                       |
| 156       | (ii) point (ii) is replaced by the following:  | (ii) point (ii) is replaced by the following:   | (ii) point (ii) is replaced by the following:  |                       |
| Article 3 | s, first paragraph, point (1)(b)(ii), ame  | nding provision, numbered paragraph   | ı (ii)   |                       |
| 157       |  | ·   | ·  |                       |

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|           | (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 large group which, on their balance sheet dates, exceed the average number of 10001 750 employees and a net turnover of EUR 450 000 000, on a consolidated basis, during the financial year;; | (ii) to parent undertakings of a large group which, on their balance sheet dates, exceed, on a consolidated basis, a net turnover of EUR 450 000 000 and the average number of 1000 employees, on a consolidated basis, during the financial year; |                       |
| Article 3 | , first paragraph, point (1)(c)   |  |  |                       |
| 158       | (c) point (c) is deleted;   | (c) point (c) is deleted;  | (c) point (c) is deleted;  |                       |
| Article 3 | , first paragraph, point (2)  |  |  |                       |
| 159       | (2) the third subparagraph is amended as follows:   | (2) the third subparagraph is amended as follows:  | (2) the third subparagraph is amended as follows:  |                       |
| Article 3 | , first paragraph, point (2)(a)   |  |  |                       |
| 160       | (a) point (a) is deleted;   | (a) point (a) is deleted;  | (a) in point (a), the introductory text is replaced by 'for financial years starting between 1 January 2024 and 31 December 2026 inclusive: 'is deleted;   |                       |
| Article 3 | , first paragraph, point (2)(b)   |  |  |                       |
| 161       | (b) point (b) is amended as follows:  | (b) point (b) is amended as follows:   | (b) point (b) is amended as follows:   |                       |
| Article 3 | , first paragraph, point (2)(b)(i)  |  |  |                       |
| 162       | (i) point (i) is replaced by the following:   | (i) point (i) is replaced by the following:  | (i) point (i) is replaced by the following:  |                       |

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| Article 3 | 3, first paragraph, point (2)(b)(i), ame   | nding provision, numbered paragraph   | (i)  |                       |
| 163       | (i) to issuers as defined in Article 2(1), point (d) of Directive 2004/109/EC which are large undertakings within the meaning of Article 3(4) of Directive 2013/34/EU which, on their balance sheet dates, exceed the average number of 1000 employees during the financial year;; | (i) to issuers as defined in Article 2(1), point (d) of Directive 2004/109/EC which are large undertakings within the meaning of Article 3(4) of Directive 2013/34/EU which, on their balance sheet dates, exceed the average number of 10001 750 employees and a net turnover of EUR 450 000 000 during the financial year;; | (i) to issuers as defined in Article 2(1), point (d) of Directive 2004/109/EC which are large undertakings within the meaning of Article 3(4) of Directive 2013/34/EU which, on their balance sheet dates, exceed a net turnover of EUR 450 000 000 and the average number of 1000 employees during the financial year;            |                       |
| Article 3 | 3, first paragraph, point (2)(b)(ii)   |   |  |                       |
| 164       | (ii) point (ii) is replaced by the following:  | (ii) point (ii) is replaced by the following:   | (ii) point (ii) is replaced by the following:  |                       |
| Article 3 | 3, first paragraph, point (2)(b)(ii), ame  | nding provision, numbered paragraph   | ı (ii)   |                       |
| 165       | (ii) to issuers as defined in Article 2(1), point (d) of Directive 2004/109/EC which are parent undertakings of a large group which, on its balance sheet dates, exceed the average number of 1000 employees, on a consolidated basis, during the financial year;;                 | (ii) to issuers as defined in Article 2(1), point (d) of Directive 2004/109/EC which are parent undertakings of a large group which, on its balance sheet dates, exceed the average number of 10001 750 employees and a net turnover of EUR 450 000 000, on a consolidated basis, during the financial year;                  | (ii) to issuers as defined in Article 2(1), point (d) of Directive 2004/109/EC which are parent undertakings of a large-group which, on its balance sheet dates, exceed, on a consolidated basis, a net turnover of EUR 450 000 000 and the average number of 1000 employees , on a consolidated basis, during the financial year; |                       |

|           | CLEAN         | Commission<br>Proposal | VS.EC | EP Mandate            | VS.EC  | Council Mandate  | VS.EC | Draft Agreement |
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|           |               |                        |       | ,                     |  | ,  |       |                 |
| Article 3 | , first parag | graph, point (2)(c)    |       |                       |  |  |       |                 |
| 166       | (c) p         | oint (c) is deleted.   | (c)   | point (c) is deleted. | (c)  | point (c) is deleted.  |       |                 |
| Article 3 | , first para  | graph, point (2)(ca)   |       |                       |  |  |       |                 |
| 166a      |               |                        |       |                       | ` ′  | The following fifth graph is inserted:   |       |                 |
| Article 3 | , first para  | graph, point (2)(cb)   |       |                       |  |  |       |                 |
| 166b      |               |                        |       |                       | from posubparathe third Member undertado not e EUR 45 average employe year, on where a complyinecessar 1, with to (14), and financia 1 Janua | 'By way of derogation oint (a) of the first agraph and point (a) of d subparagraph, r States may exempt kings or issuers which exceed a net turnover of 0 000 000 and the number of 1000 ees during the financial a consolidated basis, pplicable, from any with the measures ry to comply with Article the exception of point d with Article 2, for the al years starting between ry 2025 and 31 eer 2026.' |       |                 |
| Article 3 | , first para  | graph, point (2)(cc)   |       |                       | 1  |  |       |                 |

|           | CLEAN Commission Proposal        | VS.EC EP Mandate | VS.EC Council Mandate   | VS.EC Draft Agreement |
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| 166c      |                                  |                  | (4) In Article 6(1), points (b) and (c) are replaced by the following:  |                       |
| Article 3 | , first paragraph, point (2)(cd) |                  |   |                       |
| 166d      |                                  |                  | '(b) an assessment of the<br>number of undertakings<br>voluntarily using the<br>sustainability reporting<br>standards referred to in Article<br>29ca of Directive 2013/34/EU;   |                       |
| Article 3 | , first paragraph, point (2)(ce) |                  |   |                       |
| 166e      |                                  |                  | (c) an assessment of whether and how the scope of the provisions amended by this amending Directive should be extended, in particular in relation to large undertakings with a net turnover not exceeding EUR 450 000 000 and an average number of employee not exceeding 1000 during the financial year, as well as to third-country undertakings operating directly on the Union internal market without a subsidiary or a branch on the territory of the Union;' |                       |
| Article 4 |                                  |                  |   |                       |
| 167       | Article 4                        | Article 4        | Article 4   |                       |

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|           | Amendments to Directive (EU) 2024/1760  | Amendments to Directive (EU) 2024/1760                                | Amendments to Directive (EU) 2024/1760  |                       |
| Article 4 | 1, first paragraph  |   |   |                       |
| 168       | Directive (EU) 2024/1760 is amended as follows:   | Directive (EU) 2024/1760 is amended as follows:                       | Directive (EU) 2024/1760 is amended as follows:   |                       |
| Article 4 | 1, first paragraph, point (1)   |   |   |                       |
| 169       | (1) in Article 1(1), point (c) is replaced by the following:  | (1) in Article 1(1), point (c) is replaced by the following: deleted; | (1) in-Article 1(1), point (c) is replaced by the following1 is amended as follows:   |                       |
| Article 4 | 1, first paragraph, point (1), amend  | ng provision, numbered paragraph (-1)                                 |   |                       |
| 169a      |   |   | (a) in paragraph 1, point (c) is replaced by the following:   |                       |
| Article 4 | 1, first paragraph, point (1), amend  | ng provision, numbered paragraph (c)                                  |   |                       |
| 170       | (c) the obligation for companies to adopt a transition plan for climate change mitigation including implementing actions which aim to ensure, through best efforts, compatibility of the business model and of the strateg of the company with the transition to a sustainable economy and with the limiting of global warming to 1,5 °C in line with the Paris Agreement.; |   | (c) the obligation for companies to adopt a transition plan for climate change mitigation, including implementing actions which aim to ensure, through bestreasonable efforts, compatibility ofthat the business model and of the strategy of the company withcontribute to the transition to a sustainable economy and withto the limiting of global warming to 1,5 °C in line with the Paris Agreement.'; |                       |

