AMENDMENTS
311 - 426

Draft opinion
Pierfrancesco Majorino
(PE700.718v01-00)


Proposal for a directive
Amendment 311
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b

Text proposed by the Commission

(iii) respect for the human rights, fundamental freedoms, democratic principles and standards established in the International Bill of Human Rights and other core UN human rights conventions, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work and the ILO fundamental conventions and the Charter of Fundamental Rights of the European Union.

Amendment

(iii) respect for the human rights, fundamental freedoms, democratic principles and standards established in the International Bill of Human Rights and other core UN human rights conventions, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, the relevant ILO conventions and in particular the ILO fundamental conventions, the European Convention on Human Rights, the European Social Charter, the Charter of Fundamental Rights of the European Union, the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises;

Or. en

Amendment 312
Barry Andrews
on behalf of the Renew Group
Catherine Chabaud

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 2 – subparagraph 2 – point b – sub point iii

Text proposed by the Commission

(iii) respect for the human rights, fundamental freedoms, democratic principles and standards established in the International Bill of Human Rights and other core UN human rights conventions,

Amendment

(iii) respect for the human rights, fundamental freedoms, democratic principles and standards established in the International Bill of Human Rights and other core UN human rights conventions,
the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work and the ILO fundamental conventions and the Charter of Fundamental Rights of the European Union.

including the UN Guiding Principles on Business and Human Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work and the ILO fundamental conventions and the Charter of Fundamental Rights of the European Union.

Or. en

Amendment 313
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 2 – subparagraph 2 – point b – sub point iii a (new)

Text proposed by the Commission

Amendment

(iii a) implementation and results of the undertaking’s due diligence process to meet its responsibility to respect human rights and the environment;

Or. en

Amendment 314
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 2 – subparagraph 2 – point b – sub point iii b (new)

Text proposed by the Commission

Amendment

(iii b) respect for the free, prior and informed consent of communities affected by the undertakings’ projects;

Or. en
**Amendment 315**
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 2

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
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</thead>
<tbody>
<tr>
<td>(c) specify the information that undertakings are to disclose about governance factors, <em>including</em> information about:</td>
<td>(c) specify the information that undertakings are to disclose about governance factors, <em>limited to</em> information about:</td>
</tr>
</tbody>
</table>

**Or. en**

**Amendment 316**
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 2 – point c – sub point i

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>(i) <em>the role of the undertaking’s administrative, management and supervisory bodies, including with regard to sustainability matters, and their composition;</em></td>
<td><em>deleted</em></td>
</tr>
</tbody>
</table>

**Or. en**

**Amendment 317**
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 2 – point c – sub point i

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<tr>
<td>(i) <em>the role of the undertaking’s</em></td>
<td>(i) <em>the role, responsibility and</em></td>
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</table>

AM\1247400EN.docx 5/62 PE704.588v01-00
administrative, management and supervisory bodies, including with regard to sustainability matters, and their composition; composition of the undertaking’s administrative, management and supervisory bodies, including with regard to sustainability matters, including the link between executive and non-executive directors’ variable remuneration and the achievement of sustainability targets;

Amendment 318
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 2 – point c – sub point i

Text proposed by the Commission

(i) the role of the undertaking’s administrative, management and supervisory bodies, including with regard to sustainability matters, and their composition;

Amendment

(i) the role of the undertaking’s administrative, management and supervisory bodies, including with regard to sustainability matters, and their composition, including their engagement in the analysis of main risks and opportunities for the undertaking related to sustainability matters;

Amendment 319
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 2 – point c – sub point i

Text proposed by the Commission

(i) the role of the undertaking’s administrative, management and supervisory bodies, including with regard to sustainability matters, and their composition;

Amendment

(i) the role of the undertaking’s administrative, management and supervisory bodies, including with regard to sustainability matters, and their composition, including their engagement
in the due diligence process and engagement with the stakeholders affected by the identified impacts;

Or. en

Amendment 320
Barry Andrews
on behalf of the Renew Group
Catherine Chabaud

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 2 – subparagraph 2 – point c – sub point i

Text proposed by the Commission

(i) the role of the undertaking’s administrative, management and supervisory bodies, including with regard to sustainability matters, and their composition;

Amendment

(i) the role of the undertaking’s administrative, management and supervisory bodies, including with regard to sustainability matters and proper implementation of the due diligence strategy, and their composition;

Or. en

Amendment 321
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 2 – point c – sub point i a (new)

Text proposed by the Commission

(i a) respect for workers’ right to information and consultation as defined by international and Union law, the presence of workers’ representatives and their trade unions in management bodies, with a focus on selection procedures, level of information and voting rights compared to other members of these bodies;

Amendment

(i a) respect for workers’ right to information and consultation as defined by international and Union law, the presence of workers’ representatives and their trade unions in management bodies, with a focus on selection procedures, level of information and voting rights compared to other members of these bodies;
**Amendment 322**
Barry Andrews  
on behalf of the Renew Group  
Catherine Chabaud

Proposal for a directive  
Article 1 – paragraph 1 – point 4  
Directive 2013/34/EU  
Article 19b – paragraph 2 – subparagraph 2 – point c – sub point ii

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>(ii) business ethics and corporate culture, including anti-corruption and anti-bribery;</td>
<td>(ii) business ethics and corporate culture, including anti-corruption, anti-bribery, <em>anti-workplace violence, anti-harassment and internal arrangements within the undertaking for protecting whistleblowers</em>;</td>
</tr>
</tbody>
</table>

**Amendment 323**
Manon Aubry

Proposal for a directive  
Article 1 – paragraph 1 – point 4  
Directive 2013/34/EU  
Article 19b – paragraph 2 – point c – sub point ii

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
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</thead>
<tbody>
<tr>
<td>(ii) business ethics and corporate culture, including anti-corruption and anti-bribery;</td>
<td>(ii) assessment of corruption risks, anti-corruption and anti-bribery <em>programmes, internal alert mechanisms</em>;</td>
</tr>
</tbody>
</table>

**Amendment 324**
Marlene Mortler

Proposal for a directive  
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 2 – point c – sub point ii

**Text proposed by the Commission**

(ii) business ethics and corporate culture, including anti-corruption and anti-bribery;

**Amendment**

(ii) business ethics, anti-corruption and anti-bribery;

Or. en

**Amendment 325**
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 2 – point c – sub point iii

**Text proposed by the Commission**

(iii) political engagements of the undertaking, including its lobbying activities;

**Amendment**

(iii) political engagements of the undertaking, including its direct lobbying activities, expenses, and political donations, as well as membership, affiliation or participation of the undertaking in organisations exercising lobbying activities, and funding of think tanks exercising lobbying activities;

Or. en

**Amendment 326**
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 2 – point c – sub point iii

**Text proposed by the Commission**

(iii) political engagements of the undertaking, including its lobbying activities;

**Amendment**

(iii) direct political influence of the undertaking, including its lobbying activities;
Amendment 327
Barry Andrews
on behalf of the Renew Group
Catherine Chabaud

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 2 – subparagraph 2 – point c – point iii a (new)

Text proposed by the Commission

(iii a) management and quality of the relationships with state actors and in particular with public administrations, and information on public administrative procedural practices, including public procurement;

Amendment

Or. en

Amendment 328
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 2 – point c – sub point iv

Text proposed by the Commission

(iv) the management and quality of relationships with business partners, including payment practices;

Amendment

(iv) the management and quality of relationships with business partners, including payment and purchasing practices;

Or. en

Amendment 329
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 2 – point c – sub point iv

Text proposed by the Commission

(iv) the management and quality of relationships with business partners, including payment practices;

Amendment

(iv) business partners management, especially payment practices towards SMEs;

Or. en

Amendment 330
Barry Andrews
on behalf of the Renew Group
Catherine Chabaud

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 2 – subparagraph 2 – point c – subpoint v

Text proposed by the Commission

(v) the undertaking’s internal control and risk management systems, including in relation to the undertaking’s reporting process.

Amendment

(v) the undertaking’s internal control and risk management systems, including in relation to the undertaking’s reporting process and implementation of the due diligence strategy.

Or. en

Amendment 331
Barry Andrews
on behalf of the Renew Group
Catherine Chabaud

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 2 – subparagraph 2 – point c – point v a (new)

Text proposed by the Commission

(v a) the undertaking’s meaningful engagement with civil society, local
communities, informal actors, institutions, structures and state actors on sustainability matters, especially on just transition measures and the undertaking's social purpose;

Amendment 332
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 2 – point c – point v a (new)

Text proposed by the Commission

(v a) Information on beneficial ownership and organisational structure, including subsidiaries, affiliates, joint ventures and non-fully consolidated holdings;

Amendment

Amendment 333
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 2 a (new)