|           | CLEAN          | Commission<br>Proposal     | VS.EC   | EP Mandate  | vs.ec Council Man   | ndate v  | VS.EC | Draft Agreement |
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| Article 4 | l, first parag | graph, point (1), amending | provision,  | numbered paragraph (Ca)   |   |  |       |                 |
| 170a      |                |                            |   |   | (b) the following par 4 is inserted:  | agraph   |       |                 |
| Article 4 | , first parag  | graph, point (1), amending | provision,  | numbered paragraph (Cb)   |   |  |       |                 |
| 170b      |                |                            |   |   | '4. This Directive do affect Union or national relating to matters other those set out in paragrap particular, the rules refe in paragraph 1, point (a) affect Union or national concerning human, emplor social rights, or protect the environment and clinchange other than general diligence obligations.' | law than than than than than tred to than than tred to than than tred to than than than than than than than than |       |                 |
| Article 4 | , first parag  | raph, point (1), amending  | provision,  | numbered paragraph (Ca)   |   |  |       |                 |
| 170c      |                |                            | <u>la</u> <u>A</u> <u>follows:</u>                  | rticle 2 is amended as  | (1a) Article 2 is amen follows:   | ded as   |       |                 |
| Article 4 | , first parag  | graph, point (1), amending | provision,  | numbered paragraph (Cb)   |   |  |       |                 |
| 170d      |                |                            |   | paragraph 1, point (a) d by the following:  | (a) in paragraph 1, p<br>is replaced by the following   | ` ' /  |       |                 |
| Article 4 | , first parag  | graph, point (1), amending | provision,  | numbered paragraph (Cc)   |   |  |       |                 |
| 170e      |                |                            | than 5 00<br>and had a<br>of more th<br>the last fi | ne company had more O employees on average on net worldwide turnover than EUR 1,5 billion in nancial year for which mancial statements have | '(a) the company had<br>than 5 000 employees on<br>and had a net worldwide<br>turnover of more than E<br>billion in the last financia<br>for which annual financia  | average<br>UR 1.5<br>al year   |       |                 |

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|           |               |                            | been or should have been adopted';  | statements have been or should have been adopted';   |                       |
| Article 4 | , first parag | graph, point (1), amending | provision, numbered paragraph (CCI)   |  |                       |
| 170f      |               |                            | (b) in paragraph 2, point (a) is replaced by the following:   | (b) in paragraph 2, point (a) is replaced by the following:  |                       |
| Article 4 | , first parag | graph, point (1), amending | provision, numbered paragraph (CCII   | i)   |                       |
| 170g      |               |                            | '(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;'   | '(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;'; |                       |
| Article 4 | , first parag | graph, point (1), amending | provision, numbered paragraph (CCII   | II)  |                       |
| 170h      |               |                            | (c) in paragraph 3, the first subparagraph is replaced by the following:  |  |                       |
| Article 4 | , first parag | graph, point (1), amending | provision, numbered paragraph (CCI  | V)   |                       |
| 170i      |               |                            | '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 |  |                       |

|           | Clean Commission Proposal                                    | vs.ec <b>EP Mandate</b>  | VS.EC Council Mandate  | VS.EC Draft Agreement |
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|           |  | 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.'; |  |                       |
| Article 4 | , first paragraph, point (2)                                 |  |  |                       |
| 171       | (2) in Article 3(1), point (n) is replaced by the following: | (2) in-Article 3(1), point (n) is replaced by the following is amended as follows:   | (2) in-Article 3(1), point (n) is replaced by the following is amended as follows: |                       |
| Article 4 | , first paragraph, point (2a)                                | -  | _  |                       |
| 171a      |  |  | (a) point (n) is replaced by the following:  |                       |

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| Article 4 | (n) 'stakeholders' means the company's employees, the employees of its subsidiaries and of its business partners, and their trade unions and workers' representatives, and individuals or communities whose rights or interests are or could be directly affected by the products, services and operations of the company, its subsidiaries and its business partners and the legitimate representatives of those individuals or communities;; | (n) 'stakeholders' means the company's employees, the employees of its subsidiaries and of its business partners, and their trade unions and workers' representatives, and individuals or communities whose rights or interests are or could be directly affected by the products, services and operations of the company, its subsidiaries and its business partners and the legitimate representatives of those individuals or communities;; | '(n) 'stakeholders' means the company's employees, the employees of its subsidiaries and of its business partners, and their trade unions and workers' representatives, and individuals or communities whose rights or interests are or could be directly affected by the products, services and operations of the company, its subsidiaries and its business partners and the legitimate representatives of those individuals or communities;'; |                       |
| Article 4 | , first paragraph, point (2), amending   | provision, numbered paragraph (na)   |  |                       |
| 172a      |  |  | (b) point (u) is replaced by the following:  |                       |
| Article 4 | , first paragraph, point (2), amending   | provision, numbered paragraph (nb)   |  |                       |
| 172b      |  |  | '(u) 'risk factors' means facts, situations or circumstances that relate to the severity and likelihood of an adverse impact, including company-level facts, situations or circumstances (such as whether the company is not   |                       |

|           | CLEAN Commission Proposal                   | VS.EC EP Mandate   | VS.EC Council Mandate  | VS.EC Draft Agreement |
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|           |   |  | covered by this Directive or<br>other comparable mandatory<br>sustainable due diligence<br>legislation), geographical and<br>contextual facts, situations or<br>circumstances (such as the level<br>of law enforcement with respect<br>to the type of adverse impact),<br>and business operations, product<br>and service, and sectoral facts,<br>situations or circumstances; |                       |
| Article 4 | , first paragraph, point (2a)               |  |  |                       |
| 172c      |   | (b) the following point is added:  |  |                       |
| Article 4 | , first paragraph, point (2b)               |  |  |                       |
| 172d      |   | (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.'; |  |                       |
| Article 4 | , first paragraph, point (3)                |  |  |                       |
| 173       | (3) Article 4 is replaced by the following: | (3) Article 4 is replaced by the following amended as follows:   | (3) Article 4 is replaced by the following:  |                       |
| Article 4 | , first paragraph, point (3), amendir       | ng provision, first paragraph  |  |                       |
| 174       | ·   | ۲  |  |                       |

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|           | Article 4   | Article 4  | Article 4   |                       |
| Article 4 | , first paragraph, point (3), amending  | g provision, second paragraph  |   |                       |
| 175       | Level of harmonisation  | Level of harmonisation   | Level of harmonisation  |                       |
| Article 4 | , first paragraph, point (3), amending  | provision, numbered paragraph (-1)   |   |                       |
| 175a      |   | (a) paragraph 1 is replaced by the following:  |   |                       |
| Article 4 | , first paragraph, point (3), amending  | g provision, numbered paragraph (1)  |   |                       |
| 176       | 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. | 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 14to 16. | 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. |                       |
| Article 4 | , first paragraph, point (3), amending  | g provision, numbered paragraph (1a)   |   |                       |
| 176a      |   | (b) paragraph 2 is deleted;  |   |                       |
| Article 4 | , first paragraph, point (3), amending  | provision, numbered paragraph (2)  |   |                       |
| 177       | 2. Notwithstanding paragraph 1, this Directive shall not preclude Member States from introducing, in their national law, more stringent provisions  | deleted  | 2. Notwithstanding paragraph 1, this Directive shall not preclude Member States from introducing, in their national law, more stringent provisions  |                       |

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|           | diverging from those laid down in provisions other than Articles 6 and, 8, Article 10(1) to (5), Article 11(1) to (6) and Article 14, or provisions that are more specific in terms of the objective or the field covered, including by regulating specific products, services or situations, in order to achieve a different level of protection of human, employment and social rights, the environment or the climate.; |   | diverging from those laid down in provisions other than Articles 6 and, 8, Article 10(1) to (5), Article 11(1) to (6) and Article 14, or provisions that are more specific in terms of the objective or the field covered, including by regulating specific products, services or situations, in order to achieve a different level of protection of human, employment and social rights, the environment or the climate.; |                       |
| Article 4 | , first paragraph, point (3a)  |   |  |                       |
| 177a      |  | (3a) Article 6 is amended as follows:   |  |                       |
| Article 4 | , first paragraph, point (3b)  |   |  |                       |
| 177b      |  | (a) paragraph 1 is amended as follows:  |  |                       |
| Article 4 | , first paragraph, point (3c)  |   |  |                       |
| 177c      |  | 11. 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 |  |                       |

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|           |                                      | 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.'; |                                      |                       |
| Article 4 | , first paragraph, point (3d)        |   |                                      |                       |
| 177d      |                                      | (b) paragraph 3 is deleted;   |                                      |                       |
| Article 4 | , first paragraph, point (3e)        |   |                                      |                       |
| 177e      |                                      | (c) the following paragraph is added:   |                                      |                       |
| Article 4 | , first paragraph, point (3f)        |   |                                      |                       |
| 177f      |                                      | '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.'                                     |                                      |                       |
| Article 4 | , first paragraph, point (4)         |   |                                      |                       |
| 178       | (4) Article 8 is amended as follows: | (4) Article 8 is amended as follows:  | (4) Article 8 is amended as follows: |                       |
| Article 4 | , first paragraph, point (4)(a)      |   |                                      |                       |

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| 179       | (a) in paragraph 2, point (b) is replaced by the following: | (a) in paragraph 2, point (b) is replaced by the following:   | (a) in paragraph 2, point (b) is replaced by the following:   |                       |
| Article 4 | , first paragraph, point (4)(aa)                            |   |   |                       |
| 179a      |   |   | '1. Member States shall ensure that companies take appropriate measures to identify and assess actual and potential adverse impacts arising from their own operations or those of their subsidiaries and, where related to their chains of activities, those of their business partners, in accordance with this Article. |                       |
| Article 4 | , first paragraph, point (4)(a), amend                      | ing provision, point (a)  |   |                       |
| 179b      |   | 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: | 2. As part of the obligation set out in paragraph 1, taking into account relevant risk factors, companies shall take appropriate measures to:   |                       |

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| Article 4 | 4, first paragraph, point (4)(a), amen  | ding provision, point (b)  |   |                       |
| 179c      |   | (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;  | (a) carry out a scoping exercise, based on reasonably available information, to identify the areas across their own operations, those of their subsidiaries and, where related to their chains of activities, those of their direct business partners where adverse impacts are likely to occur;  |                       |
| Article 4 | 4, first paragraph, point (4)(a), amen  | ding provision, numbered paragraph (k  | p)  |                       |
| 180       | (b) based on the results of the mapping as referred to in point (a) carry out and in-depth assessment of their own operations, those of their subsidiaries and, where related to their chains of activities, those of their direct business partners, in the areas where adverse impacts were identified to be most likely to occur and most severe.; | (b) based on the results of the mapping asscoping referred to in point (a), and where, on the basis of relevant and verifiable information, the company has grounds to believe that adverse impacts have arisen or may arise, carry out and in deptha further assessment of their own operations, those of their subsidiaries and, where related to their chains of activities, those of their direct business partners, 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 | (b) based on the results of the mappingscoping exercise as referred to in point (a), carry out andan in-depth assessment-of their own operations, those of their subsidiaries and, where related to their chains of activities, those of their direct business partners, in the areas where adverse impacts were identified to be most likely to occur and most severe.;  For the purposes of this Article, a measure cannot be appropriate if it is not reasonably available to the company. |                       |

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|           |   | 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.; |   |                       |
| Article 4 | 1, first paragraph, point (4)(b)  |   |   |                       |
| 181       | (b) the following paragraph 2a is inserted:   | deleted   | (b) the following paragraph 2a is inserted:   |                       |
| Article 4 | 4, first paragraph, point (4)(b), amend   | ing provision, numbered paragraph (2  | 2a), first subparagraph   |                       |
| 182       | 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 indepth 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 | deleted   | 2a. Companies shall also map their chains of activities to identify their indirect business partners, based on reasonably available information. Where a company has, or can be reasonably expected to know of, objective and verifiable plausible information that suggests that adverse impacts at the level of the operations of an indirect business partner have arisen or may arisehave a reasonable prospect of arising, it shall carry out an indepth assessment. The Where a company shall always carry out such an assessment whereis |                       |

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|           | existence of the adverse impact, it is deemed to have been identified.   |  |              |                         | expected to be aware, that 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 and is designed to circumvent paragraph 2, point (b), it shall carry out an in-depth assessment. When identifying and assessing adverse impacts, the company shall take into account relevant risk factors. Where the assessment confirms the likelihood or existence of the adverse impact, it is deemed to have been identified. |                 |       |                 |
| Article 4 | , first paragr   | aph, point (4)(b), amendi  | ng provisior | , numbered paragraph (2 | a), second  | subparagraph    |       |                 |
| 183       | prejudice to<br>considering<br>about indire<br>and whether<br>partners can<br>principles s<br>code of cor-<br>direct busin | abparagraph is without to the company g available information ect business partners er those business in follow the rules and set out in the company's induct when selecting a mess partner. |              | deleted                 |   | deleted         |       |                 |
| Article 4 | !, first paragr  | aph, point (4)(b), amendii   | ng provisior | , numbered paragraph (2 | (a), third sui  | bparagraph      |       |                 |

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| 184       | Notwithstanding the first subparagraph, irrespective of whether plausible information is available about indirect business partners, a company shall seek contractual assurances from a direct business partner that that business partner will ensure compliance with the company's code of conduct by establishing corresponding contractual assurances from its business partners. Article 10(2), points (b) and (e) shall apply accordingly.; | deleted                              | Notwithstanding the first subparagraph, Irrespective of whether plausible information is available about indirect business partnersthe first paragraph applies, a company shallmay 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, together with requests to inform the company of adverse impacts and any measures taken to address them. Where the company makes such a request, it shall provide the support referred to in Article 10(2) point (e), where relevant. This subparagraph is without prejudice to Article 10(2)(b), Article 10(4), Article 10(5), Article 11(3)(c), Article 11(5) and Article 11(6), points (b) and (e) shall apply accordingly.; |                       |
| Article 4 | 4, first paragraph, point (4)(b), amend   | ing provision, numbered paragraph (1 | L), third subparagraph a   |                       |
| 184a      |   | deleted                              | 3. Member States shall ensure that, for the purposes of identifying and assessing the  |                       |

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|           |               |                        |  | 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 and information gathered through the notification mechanism and the complaints procedure provided for in Article 14. |                       |
| Article 4 | , first parag | raph, point (4)(ba)    |  |   |                       |
| 184b      |               |                        | (ba) paragraph 3 is replaced by the following:   |   |                       |
| Article 4 | , first parag | raph, point (4)(bb)    |  |   |                       |
| 184c      |               |                        | '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 their business partners but rely solely on information that is already reasonably available, including risk factors.'; |   |                       |
| Article 4 | , first parag | raph, point (4)(c)     |  | 1   |                       |

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| 185       | (c) paragraph 4 is replaced by the following:  | (c) paragraph 4 is replaced by the following:   | (c) paragraph 4 is replaced by the following:  |                       |
| Article 4 | , first paragraph, point (4)(c), amend   | ng provision, numbered paragraph (4   | )  |                       |
| 186       | 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.; | 4. Where information necessary Member States shall ensure that, for the indepth 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 and in paragraph 2a2, point (b), can be obtained from different business partners, the company shall prioritise requesting seek such information, where reasonable, directly from the | 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.; |                       |

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|           |   |  | the advers  | partner or partners where the impacts are most occur. Information may individually or tively.';   |  |   |       |                 |
| Article 4 | , first parag   | graph, point (4)(d)  | T   |   |  |   |       |                 |
| 187       | (d) the is added:   | ne following paragraph 5   | (d) th is added:  | e following paragraph 5   | (d) the standard (d) th | ne following paragraph 5  |       |                 |
| Article 4 | , first parag   | graph, point (4)(d), amend   | ing provisio  | n, numbered paragraph (5  | ), first sub   | paragraph   |       |                 |
| 188       | provided (a), compostain inf business provided information in the standards referred to | Member States are that, for the mapping for in paragraph 2, point anies do not seek to cormation from direct partners with fewer than poyees that exceeds the period of the properties of the period o | mappingp<br>and assess<br>referred to<br>on, where<br>quantitati<br>informatic<br>entitled to<br>appropria<br>independe<br>solutions,<br>stakehold<br>collaborate<br>gathered is<br>mechanis<br>procedure | Member States re that, for the urposes of identifying sing the adverse impacts o in paragraph 1 based appropriate, we and qualitative on, companies are make use of the resources, including ent reports, digital industry or multivers initiatives, tion and information through the notification m and the complaints of the point (a), companies the to obtain information | mapping exercise   2, point (a seekonly information partners with is necessary direct but fewer that exceed specified voluntary 29a of Direction   29a of Direction   2,000    | Member States are that, for the curposes of scoping provided for in paragraph a), companies do not request to obtain on from direct business where that information ary and, in case of siness partners with a 5001 000 employees eds the information in the standards for use referred to in Article rective 2013/34/EU., easonably be obtained means. |       |                 |