Text proposed by the Commission

2 a. The sustainability reporting standards referred to in paragraph 1 shall include an evaluation mechanism (based on qualitative information and indicators) which makes the disclosed sustainability information comparable between companies and allows for the quantitative rating of corporate sustainability performance as a base for public procurement, State Aid and other policy
Amendment 334
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 3

Text proposed by the Commission

3. When adopting delegated acts pursuant to paragraph 1, the Commission shall take account of:

Amendment

3. When adopting delegated acts pursuant to paragraph 1, the Commission shall ensure consistency with its own work and the work of global standard-setting initiatives for sustainability reporting, existing standards and frameworks for natural capital accounting, responsible business conduct, corporate social responsibility, sustainable corporate governance and other sustainable development. The Commission shall furthermore take account of:

Amendment 335
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 3

Text proposed by the Commission

(a) the work of global standard-setting initiatives for sustainability reporting, and existing standards and frameworks for natural capital accounting, responsible business conduct, corporate social responsibility, and sustainable development;

Amendment

deleted
Amendment 336
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 3

Text proposed by the Commission

(b) the information that financial market participants need to comply with their disclosure obligations laid down in Regulation (EU) 2019/2088 and the delegated acts adopted pursuant to that Regulation;

Amendment

(b) the information that financial market participants need to comply with their disclosure obligations laid down in Regulation (EU) 2019/2088 and the delegated acts adopted pursuant to that Regulation, matching the reporting capabilities of the reporting entities;

Amendment 337
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19b – paragraph 3

Text proposed by the Commission

(c) the criteria set out in the delegated acts adopted pursuant to Regulation (EU) 2020/852*;

Amendment

(c) the criteria set out in the delegated acts adopted pursuant to Regulation (EU) 2020/852* whose feasibility in practice and by means of concrete templates and examples are ensured by the Commission;

Amendment 338
Marlene Mortler

Proposal for a directive
(h a) (i) administrative burden and costs of the undertakings under the scope of this Directive;

In all the delegated acts listed in the Article, the Commission and its advisory bodies shall ensure a coordinated and staggered approach to implementation to ensure high reporting/data quality, reliability and implementability.
Amendment 341
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19c

Text proposed by the Commission

The Commission shall adopt delegated acts in accordance with Article 49 to provide for sustainability reporting standards proportionate to the capacities and characteristics of small and medium-sized undertakings. Those sustainability reporting standards shall specify which information referred to in Articles 19a and 29a small and medium-sized undertakings referred to in Article 2, point (1)(a) shall report. They shall take into account the criteria set out in Article 19b, paragraphs 2 and 3. They shall also, where relevant, specify the structure in which that information shall be reported.

Amendment

deleted

Or. en

Amendment 342
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2013/34/EU
Article 19d – paragraph 1

Text proposed by the Commission

1. Undertakings subject to Article 19a shall prepare their financial statements and their management report in a single electronic reporting format in accordance with Article 3 of Commission Delegated Regulation (EU) 2019/815*15 and shall mark-up their sustainability reporting, including the disclosures laid down in

Amendment

1. Undertakings subject to Article 19a shall prepare their financial statements and their management report in a single electronic reporting format in accordance with Article 3 of Commission Delegated Regulation (EU) 2019/815*15 and shall mark-up their sustainability reporting, including the disclosures laid down in
Article 8 of Regulation (EU) 2020/852, in accordance with that Delegated Regulation.

Article 8 of Regulation (EU) 2020/852, in accordance with that Delegated Regulation, as well as other references made to other regulations in Article 19b.

Or. en

Amendment 343
Barry Andrews
on behalf of the Renew Group
Catherine Chabaud

Proposal for a directive
Article 1 – paragraph 1 – point 5 – point a
Directive 2013/34/EU
Article 20 – paragraph 1 – point g

Text proposed by the Commission
(g) a description of the diversity policy applied in relation to the undertaking's administrative, management and supervisory bodies with regard to gender and other aspects such as, age, or educational and professional backgrounds, the objectives of that diversity policy, how it has been implemented and the results in the reporting period. If no such policy is applied, the statement shall contain an explanation as to why this is the case.;

Amendment
(g) a description of the diversity policy applied in relation to the undertaking's administrative, management and supervisory bodies with regard to gender and other aspects such as, age, or educational and professional backgrounds, the objectives of that diversity policy, how it has been implemented and the results in the reporting period.;

Or. en

Amendment 344
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 5 – point a
Directive 2013/34/EU
Article 20(1) – point g

Text proposed by the Commission
(g) a description of the diversity policy applied in relation to the undertaking's administrative, management and

Amendment
(g) a description of the diversity policy applied in relation to the undertaking's administrative, management and
supervisory bodies with regard to gender and other aspects such as, age, or educational and professional backgrounds, the objectives of that diversity policy, how it has been implemented and the results in the reporting period. If no such policy is applied, the statement shall contain an explanation as to why this is the case.

Amendment 345
Barry Andrews
on behalf of the Renew Group
Catherine Chabaud

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a – paragraph 1

Text proposed by the Commission

1. Parent undertakings of a large group 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.

Amendment

1. Parent undertakings of a large group 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. This information shall be published in a specific section of the management report and in a format equivalent to, and compatible with, that laid down for the publication of the financial statements.

Amendment 346
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a – paragraph 1

Text proposed by the Commission

1. Parent undertakings of a large group 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.

Amendment

1. Public-interest entities which are parent undertakings of a large group exceeding on its balance sheet dates, on a consolidated basis, the criterion of the average number of 500 employees during the financial year shall include in the consolidated management report information necessary to understand the group's impacts on sustainability matters, and information necessary to understand how sustainability matters affect the group's development, performance and position.

Or. en

Amendment 347
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a – paragraph 2

Text proposed by the Commission

(i) the resilience of the group's business model and strategy to risks related to sustainability matters;

Amendment

(i) the resilience of the group's business model and strategy to risks related to sustainability matters and climate change;

Or. en

Amendment 348
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a – paragraph 2
(ii) the opportunities for the group related to sustainability matters;  

(ii) the opportunities for the group related to sustainability matters and the transition to a carbon-neutral economy;  

Or. en

Amendment 349
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a

Text proposed by the Commission
Amendment

(ii) the opportunities for the group related to sustainability matters;  

(ii) the opportunities and risks for the group related to sustainability matters;  

Or. en

Amendment 350
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a

Text proposed by the Commission
Amendment

(ii a) the assessment by the undertaking of its impacts on sustainability matters;  

Or. en

Amendment 351
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
29a – paragraph 2

*Text proposed by the Commission*

(iii) the plans of the group to ensure that the group’s business model and strategy compatible with the transition to a sustainable economy and with the limiting of global warming to 1.5 °C in line with the Paris Agreement;

*Amendment*

deleted

Or. en

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**Amendment 352**

Manon Aubry

Proposal for a directive

Article 1 – paragraph 1 – point 7

Directive 2013/34/EU

Article 29a

*Text proposed by the Commission*

(iii a) the plans of the undertaking to ensure that its business model and strategy respect workers’ rights and potentially affected communities;

*Amendment*

deleted

Or. en

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**Amendment 353**

Marlene Mortler

Proposal for a directive

Article 1 – paragraph 1 – point 7

Directive 2013/34/EU

Article 29a – paragraph 2

*Text proposed by the Commission*

(iv) how the group’s business model and strategy take account of the interests of the group’s stakeholders and of the impacts of the group on sustainability matters;

*Amendment*

deleted
**Amendment 354**
Antoni Comín i Oliveres

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a – paragraph 2 – point a – point iv

*Text proposed by the Commission*

(iv) how the group’s business model and strategy take account of the interests of the group’s stakeholders and of the impacts of the group on sustainability matters;

*Amendment*

(iv) how the group’s business model and strategy take account of the interests of the group’s stakeholders, with a specific reference on whether there have been direct consultations with stakeholders to identify such information, and of the impacts of the group on sustainability matters;

**Amendment 355**
Barry Andrews
on behalf of the Renew Group
Catherine Chabaud

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a – paragraph 2 – sub paragraph 1 – point a – point v

*Text proposed by the Commission*

(v) how the group’s strategy has been implemented with regard to sustainability matters;

*Amendment*

(v) how the group’s strategy has been implemented with regard to sustainability matters including the group’s measures to ensure decent work, fair wages, training and further education for workers, information and consultation of workers;

Or. en
Amendment 356
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a

Text proposed by the Commission

(v) how the group’s strategy has been implemented with regard to sustainability matters;

Amendment

(v) how sustainability matters and related targets, in connection with principal risks, opportunities, and severe impacts, have been integrated into the undertaking’s strategy;

Or. en

Amendment 357
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a – paragraph 2

Text proposed by the Commission

(v) how the group’s strategy has been implemented with regard to sustainability matters;

Amendment

(v) how the group’s strategy has been implemented with regard to sustainability matters and climate change;