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|           |   |  | fewer than<br>exceeds the<br>in the stan<br>referred to<br>Directive   | et business partners with 1500 employees that 1500 employees that 1500 employees that 1500 enderstand specified 1500 endards for voluntary use 1500 endards |  |  |       |                 |
| Article 4 | 1, first para   | graph, point (4)(d), amendi  | ing provisio   | n, numbered paragraph (5   | s), second s   | subparagraph   |       |                 |
| 189       | sub-paraginformati<br>mapping<br>2, point (a<br>of likely a<br>because t<br>relevant i<br>additiona<br>reasonabl<br>means, th | of derogation to the first graph, where additional on is necessary for the provided for in paragraph a), in light of indications adverse impacts or he standards do not cover mpacts, and where such l information cannot by be obtained by other the company may seek rmation from that partner.; | sub-paraginformatic mapping paragraphindication having tal measures impacts or companie impacts, a additional informatic chains of able to resuch informatic means. If, not take a prevent, mor minimit they shall | derogation to the first graph, Where additional on is necessary for the provided for in 12, point (a), in light of s of likely, despite to identify adverse to identify adverse the standards, as do not cover relevant that where such thave all the necessary on regarding their activities, they shall be asonably explain why mation cannot to be obtained by other as a result, they could appropriate measures to nitigate, bring to an end ise the adverse impact, not be penalised the may seek such   | guideline<br>19(1) on<br>process s<br>respect o<br>where add<br>necessary<br>provided<br>(a), in ligitary<br>adverse in<br>standards<br>impacts, of<br>additional<br>reasonable<br>means, the<br>such info | es issued under Article the identification chall include guidance in ff the first sub-paragraph, ditional information is for the mapping for in paragraph 2, point the of indications of likely mpacts or because the do not cover relevant and where such l information cannot by be obtained by other the company may seek rmation from that partnersubparagraph.';' |       |                 |

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|           |              | -                          | information from that business partner.':   |              |                 |       |                 |
| Article 4 | , first para | graph, point (4)(d), amend | ing provision, numbered paragraph (   | L), second : | subparagraph a  |       |                 |
| 189a      |              |                            | 4a Article 9 is replaced by the following:  |              |                 |       |                 |
| Article 4 | , first para | graph, point (4)(d), amend | ing provision, numbered paragraph (   | L), second s | subparagraph b  |       |                 |
| 189b      |              |                            | Article 9   |              |                 |       |                 |
| Article 4 | , first para | graph, point (4)(d), amend | ing provision, numbered paragraph (2  | L), second   | subparagraph c  |       |                 |
| 189c      |              |                            | Prioritisation of identified actual and potential adverse impacts   |              |                 |       |                 |
| Article 4 | , first para | graph, point (4)(d), amend | ing provision, numbered paragraph (:  | ), second    | subparagraph d  |       |                 |
| 189d      |              |                            | 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. |              |                 |       |                 |
| Article 4 | , first para | graph, point (4)(d), amend | ing provision, numbered paragraph (   | L), second : | subparagraph e  |       |                 |
| 189e      |              |                            | 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   |              |                 |       |                 |

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|           |  |  |  | ess less severe and less<br>erse impacts.   |  |  |       |                 |
| Article 4 | , first parag                                    | raph, point (4)(d), amendi   | ing provision  | n, numbered paragraph (1  | .), second s   | ubparagraph f  |       |                 |
| 189f      |  |  | decisions of with this A shall ensure not penalis 27 for any any less significant control of the | here prioritisation<br>are made in accordance<br>article, Member States<br>are that companies are<br>under Article 25 or<br>harm stemming from<br>gnificant adverse<br>at have not yet been |  |  |       |                 |
| Article 4 | , first parag                                    | raph, point (5)  | T  |   |  |  |       |                 |
| 190       |  | Article 10, paragraph 6 l by the following:  |  | Article 10, paragraph 6 by the following:   |  | Article 10, paragraph 6 d by the following:  |       |                 |
| Article 4 | , first parag                                    | raph, point (5), amending  | provision, n   | umbered paragraph (6), f  | first subpar   | agraph   |       |                 |
| 191       | referred to<br>could not ladequately<br>measures | As regards adverse impacts as in paragraph 1 that be prevented or mitigated by the set out in paragraphs 2, 4 company shall, as a last | referred to<br>could not be<br>adequately<br>measures s  | As regards dverse impacts as in paragraph 1 that be prevented or mitigated by the set out in paragraphs 2, 4 company shallcan, as a   | referred to<br>could not<br>adequately<br>measures<br>and 5, the | As regards adverse impacts as in paragraph 1 that be prevented or y mitigated by the set out in paragraphs 2, 4 company shall, as a last I until the impact is it. |       |                 |
| Article 4 | , first parag                                    | raph, point (5), amending  | provision, n   | umbered paragraph (6), f  | first subpar   | agraph, point (a)  |       |                 |

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| 192       | (a) refrain from entering into new, or extending existing, relations with a business partner in connection with which, or in the chain of activities of which, the impact has arisen,   | (a) refrain from entering into new, or extending existing, relations with a business partner in connection with which, or in the chain of activities of which, the impact has arisen,   | (a) refrain from entering into<br>new, or extending existing,<br>relations with a business partner in<br>connection with which, or in the<br>chain of activities of which, the<br>impact has arisen,   |                       |
| Article 4 | , first paragraph, point (5), amending  | provision, numbered paragraph (6),  | first subparagraph, point (b)  |                       |
| 193       | (b) where the law governing its relation with the business partner concerned so entitles it, adopt and implement an enhanced prevention action plan for the specific adverse impact without undue delay, provided that there is a reasonable expectation that those efforts will succeed, and | (b) where the law governing its relation with the business partner concerned so entitles it, adopt and implement an enhanced prevention action plan for the specific adverse impact without undue delay, provided that there is a reasonable expectation that those efforts will succeed, and | (b) where the law governing its relation with the business partner concerned so entitles it, adopt and implement an enhanced prevention action plan for the specific adverse impact without undue delay, provided that there is a reasonable expectation that those efforts will succeedsuspend the business relationship with respect to the activities concerned, including with a view to using or increasing its leverage, and |                       |
| Article 4 | l, first paragraph, point (5), amending   | provision, numbered paragraph (6),  | first subparagraph, point (c)  |                       |
| 194       | (c) use or increase its leverage through the suspension of the business relationship with respect to the activities concerned.  | (c) use or increase its leverage, <i>where possible</i> , through the <i>temporary</i> suspension of the business relationship with respect to the activities concerned.  | (c) use or increase its leverage through the suspension of the business relationship with respect to the activities concerned. adopt and implement an enhanced prevention action plan for the specific adverse impact without undue delay, provided that there   |                       |

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|           |   |   |  |   |  | onable expectation that orts will succeed.   |       |                 |
| Article 4 | 1, first paragra  | ph, point (5), amending   | provision, r   | numbered paragraph (6),   | second sub   | paragraph  |       |                 |
| 195       | expectation to<br>prevention a<br>succeed, the<br>continuing to   | nere is a reasonable that the enhanced ction plan will mere fact of o engage with the tner shall not trigger y's liability.   | expectation prevention succeed, the continuing business preventions preventions of the continuing business preventions of the continuing business preventions of the continuing business preventions of the continuing prevention of the continuing prevent | s there is a reasonable in that the enhanced in action plan will the mere fact of its to engage with the eartner shall not action plan with the eartner shall not action to act the company is to act | expectation prevention succeed, to continuin business partingger expensal trigger expensal trigon expensal trigger expensal trigger expensal trigger expensal t | is there is a reasonable on that the enhanced on action plan will the mere fact of g to engage with the partner shall not pose the company's to pursuant to Article 27 illity under Article 29.  |       |                 |
| Article 4 | 1, first paragra  | ph, point (5), amending   | provision, r   | numbered paragraph (6),   | third subpa  | aragraph   |       |                 |
| 196       | relationship, assess wheth from doing sexpected to be severe than to could not be adequately not be the case, to be required to business relation a position competent su | the company shall her the adverse impacts to can be reasonably be manifestly more the adverse impact that prevented or mitigated. Should that the company shall not to suspend the ationship and shall be to report to the apervisory authority ly justified reasons for n. | business reshall assess relevant stavailable of business reprovides a or service company, or provisia and the susubstantia company impacts for reasonably manifestly adverse in  | mporarily suspending a elationship, the company is in consultation with takeholders, whether no alternative to that elationship, that a raw material, product essential to the sproduction of goods on of services, exists aspension would cause of whether the adverse om doing so can be a expected to be a more severe than the apact that could not be or adequately mitigated.   | relationsh<br>assess wh<br>from doir<br>expected<br>severe that<br>could not<br>adequated<br>be the cast<br>be required<br>business in<br>in a positic<br>competen   | uspending a business nip, the company shall nether the adverse impacts ng so can be reasonably to be manifestly more an the adverse impact that be prevented or ly mitigated. Should that se, the company shall not ed to suspend the relationship and shall be ion to report to the at supervisory authority duly justified reasons for sion. |       |                 |

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|-----------|---|---|---|--|---|-------|-----------------|
|           |   |   | 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-   |  |   |       |                 |
| Article 4 | , first parag   | raph, point (5), amending   | provision, numbered paragraph (6),  | fourth subp  | paragraph   |       |                 |
| 197       | an option<br>relationsh<br>by their la<br>the first su<br>contracts<br>obliged by | States shall provide for<br>to suspend the business<br>ip in contracts governed<br>two in accordance with<br>abparagraph, except for<br>where the parties are<br>y law to enter into them.                | Member States shall provide for an option to suspend or terminate 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.                | an option<br>relationsh<br>by their la<br>the first s<br>contracts<br>obliged b    | States shall provide for<br>to suspend the business<br>hip in contracts governed<br>aws in accordance with<br>ubparagraph, except for<br>where the parties are<br>y law to enter into them.                   |       |                 |
| Article 4 | , first parag   | graph, point (5), amending  | provision, numbered paragraph (6),  | fifth subpa  | ragraph   |       |                 |
| 198       | suspend the it shall take mitigate of impacts of provide rebusiness p             | e company decides to<br>ne business relationship,<br>as steps to prevent,<br>or bring to an end the<br>f the suspension, shall<br>easonable notice to the<br>partner concerned and<br>that decision under | Where the company decides to suspend the business relationship, it shall take steps to prevent, mitigate or bring to an end the impacts of the suspension, shall provide reasonable notice to the business partner concerned and shall keep that decision under review. | suspend t<br>it shall tal<br>mitigate of<br>impacts of<br>provide re<br>business j | e company decides to<br>he business relationship,<br>ke steps to prevent,<br>or bring to an end the<br>of the suspension, shall<br>easonable notice to the<br>partner concerned and<br>to that decision under |       |                 |
| Article 4 | , first parag   | raph, point (5), amending   | provision, numbered paragraph (6),  | sixth subpa  | ragraph   |       |                 |
| 199       | suspend th  | e company decides not to<br>ne business relationship<br>o this Article, it shall  | Where the company decides not to suspend the business relationship pursuant to this Article, it shall   | suspend t  | e company decides not to<br>he business relationship<br>to this Article, it shall   |       |                 |

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|           | monitor the potential adverse impact and periodically assess its decision and whether further appropriate measures are available.;  | monitor the potential adverse impact and periodically assess its decision and whether further appropriate measures are available.;   | monitor the potential adverse impact and periodically assess its decision and whether further appropriate measures are available.;   |                       |
| Article 4 | , first paragraph, point (6)  |  |  |                       |
| 200       | (6) in Article 11, paragraph 7 is replaced by the following:  | (6) in Article 11, paragraph 7 is replaced by the following:   | (6) in Article 11, paragraph 7 is replaced by the following:   |                       |
| Article 4 | , first paragraph, point (6), amending  | provision, numbered paragraph (7),   | first subparagraph   |                       |
| 201       | 7. As regards actual adverse impacts as referred to in paragraph 1 that could not be prevented or adequately mitigated by the measures set out in paragraphs 3, 5 and 6, the company shall, as a last resort: | 7. As regards—actual adverse impacts as referred to in paragraph 1 that could not be prevented or adequately mitigated 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 shallcan, as a last resort: | 7. As regards— actual adverse impacts as referred to in paragraph 1 that could not be prevented or adequately mitigated brought to an end or the extent of which could not be minimised by the measures set out in paragraphs 3, 5 and 6, the company shall, as a last resort and until the impact is addressed: |                       |
| Article 4 | , first paragraph, point (6), amending  | provision, numbered paragraph (7),   | first subparagraph, point (a)  |                       |
| 202       | (a) refrain from entering into new, or extending existing, relations with a business partner in connection with which, or in the chain of activities of which, the impact has arisen,                         | (a) refrain from entering into new, or extending existing, relations with a business partner in connection with which, or in the chain of activities of which, the impact has arisen,  | (a) refrain from entering into new, or extending existing, relations with a business partner in connection with which, or in the chain of activities of which, the impact has arisen,  |                       |

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| Article 4 | 1, first paragraph, point (6), amending   | provision, numbered paragraph (7),   | first subparagraph, point (b)   |                       |
| 203       | (b) where the law governing its relation with the business partner concerned so entitles it, adopt and implement an enhanced prevention action plan for the specific adverse impact without undue delay, provided that there is a reasonable expectation that those efforts will succeed, and | (b) where the law governing its relation with the business partner concerned so entitles it, adopt and implement an enhanced prevention corrective action plan for the specific adverse impact without undue delay, provided that there is a reasonable expectation that those efforts will succeed, and | (b) where the law governing its relation with the business partner concerned so entitles it, adopt and implement an enhanced prevention action plan for the specific adverse impact without undue delay, provided that there is a reasonable expectation that those efforts will succeed, suspend the business relationship with respect to the activities concerned, including with a view to using or increasing its leverage and |                       |
| Article 4 | 1, first paragraph, point (6), amending   | provision, numbered paragraph (7),   | first subparagraph, point (c)   |                       |
| 204       | (c) use or increase its leverage through the suspension of the business relationship with respect to the activities concerned.  | (c) use or increase its leverage, where possible, through the temporary suspension of the business relationship with respect to the activities concerned.  | (c) use or increase its leverage through the suspension of the business relationship with respect to the activities concerned. adopt and implement a corrective action plan for the specific adverse impact without undue delay, provided that there is a reasonable expectation that those efforts will succeed.   |                       |
| Article 4 | 1, first paragraph, point (6), amending   | provision, numbered paragraph (7),   | second subparagraph   |                       |
| 205       | As long as there is a reasonable expectation that the enhanced prevention action plan will  | As long as there is a reasonable expectation that the enhanced prevention corrective action plan   | As long as there is a reasonable expectation that the enhanced preventioncorrective action plan   |                       |

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|           | succeed, the mere fact of continuing to engage with the business partner shall not trigger the company's liability.  | will succeed, the mere fact of continuing to engage with the business partner shall not trigger expose the company's to penalties pursuant to Article 27 or to liability pursuant to Article 29.  | will succeed, the mere fact of continuing to engage with the business partner shall not triggerexpose the company's to penalties pursuant to Article 27 or to liability under Article 29.   |                       |
| Article 4 | , first paragraph, point (6), amending   | provision, numbered paragraph (7), t  | third subparagraph  |                       |
| 206       | Prior to suspending a business relationship, the company shall assess whether the adverse impacts from doing so can be reasonably expected to be manifestly more severe than the adverse impact that could not be prevented or adequately mitigated. Should that be the case, the company shall not be required to suspend the business relationship and shall be in a position to report to the competent supervisory authority about the duly justified reasons for such decision. | Prior to 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 brought to an end or the extent of which could not be adequately mitigatedminimised. Should that be the case, the company shall not be required to suspend the business relationship | 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 orbrought to an end or the extent of which could not be adequately mitigated 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. |                       |

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|           |   |   | and shall be in a position to report<br>to the competent supervisory<br>authority about the duly justified<br>reasons for such decision.  |   |                       |
| Article 4 | , first parag   | graph, point (6), amending  | provision, numbered paragraph (7), 1  | fourth subparagraph   |                       |
| 207       | an option<br>relationsh<br>by their la<br>the first su<br>contracts   | States shall provide for<br>to suspend the business<br>ip in contracts governed<br>the state of the suspension of the<br>tubparagraph, except for<br>where the parties are<br>y law to enter into them. | Member States shall provide for an option to suspend or terminate 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.                | Member States shall provide for<br>an option to suspend the business<br>relationship in contracts governed<br>by their laws in accordance with<br>the first subparagraph, except for<br>contracts where the parties are<br>obliged by law to enter into them.           |                       |
| Article 4 | , first parag   | graph, point (6), amending  | provision, numbered paragraph (7), 1  | fifth subparagraph  |                       |
| 208       | suspend the it shall take mitigate of impacts of provide rebusiness p | the company decides to the business relationship, are steps to prevent, or bring to an end the f the suspension, shall easonable notice to the partner concerned and to that decision under             | Where the company decides to suspend the business relationship, it shall take steps to prevent, mitigate or bring to an end the impacts of the suspension, shall provide reasonable notice to the business partner concerned and shall keep that decision under review. | Where the company decides to suspend the business relationship, it shall take steps to prevent, mitigate or bring to an end the impacts of the suspension, shall provide reasonable notice to the business partner concerned and shall keep that decision under review. |                       |
| Article 4 | , first parag   | graph, point (6), amending  | provision, numbered paragraph (7), s  | sixth subparagraph  |                       |
| 209       | suspend the pursuant to monitor the impact an                         | the company decides not to<br>the business relationship<br>to this Article, it shall<br>the potential adverse<br>d periodically assess its<br>and whether further                                       | Where the company decides not to suspend the business relationship pursuant to this Article, it shall monitor the <i>potentialactual</i> adverse impact and periodically assess its decision and whether  | Where the company decides not to suspend the business relationship pursuant to this Article, it shall monitor the potentialactual adverse impact and periodically assess its decision and whether   |                       |