Or. en

Amendment 358
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a

Text proposed by the Commission

(b) a description of the targets related to sustainability matters set by the group

Amendment

(b) a description of the science-based and time-bound short-term, mid-term and
and of the progress of the undertaking towards achieving them;

long-term targets set by the group to address the principal risks, opportunities and impacts of its activities with regards to sustainability matters, along with corresponding evidence and of the progress of the undertaking towards achieving them;

Amendment 359
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a

Text proposed by the Commission

(c) a description of the role of the administrative, management and supervisory bodies with regard to sustainability matters;

Amendment

(c) a description of the role of the administrative, management and supervisory bodies with regard to sustainability matters, including with regard to:

(i) the matters addressed by these bodies during the reporting period;

(ii) their engagement in the due diligence process implemented with regard to sustainability matters to identify adverse impacts, including any direct engagement with the stakeholders affected by the identified impacts;

(iii) their engagement in the analysis of main risks and opportunities for the undertaking related to sustainability matters;

(iv) approval of the undertaking’s strategy and targets related to sustainability matters and of financial resources for their implementation;

(v) specific oversight on the implementation of the undertaking’s strategy related to sustainability matters;

(v) expertise on sustainability matters
possessed by the members of the administrative, management and supervisory bodies and consultation of external experts;

Or. en

Amendment 360
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a – paragraph 2

Text proposed by the Commission Amendment

(e) a description of:

(i) the due diligence process implemented with regard to sustainability matters;

(ii) the principal actual or potential adverse impacts connected with the group’s value chain, including its own operations, its products and services, its business relationships and its supply chain;

(iii) any actions taken, and the result of such actions, to prevent, mitigate or remediate actual or potential adverse impacts;

Amendment 361
Caroline Roose, Michèle Rivasi, Pierrette Herzberger-Fofana
on behalf of the Greens/EFA Group

Proposal for a directive
Article 1 – paragraph 1 – point 7

Justification

Due diligence should be covered by the upcoming Sustainable Corporate Governance Commission Proposal. Otherwise, due diligence obligations would need to be included in reporting before the standards are clear, which prevents legal certainty.
(i) the due diligence process implemented with regard to sustainability matters; including with regard to:

- identification, assessment and prioritisation of actual and potential adverse impacts;

- policies and measures for the prevention, cessation, mitigation or remediation of actual or potential adverse impacts;

- tracking of the implementation of the process and its results;

- identification and involvement of all adversely affected people;

- alert mechanisms as well as complaints and grievances, including how they are received and used by different stakeholders and affected people;

- the different actors involved in the development, implementation, monitoring and evaluation of the process at different stages, and the human, informational and financial resources available to them;

- how the due diligence process complies with international standards and duty of care of the company concerning all matter related to sustainability;

Or. en
Text proposed by the Commission

(i) the due diligence process implemented with regard to sustainability matters;

Amendment

(i) the due diligence process implemented with regard to sustainability matters, in particular regarding human rights, social rights, rule of law and good governance systems and environmental due diligence along the entire supply and value chain, in accordance with international and regional human rights conventions, guidelines and standards such as the UN Guiding Principles on Business and Human Rights, the OECD Due Diligence Guidance for Responsible Business Conduct, the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work, the ILO fundamental conventions and the Charter of Fundamental Rights of the European Union.

The reporting requirements as regards due diligence shall be based upon the upcoming legislation on corporate due diligence;

Or. en

Amendment 363
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a

Text proposed by the Commission

(i) the due diligence process implemented with regard to sustainability matters;

Amendment

(i) the due diligence process implemented with regard to sustainability matters in line with applicable Union legislation on due diligence [Directive XXX];

Or. en

Amendment 364
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a

Text proposed by the Commission

(i a) the structure of the undertaking’s value chain including through a mapping of its own operations, subsidiaries, suppliers and business relationships. Disclosed information shall include names, locations, types of products and services supplied;

Amendment

(ii) the principal actual or potential adverse impacts connected with the group’s value chain, including its own operations, its products and services, its business relationships and its supply chain; including with regard to:

- all people affected by those impacts with particular attention to persons who frequently face discrimination or are in a vulnerable situation, such as women, children, minorities, indigenous people, persons experiencing poverty or social exclusion, LGBTIQ persons or persons with disabilities;

- the effect of the undertaking’s business policies, practices and decisions on the identified issues, including of the
undertaking’s purchasing policies and practices;