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|           | appropriate measures are available.;  | further appropriate measures are available.2;   | further appropriate measures are available.;  |                       |
| Article 4 | , first paragraph, point (7)  |   |   |                       |
| 210       | (7) in Article 13, paragraph 3 is amended as follows:   | (7) in Article 13, paragraph 3 is amended as follows:   | (7) in Article 13, paragraph 3 is amended as follows:   |                       |
| Article 4 | , first paragraph, point (7)(a)   |   |   |                       |
| 211       | (a) the introductory wording is replaced by the following:  | (a) the introductory wording is replaced by the following:  | (a) the introductory wording is replaced by the following:  |                       |
| Article 4 | , first paragraph, point (7)(a), amend  | ing provision, first paragraph  |   |                       |
| 212       | Consultation of relevant stakeholders shall take place at the following stages of the due diligence process:; | Consultation of relevant stakeholders shall take place at the following stages of the due diligence process:; | Consultation of relevant stakeholders shall take place at the following stages of the due diligence process:; |                       |
| Article 4 | , first paragraph, point (7)(b)   |   |   |                       |
| 213       | (b) points (c) and (e) are deleted;   | (b) points (c) and (e) are deleted;   | (b) points (c) and (e) are deleted;   |                       |
| Article 4 | , first paragraph, point (8)  |   |   |                       |
| 214       | (8) in Article 15, the second sentence is replaced by the following:  | (8) in Article 15, the second sentence is replaced by the following:  | (8) in Article 15, the second sentence is replaced by the following:  |                       |
| Article 4 | , first paragraph, point (8), amending  | provision, first paragraph  | _   |                       |
| 215       |   | د   | د   |                       |

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|           | 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 54 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.2; | 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.; |                       |
| Article 4 | , first paragraph, point (8), amending  | provision, first paragraph a  |   |                       |
| 215a      |   |   | (8a) in Article 16, paragraph 3 is replaced by the following:   |                       |
| Article 4 | , first paragraph, point (8), amending  | provision, first paragraph b  |   |                       |
| 215b      |   |   | 'By 31 March 2029, the Commission shall adopt delegated acts in accordance with Article 34 in order to supplement this Directive by laying down the content and criteria for the reporting under paragraph 1, specifying, in particular, sufficiently detailed information on the description of due diligence, actual and potential adverse impacts identified, and appropriate        |                       |

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|           |                |                           |              |                   | measures taken with respect to those impacts. In preparing those delegated acts, the Commission shall take due account of, and align them as appropriate with, the sustainability reporting standards adopted pursuant to Articles 29b and 40b of Directive 2013/34/EU.';  |       |                 |
| Article 4 | l, first parag | raph, point (8), amending | provision, f | first paragraph c |  |       |                 |
| 215c      |                |                           |              |                   | (8b) in Article 17,  |       |                 |
| Article 4 | l, first parag | raph, point (8), amending | provision, f | first paragraph d |  | Γ     |                 |
| 215d      |                |                           |              |                   | (a) paragraph 1, first subparagraph is replaced by the following:  |       |                 |
| Article 4 | l, first parag | raph, point (8), amending | provision, f | first paragraph e |  |       |                 |
| 215e      |                |                           |              |                   | '1. From 1 January 2031 Member States shall ensure that, when making public the annual statement referred to in Article 16(1) of this Directive, companies submit that statement at the same time to the collection body referred to in paragraph 3 of this Article for the purpose of making it accessible on the European single access point (ESAP), as |       |                 |

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|           |  |                                | established by Regulation (EU) 2023/2859.'   |                       |
| Article 4 | , first paragraph, point (8), amending | g provision, first paragraph f |  |                       |
| 215f      |  |                                | (b) paragraph 3 is replaced by the following:  |                       |
| Article 4 | , first paragraph, point (8), amending | g provision, first paragraph g |  |                       |
| 215g      |  |                                | 'By 31 December 2030, for the purposes of making the information referred to in paragraph 1 of this Article accessible on ESAP, Member States shall designate at least one collection body, as defined in Article 2, point (2), of Regulation (EU) 2023/2859, and notify the European Securities and Markets Authority thereof.' |                       |
| Article 4 | , first paragraph, point (8), amending | g provision, first paragraph h |  |                       |
| 215h      |  |                                | (8c) in Article 18, the sole paragraph is replaced by:   |                       |
| Article 4 | , first paragraph, point (8), amending | g provision, first paragraph i |  |                       |
| 215i      |  |                                | 'In order to provide support to companies to facilitate their compliance with Article 10(2), point (b), and Article 11(3), point (c), the Commission, in consultation with Member States and stakeholders, shall adopt guidance about voluntary  |                       |

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|           |  |  | model contractual clauses, by 26<br>January 2029.'   |                       |
| Article 4 | I, first paragraph, point (8a)   |  |  |                       |
| 215j      |  | (8a) in Article 19(2), point (b) is deleted;   |  |                       |
| Article 4 | , first paragraph, point (9)   |  |  |                       |
| 216       | (9) in Article 19, paragraph 3 is replaced by the following:   | (9) in Article 19, paragraph 3 is replaced by the following:   | (9) in Article 19, paragraph 3 is replaced by the following:   |                       |
| Article 4 | i, first paragraph, point (9), amending  | provision, numbered paragraph (3)  |  |                       |
| 217       | 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.; | 3. The guidelines referred to in paragraph 2, point (a), (b) and (d) to (g) 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 2027.2; | 3. The guidelines referred to in paragraph 2, point (a), shall be made available by 26 July 20262027, those referred to in paragraph 2, points (d) and (e), by 26 January 20272028, and those referred to in paragraph 2, points (b), (f) and (g), by 26 July 20272028.; |                       |
| Article 4 | , first paragraph, point (10)  |  |  |                       |
| 218       | (10) in Article 22(1), the first subparagraph is replaced by the following:  | (10) <i>in</i> -Article 22(1), the first subparagraph is replaced by the following: 22 is deleted;   | (10) in Article 22(1), the first subparagraph is replaced by the following:  |                       |
| Article 4 | l, first paragraph, point (10), amendii  | ng provision, first paragraph -a   |  |                       |

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| 218a      |  |   |             |                   |  | the first subparagraph is<br>I by the following:   |       |                 |
| Article 4 | 4, first para  | graph, point (10), amendin  | g provision | , first paragraph |  |  |       |                 |
| 219       | companies 2(1), poir Article 2(1), poir Article 2(1) adopt a trechange maimplement to ensure the busines the compath the transities economy global was with the I objective neutrality Regulation including 2050 climand where of the confidence of the confidence of the confidence and where the confidence of the confidenc | States shall ensure that as referred to in Article and (a), (b) and (c), and (c), points (a), (b) and (c), ansition plan for climate attigation, including arting actions, which aim through best efforts, that ess model and strategy of any are compatible with tion to a sustainable and with the limiting of arming to 1.5°C in line Paris Agreement and the of achieving climate as established in (EU) 2021/1119, atts intermediate and mate neutrality targets, e relevant, the exposure mpany to coal-, oil- and activities.; |             | deleted           | compania 2(1), poi Article 2 adopt a t change r including things in which ai bestreas business company withcon a sustain the limit 1.5°C in Agreeme objective neutralit Regulati including 2050 climated | States shall ensure that les referred to in Article (ints (a), (b) and (c), and (c), points (a), (b) and (c), transition plan for climate mitigation, goutlining amongst other implementing actions, maims to ensure, through onable efforts, that the model and strategy of the are compatible tribute to the transition to table economy and withto ing of global warming to line with the Paris ent and in line with the e of achieving climate y as established in on (EU) 2021/1119, g its intermediate and mate neutrality targets, re relevant, address the e of the company to coal-, gas-related activities.; |       |                 |

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|       |                        |       |            | A company's business model and strategy contribute to the transition to a sustainable economy and to the limiting of global warming as referred to in the first subparagraph where they help bring about that transition and limitation, taking into account relevant pathways. For the purposes of this article, 'reasonable efforts' means taking the reasonable steps that would be taken by a diligent person to achieve the targets set in the transition plan, taking into account best industry practices, the effectiveness of actions taken, and the principle of proportionality.  By way of derogation from the first subparagraph and the third paragraph, Member States shall ensure that adoption of the transition plan referred to in that subparagraph is optional during the first two years of the application of the measures to be adopted in accordance with Article 37. |       |                 |

|           | CLEAN         | Commission<br>Proposal     | VS.EC        | EP Mandate                                 | VS.EC  | Council Mandate  | VS.EC | Draft Agreement |
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|           |               |                            |              |  | Article 19 shall incl on sector pathways adopting These gu a compan designing for clima well as by authoriti | elines issued under 9(1) on transition plans ude practical guidance al and cross-sectoral s to assist companies in plans and actions. idelines may be used by ny in adopting and g their transition plan te change mitigation, as y supervisory es in supervising the and update of this |       |                 |
| Article 4 | , first parag | graph, point (10), amendin | g provision, | first paragraph a                          |  |  |       |                 |
| 219a      |               |                            |              |  | subparag   | n the second<br>graph, the introductory<br>placed by the following:  |       |                 |
| Article 4 | , first parag | graph, point (10), amendin | g provision, | first paragraph b                          |  |  |       |                 |
| 219b      |               |                            |              |  | plan for o   | gn of the transition<br>climate change<br>n referred to in the first<br>graph may contain:'  |       |                 |
| Article 4 | , first parag | graph, point (10), amendin | g provision, | first paragraph a                          |  |  |       |                 |
| 219c      |               |                            |              | Article 24, paragraph 1 dby the following: |  | n Article 24, paragraph ced by the following:  |       |                 |
| Article 4 | , first parag | graph, point (10), amendin | g provision, | first paragraph b                          |  | T  |       |                 |
| 219d      |               |                            |              | nch Member State shall<br>one or more      |  |  |       |                 |

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| Article 4    | first parag  | graph, point (10), amendin  | supervise cobligations provisions adopted pure 16.'; | v authorities to compliance with the c laid down in the of national law crsuant to Articles 7 to |  |   |       |                 |
| 7 (1 (1010 4 | , st parag   | 5. ap., point (±0), amendin | P P 0 1 3 1 3 1 1 1 1                                | st baraBrabit a  | '7. B  | sy 26 July 2028,  |       |                 |
| 219e         |              |                             |  |  | Member<br>Commiss<br>contact d<br>authoriti<br>to this Ai<br>respectiv<br>there are<br>superviso<br>shall info | States shall inform the sion of the names and letails of the supervisory es designated pursuant rticle, as well as of their e competences where eseveral designated by authorities. They authorities. They arm the Commission of ges thereto.'; |       |                 |
| Article 4    | , first para | graph, point (10), amendin  | g provision,   | first paragraph c  |  |   |       |                 |
| 219f         |              |                             |  | Article 25, paragraph 1 by the following:  | (10b) in   | 1 Article 25:   |       |                 |
| Article 4    | , first para | graph, point (10), amendin  | g provision,   | first paragraph f  |  |   |       |                 |
| 219g         |              |                             |  |  | (a) p<br>by the fol  | aragraph 1 is replaced<br>llowing:  |       |                 |
| Article 4    | , first para | graph, point (10), amendin  | g provision,   | first paragraph d  |  |   |       |                 |
| 219h         |              |                             | ensure that<br>authorities                           | ember States shall<br>t the supervisory<br>have adequate powers<br>ces to carry out the          | that the s   | States shall ensure supervisory authorities quate powers and s to carry out the tasks   |       |                 |

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|           |               | Proposal                   | Directive, require co informati investigat complian | gned to them under this including the power to ompanies to provide on and carry out tions related to ce with the obligations Articles 7 to 16.'; | Directive require of information investigate compliant set out in Member supervises supervises transition change in with the for in the subparage of the authors of the aut | to them under this e, including the power to companies to provide tion and carry out ations related to nee with the obligations of Articles 7 to 16.  States shall require the ory authorities to the adoption of the n plan for climate nitigation in accordance requirements provided to first, second and third graphs of Article 22(1).  In out their supervisory in respect of the transition plan attended to the province to the power and actions to the transition plan attended to the transition plan attended to the power and actions to the transition plan attended to the power and actions to the power attended to the power att |       |                 |
| Article 4 | ا, first para | graph, point (10), amendin | g provision   | , first paragraph h  |  |  |       |                 |

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| 219i      |   |  |                                       |  | (b) t<br>10 is inse  | he following paragraph<br>erted:   |       |                 |
| Article 4 | , first parag                           | graph, point (10), amendin   | g provision,                          | first paragraph i  |  |  |       |                 |
| 219j      |   |  |                                       |  | ensure the authorite request, companied adoption implement plans for | Member States shall hat supervisory ies are able, upon to provide advice to es regarding the a, design and entation of transition climate change on referred to in Article |       |                 |
| Article 4 | , first parag                           | graph, point (11)  |                                       |  |  |  |       |                 |
| 220       |   | Article 27, paragraph 4 d by the following:  |                                       | Article 27 <del>, paragraph 4</del> by the following is s follows:                               |  | n Article 27, paragraph 4 ed by the following:   |       |                 |
| Article 4 | , first parag                           | graph, point (11a)   |                                       |  |  |  |       |                 |
| 220a      |   |  | (a) in is deleted;                    | paragraph 2, point (d)   |  |  |       |                 |
| Article 4 | , first parag                           | graph, point (11), amendin   | g provision,                          | numbered paragraph (4)   |  |  |       |                 |
| 221       | collaborat<br>shall issue<br>supervisor | he Commission, in ion with Member States, e guidance to assist ry authorities in ng the level of penalties | collaboration shall issue appropriate | e Commission, in on with Member States, guidance on the level of penalties, account the turnover | collabora<br>shall issu  | The Commission, in action with Member States, the guidance to assist bory authorities in   |       |                 |

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|           | 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.; | of companies, 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.; | determining the level of penalties in accordance with this Article. Member States shall not set aensure that the maximum limit of pecuniary penalties is set at 5% of the net worldwide turnover of the company or, in the case of companies referred to in Article 2(1), point (b) and Article 2(2), point (b), 5% of the net consolidated worldwide turnover calculated at the level of the ultimate parent company, in the financial year preceding that of the decision to impose the finein 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.; |                       |  |  |  |
| Article 4 | , first paragraph, point (12)   |  |   |                       |  |  |  |
| 222       | (12) Article 29 is amended as follows: (12) Article 29 is amended as follows:   |  | (12) Article 29 is amended as follows:  |                       |  |  |  |
| Article 4 | Article 4, first paragraph, point (12)(a)   |  |   |                       |  |  |  |
| 223       | (a) paragraph 1 is deleted;   | (a) paragraph 1 is deleted;  | (a) paragraph 1 is deleted;   |                       |  |  |  |
| Article 4 | , first paragraph, point (12)(b)  |  |   |                       |  |  |  |

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| 224       | (b) paragraph 2 is replaced by the following:  | (b) paragraph 2 is replaced by the following:  | (b) paragraph 2 is replaced by the following:  |                       |
| Article 4 | , first paragraph, point (12)(b), amen   | ding provision, numbered paragraph   | (2)  |                       |
| 225       | 2. Where a company is held liable pursuant to national law for damage caused to a natural or legal person by a failure to comply with the due diligence requirements under this Directive, Member States shall ensure that those persons have a right to full compensation. Full compensation shall not lead to overcompensation, whether by means of punitive, multiple or other types of damages.; | 2. Where a company is held liable pursuant to national law for damage caused to a natural or legal person by a failure to comply with the due diligence requirements under this Directive, Member States shall ensure that those persons have a right to full compensation. Full compensation shall not lead to overcompensation, whether by means of punitive, multiple or other types of damages.; | 2. Where a company is held liable pursuant to national law for damage caused to a natural or legal person by a failure to comply with the due diligence requirements under this Directive, Member States shall ensure that those persons have a right to full compensation. Full compensation shall not lead to overcompensation, whether by means of punitive, multiple or other types of damages.; |                       |
| Article 4 | , first paragraph, point (12)(c)   |  |  |                       |
| 226       | (c) in paragraph 3, point (d) is deleted;  | (c) in paragraph 3, point (d) is deleted;  | (c) in paragraph 3, point (d) is deleted;  |                       |
| Article 4 | , first paragraph, point (12)(d)   |  |  |                       |
| 227       | (d) paragraph 4 is replaced by the following:  | (d) paragraph 4 is replaced by the following:  | (d) paragraph 4 is replaced by the following:  |                       |
| Article 4 | , first paragraph, point (12)(d), amen   | ding provision, numbered paragraph   | (4)  |                       |
| 228       | 4. Companies that have participated in industry or multi-  | 4. Companies that have participated in industry or multi-  | 4. Companies that have participated in industry or multi-  |                       |