Amendment 366
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a

Text proposed by the Commission

(ii) the **principal** actual or potential adverse impacts connected with the group’s value chain, including its own operations, its products and services, its business relationships and its supply chain;

Amendment

(ii) the actual or potential adverse impacts connected with the group’s value chain **as identified through the due diligence process**, including its own operations, its products and services, its subsidiaries, its business relationships and its supply chain, **including information on people affected by those impacts**;

Amendment 367
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a

Text proposed by the Commission

(ii a) the negative or positive effects of the undertaking’s business practices, policies and decisions on the identified impacts, including its purchasing policies and practices;

Amendment

(ii a) the negative or positive effects of the undertaking’s business practices, policies and decisions on the identified impacts, including its purchasing policies and practices;
Amendment 368
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a

Text proposed by the Commission

(iii) any actions taken, and the result of such actions, to prevent, mitigate or remediate actual or potential adverse impacts;

Amendment

(iii) any actions taken, and the result of such actions, to identify, assess, prevent, mitigate, cease, monitor, communicate, account for, address and remediate actual or potential adverse impacts;

Or. en

Amendment 369
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a – paragraph 2

Text proposed by the Commission

(f) a description of the principal risks to the group related to sustainability matters, including the group’s principal dependencies on such factors, and how the group manages those risks;

Amendment

deleted

(f) a description of the principal risks to the group related to sustainability matters, including the group’s principal dependencies on such factors, and how the group manages those risks;

Or. en

Amendment 370
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
29a – paragraph 2

Text proposed by the Commission

Amendment

PE704.588v01-00 30/62 AM\1247400EN.docx
(g) indicators relevant to the disclosures referred to in points (a) to (f).

Which are provided by the Commission by means of a delegated act in collaboration with the technical advice of the EFRAG.

Amendment 371
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a – paragraph 2

Parent undertakings shall also report
information on intangibles, including
information on intellectual, human, and
social and relationship capital.

Amendment

Parent undertakings shall also report
information on intangibles, including
information on intellectual, human, and
social and relationship capital.

Amendment 372
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a – paragraph 3

3. The information referred to in paragraphs 1 and 2 shall contain forward-looking information and information about past performance, and qualitative and quantitative information. This information shall take into account short, medium and long-term time horizons, where appropriate.

Amendment

3. The information referred to in paragraphs 1 and 2 shall contain, where possible, forward-looking information and information about past performance, in qualitative and quantitative form.
Amendment 373
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a – paragraph 2

Text proposed by the Commission

The information referred to in paragraphs 1 and 2 shall include information about the group’s value chain, including its own operations, its products and services, its business relationships and its supply chain, where appropriate.

Amendment

deleted

Or. en

Justification

Due diligence should be covered by the upcoming Sustainable Corporate Governance Commission Proposal. Otherwise, due diligence obligations would need to be included in reporting before the standards are clear, which prevents legal certainty.

Amendment 374
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a

Text proposed by the Commission

The information referred to in paragraphs 1 and 2 shall include information about the group’s value chain, including its own operations, its products and services, its business relationships and its supply chain, where appropriate.

Amendment

The information referred to in paragraphs 1 and 2 shall include all information about the group’s value chain, including its own operations, workforce, investments, assets, its products and services, its business relationships and its supply chain that is useful in order to understand the impacts and risks related to sustainability matters for the undertaking.

Or. en
Amendment 375
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a – paragraph 3

Text proposed by the Commission

The information referred to in paragraphs 1 and 2 shall also, where appropriate, include references to, and additional explanations of, other information included in the consolidated management report in accordance with Article 29 of this Directive and amounts reported in the consolidated financial statements.

Amendment

The information referred to in paragraphs 1 and 2 shall also, where possible, include references to, and additional explanations of, other information included in the consolidated management report in accordance with Article 29 of this Directive and amounts reported in the consolidated financial statements.

Or. en

Amendment 376
Barry Andrews
on behalf of the Renew Group
Catherine Chabaud

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a – paragraph 3 – subparagraph 4

Text proposed by the Commission

Member States may allow information relating to impending developments or matters in the course of negotiation to be omitted in exceptional cases where, in the duly justified opinion of the members of the administrative, management and supervisory bodies, acting within the competences assigned to them by national law and having collective responsibility for that opinion, the disclosure of such information would be seriously prejudicial to the commercial position of the group, provided that such omission

Amendment

deleted
Member States may allow information relating to impending developments or matters in the course of negotiation to be omitted in exceptional cases where, in the duly justified opinion of the members of the administrative, management and supervisory bodies, acting within the competences assigned to them by national law and having collective responsibility for that opinion, the disclosure of such information would be seriously prejudicial to the commercial and competitive position of the group, provided that such omission does not prevent a fair and balanced understanding of the group's development, performance, position and impact of its activity.

Amendment 378
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a
Member States may allow information relating to impending developments or matters in the course of negotiation to be omitted in exceptional cases where, in the duly justified opinion of the members of the administrative, management and supervisory bodies, acting within the competences assigned to them by national law and having collective responsibility for that opinion, the disclosure of such information would be seriously prejudicial to the commercial position of the group, provided that such omission does not prevent a fair and balanced understanding of the group's development, performance, position and impact of its activity.

**Amendment 379**

Marlene Mortler

**Proposal for a directive**

Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a – paragraph 3

By way of derogation from Article 29a, paragraphs 1-4, parent undertakings that are small and medium sized undertakings referred to in Article 2, point (1), point (a), may report in accordance with the sustainability reporting standards for small and medium sized undertakings referred to in Article 19c.

**Text proposed by the Commission**

**Amendment**

Deleted

**Justification**

Extending the scope to all SMEs brings reporting obligations to 1.471.501 undertakings in the EU (given micros are excluded). Even only an expansion to medium-sized enterprises
would expand the scope from originally 11,700 (NFRD) over 49,000 (CSRD Commissions proposal) to roughly or up to 247,000 enterprises (including listed SMEs and high risk SMEs as foreseen in the Durand Proposal).

Amendment 380
Barry Andrews
on behalf of the Renew Group
Catherine Chabaud

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a – paragraph 7 – subparagraph 1

Text proposed by the Commission

Amendment

7. A parent undertaking which is also a subsidiary undertaking shall be exempted from the obligation set out in paragraphs 1 to 4 if that exempted parent undertaking and its subsidiaries are included in the consolidated management report of another undertaking, drawn up in accordance with Article 29 and this Article. A parent undertaking that is a subsidiary undertaking from a parent undertaking that is established in a third country shall also be exempted from the obligations set out in paragraphs 1 to 4 where that undertaking and its subsidiary undertakings are included in the consolidated management report of that parent undertaking and where the consolidated management report is drawn up in a manner that may be considered equivalent, in accordance with the relevant implementing measures adopted pursuant to Article 23(4)(i) of Directive 2004/109/EC, to the manner required by the sustainability reporting standards referred to in Article 19b of this Directive.

The consolidated management report of the parent undertaking referred to in subparagraph 1 shall be published in accordance with Article 30, in the manner prescribed by the law of the Member State by which the parent undertaking that is exempted from the obligations set out in
paragraphs 1 to 4 is governed.

The Member State by which the parent undertaking that is exempted from the obligations set out in paragraphs 1 to 4 is governed may require that the consolidated management report referred to in the first subparagraph of this paragraph is published in its official language or in a language customary in the sphere of international finance, and that any necessary translation into those languages is certified.

The consolidated management report of a parent undertaking that is exempted from the obligations set out in paragraphs 1 to 4 shall contain all of the following information:

(a) the name and registered office of the parent undertaking that reports information at group level in accordance with Articles 29 and this Article, or in a manner that may be considered equivalent, in accordance with the relevant implementing measures adopted pursuant to Article 23(4)(i) of Directive 2004/109/EC, to the manner required by the sustainability standards adopted pursuant to Article 19b;

(b) the fact that the undertaking is exempted from the obligations set out in paragraphs 1 to 4 of this Article.
exempted from the obligation set out in paragraphs 1 to 4 if that exempted parent undertaking and its subsidiaries are included in the consolidated management report of another undertaking, drawn up in accordance with Article 29 and this Article. A parent undertaking that is a subsidiary undertaking from a parent undertaking that is established in a third country shall also be exempted from the obligations set out in paragraphs 1 to 4 where that undertaking and its subsidiary undertakings are included in the consolidated management report of that parent undertaking and where the consolidated management report is drawn up in a manner that may be considered equivalent, in accordance with the relevant implementing measures adopted pursuant to Article 23(4)(i) of Directive 2004/109/EC, to the manner required by the sustainability reporting standards referred to in Article 19b of this Directive.

Amendment 382
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a

Text proposed by the Commission

The consolidated management report of the parent undertaking referred to in subparagraph 1 shall be published in accordance with Article 30, in the manner prescribed by the law of the Member State by which the parent undertaking that is exempted from the obligations set out in paragraphs 1 to 4 is governed.