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|           | stakeholder initiatives, or used independent third-party verification or contractual clauses to support the implementation of due diligence obligations may nevertheless be held liable in accordance with national law.;                     | stakeholder initiatives, or used independent third-party verification or contractual clauses to support the implementation of due diligence obligations may nevertheless be held liable in accordance with national law.;                     | stakeholder initiatives, or used independent third-party verification or contractual clauses to support the implementation of due diligence obligations may nevertheless be held liable in accordance with national law.;                     |                       |
| Article 4 | , first paragraph, point (12)(e)  |   |   |                       |
| 229       | (e) in paragraph 5, the first subparagraph is replaced by the following:  | (e) in paragraph 5, the first subparagraph is replaced by the following:  | (e) in paragraph 5, the first subparagraph is replaced by the following:  |                       |
| Article 4 | , first paragraph, point (12)(e), amend   | ding provision, first paragraph   |   |                       |
| 230       | The civil liability of a company for damages as referred to in this Article shall be without prejudice to the civil liability of its subsidiaries or of any direct and indirect business partners in the chain of activities of the company.; | The civil liability of a company for damages as referred to in this Article shall be without prejudice to the civil liability of its subsidiaries or of any direct and indirect business partners in the chain of activities of the company.; | The civil liability of a company for damages as referred to in this Article shall be without prejudice to the civil liability of its subsidiaries or of any direct and indirect business partners in the chain of activities of the company.; |                       |
| Article 4 | , first paragraph, point (12)(f)  |   |   |                       |
| 231       | (f) paragraph 7 is deleted;   | (f) paragraph 7 is deleted;   | (f) paragraph 7 is deleted;   |                       |
| Article 4 | , first paragraph, point (13)   |   |   |                       |

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| 232       | (13) in Article 36, paragraph 1 is deleted. | (13) in Article 36, paragraph 1 is deleted. is amended as follows: | (13) in Article 36 <del>, paragraph 1 is deleted.:</del>  |                       |
| Article 4 | , first paragraph, point (13a)              |  |   |                       |
| 232a      |   | (a) paragraph 1 is deleted   | (a) paragraph 1 is deleted;   |                       |
| Article 4 | , first paragraph, point (13b)              |  |   |                       |
| 232b      |   | (b) in paragraph 2, point (e) is deleted.                          | (b) in paragraph 2:   |                       |
| Article 4 | , first paragraph, point (13c)              |  |   |                       |
| 232c      |   |  | (i) the introductory text is replaced by the following:   |                       |
| Article 4 | , first paragraph, point (13d)              |  |   |                       |
| 232d      |   |  | 'By [26 July 2031] and every three years thereafter, the Commission shall submit a report to the European Parliament and to the Council on the implementation of this Directive and its effectiveness and efficiency in reaching its objectives, in particular in addressing adverse impacts. The report shall be accompanied, if appropriate, by a legislative proposal. The first report shall, inter alia, assess the following issues:' |                       |
| Article 4 | , first paragraph, point (13e)              |  |   |                       |

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| 232e         |              |                        |       |            | (ii) point (e) is replaced by the following:  |       |                 |
| Article 4, f | first paragı | raph, point (13f)      |       |            |   |       |                 |
| 232f         |              |                        |       |            | 'whether the rules on<br>combatting climate change<br>provided for in this Directive,<br>especially as regards the design<br>of transition plans for climate<br>change mitigation and their<br>adoption, as well as the powers<br>of supervisory authorities<br>related to those rules, need to be<br>revised;' |       |                 |
| Article 4, f | first paragı | raph, point (13g)      |       |            |   |       |                 |
| 232g         |              |                        |       |            | (iii) the following point is inserted:  |       |                 |
| Article 4, f | first paragı | raph, point (13h)      |       |            |   |       |                 |
| 232h         |              |                        |       |            | '(h) whether the scoping exercise established by Article 8(2), point (a) should be extended to include indirect business partners and, if so, whether the in-depth assessment established by Article 8(2), point (b) should be extended in the same way.'   |       |                 |
| Article 4, f | first parag  | raph, point (13i)      |       |            |   |       |                 |

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| 232i      |               |                        |   | (14) in Article 37(1), the first and second subparagraphs are replaced by the following:  |                       |
| Article 4 | , first parag | graph, point (13j)     |   |   |                       |
| 232j      |               |                        |   | '1. Member States shall adopt and publish, by 26 July 2028, the laws, regulations and administrative provisions necessary to comply with this Directive. They shall forthwith communicate the text of those measures to the Commission.  They shall apply those measures from 26 July 2029 with the exception of the measures necessary to comply with Article 16, which Member States shall apply for financial years starting on or after 1 January 2030.'. |                       |
| Article 4 | l<br>∙a       |                        |   | -   |                       |
| 232k      |               |                        | Article 4a Digital solutions  |   |                       |
| Article 4 | a(1)          |                        |   |   |                       |
| 2321      |               |                        | 1. The Commission shall establish a dedicated digital reporting portal serving as a onestop-shop for companies. The portal shall provide free access to all templates, guidelines and |   |                       |

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|           |       |                        | 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. |       |                 |       |                 |
| Article 4 | a(2)  |                        |  |       |                 |       |                 |
| 232m      |       |                        | 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   |       |                 |       |                 |

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|           |   | Directive, including the use of trustworthy artificial intelligence in accordance with Regulation (EU) 2024/1689.   |   |                       |
| Article 5 |   |   |   |                       |
| 233       | Article 5 Transposition   | Article 5 Transposition   | Article 5 Transposition   |                       |
| Article 5 | (1), first subparagraph   |   |   |                       |
| 234       | 1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by [12 months after entry into force] at the latest. They shall forthwith communicate to the Commission the text of those provisions. | 1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by [12 months after entry into force] at the latest. They shall forthwith communicate to the Commission the text of those provisions. | 1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive-by [12 months after entry into force, with the exception of Article 4 by [12 months after entry into force or by 31 December 2026, whichever comes later] at the latest. They shall forthwith communicate to the Commission the text of those provisions. |                       |
| Article 5 | (1), first subparagraph a   |   |   |                       |
| 234a      |   |   | Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with Article 4 of this Directive by 26 July 2028 at the latest. They shall forthwith communicate to the  |                       |

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|                                   |   |   |  |   | Commis<br>provision   | sion the text of those<br>ns.  |       |                 |
| Article 5(1), second subparagraph |   |   |  |   |   |  |       |                 |
| 235                               | provisions, they shall contain a reference to this Directive or be accompanied by such a reference on the occasion of their official publication. Member States shall provisions, they service reference to this I accompanied by so on the occasion of publication. Member States shall provisions, they service accompanied by |   | mber States adopt those, they shall contain a o this Directive or be led by such a reference asion of their official n. Member States shall how such reference is to | thosethe<br>the first<br>subpara<br>a referen<br>accompa<br>on the oc<br>publicati  | ember States adopt provisions referred to in and second graphs, they shall contain ce to this Directive or be nied by such a reference ecasion of their official on. Member States shall the how such reference is to |  |       |                 |
| Article 5                         | (2)   |   |  |   |   |  |       |                 |
| 236                               | communic<br>the text of<br>national la  | ember States shall<br>tate to the Commission<br>the main provisions of<br>tw which they adopt in<br>overed by this Directive. | communic<br>the text of<br>national la   | ember States shall<br>ate to the Commission<br>the main provisions of<br>w which they adopt in<br>overed by this Directive. | the text of national  | Member States shall icate to the Commission of the main provisions of law which they adopt in covered by this Directive. |       |                 |
| Article 6                         | Article 6   |   |  |   |   |  |       |                 |
| 237                               | Entry into  | Article 6 force   | Entry into   | Article 6 force   | Entry int   | Article 6 to force   |       |                 |
| Article 6                         | Article 6, first paragraph  |   |  |   |   |  |       |                 |
| 238                               | force on the following  | etive shall enter into<br>ne twentieth day<br>that of its publication in<br>al Journal of the<br>Union.                       | force on the   | tive shall enter into<br>the twentieth day<br>that of its publication in<br>I Journal of the<br>Union.                      | force on following  | ective shall enter into<br>the twentieth day<br>g that of its publication in<br>ial Journal of the<br>n Union.           |       |                 |
| Article 7                         | Article 7   |   |  |   |   |  |       |                 |

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| 239       | Article 7 Addressees                              | Article 7 Addressees                              | Article 7 Addressees                              |                       |  |  |  |
| Article 7 | , first paragraph                                 |   |   |                       |  |  |  |
| 240       | This Directive is addressed to the Member States. | This Directive is addressed to the Member States. | This Directive is addressed to the Member States. |                       |  |  |  |
| Formula   |   |   |   |                       |  |  |  |
| 241       | Done at Brussels,                                 | Done at Brussels,                                 | Done at Brussels,                                 |                       |  |  |  |
| Formula   |   |   |   |                       |  |  |  |
| 242       | For the European Parliament                       | For the European Parliament                       | For the European Parliament                       |                       |  |  |  |
| Formula   |   |   |   |                       |  |  |  |
| 243       | The President                                     | The President                                     | The President                                     |                       |  |  |  |
| Formula   |   |   |   |                       |  |  |  |
| 244       | For the Council                                   | For the Council                                   | For the Council                                   |                       |  |  |  |
| Formula   |   |   |   |                       |  |  |  |
| 245       | The President                                     | The President                                     | The President                                     |                       |  |  |  |