Amendment

The consolidated management report of the parent undertaking referred to in subparagraph 1 shall be published in accordance with Article 30, in the manner prescribed by the law of the Member State by which the parent undertaking that is subjected to the obligations set out in paragraphs 1 to 4 is governed.
**Amendment 383**  
Manon Aubry

**Proposal for a directive**  
**Article 1 – paragraph 1 – point 7**  
Directive 2013/34/EU  
Article 29a

*Text proposed by the Commission*

The Member State by which the parent undertaking that is exempted from the obligations set out in paragraphs 1 to 4 is governed may require that the consolidated management report referred to in the first subparagraph of this paragraph is published in its official language or in a language customary in the sphere of international finance, and that any necessary translation into those languages is certified.

*Amendment*

The Member State by which the parent undertaking is governed may require that the consolidated management report of that parent undertaking is published in its official language or in a language customary in the sphere of international finance, and that any necessary translation into those languages is certified.

Or. en

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**Amendment 384**  
Marlene Mortler

**Proposal for a directive**  
**Article 1 – paragraph 1 – point 7**  
Directive 2013/34/EU  
Article 29a – paragraph 7

*Text proposed by the Commission*

The Member State by which the parent undertaking that is exempted from the obligations set out in paragraphs 1 to 4 is governed may require that the consolidated management report referred to in the first subparagraph of this paragraph is published in its official language or in a language customary in the sphere of international finance, and that any necessary translation into those languages is certified.

*Amendment*

The Member State by which the parent undertaking that is exempted from the obligations set out in paragraphs 1 to 4 is governed may require that the consolidated management report referred to in the first subparagraph of this paragraph is published in its official language or in a language customary in the sphere of international finance.

Or. en
Amendment 385
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a

Text proposed by the Commission

The consolidated management report of a parent undertaking *that is exempted from* the obligations set out in paragraphs 1 to 4 shall contain all of the following information:

Amendment

The consolidated management report of a *subsidiary of a* parent undertaking *subjected to* the obligations set out in paragraphs 1 to 4 shall contain all of the following information:

Or. en

Amendment 386
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 7
Directive 2013/34/EU
Article 29a

Text proposed by the Commission

(b) *the fact that the undertaking is exempted from the obligations set out in paragraphs 1 to 4 of this Article.*

Amendment

*deleted*

Or. en

Amendment 387
Barry Andrews
on behalf of the Renew Group
Catherine Chabaud

Proposal for a directive
Article 1 – paragraph 1 – point 8 – point a
Directive 2013/34/EU
Article 30 – paragraph 1 – subparagraph 3
Member States may, however, exempt undertakings from the obligation to publish the management report where a copy of all or part of any such report can be easily obtained upon request at a price not exceeding its administrative cost.’

Amendment 388
Barry Andrews
on behalf of the Renew Group
Catherine Chabaud

Proposal for a directive
Article 1 – paragraph 1 – point 10 – point a – point ii
Directive 2013/34/EU
Article 34 – paragraph 1 – point aa

Text proposed by the Commission

(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 reporting standards adopted pursuant to Article 19b, the process carried out by the undertaking to identify the information reported pursuant to those reporting standards, and the compliance with the requirement to mark-up sustainability reporting in accordance with Article 19d, and as regards the compliance with the reporting requirements of Article 8 of Regulation (EU) 2020/852.;

Amendment

(aa) where applicable, express an opinion based on a reasonable 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 reporting standards adopted pursuant to Article 19b, the process carried out by the undertaking to identify the information reported pursuant to those reporting standards, and the compliance with the requirement to mark-up sustainability reporting in accordance with Article 19d, and as regards the compliance with the reporting requirements of Article 8 of Regulation (EU) 2020/852.;

Amendment 389
Barry Andrews
on behalf of the Renew Group
Catherine Chabaud

Proposal for a directive
Article 1 – paragraph 1 – point 10 – point b
Directive 2013/34/EU
Article 34 – paragraph 3

Text proposed by the Commission

3. Member States may allow an independent assurance services provider to express the opinion referred to in paragraph 1, second subparagraph, point (aa), provided that it is subject to requirements that are consistent with those set out in Directive 2006/43/EC as regards the assurance of sustainability reporting as defined in Article 2(1), point (r) of that Directive.

Amendment

3. Member States shall allow an independent assurance services provider to express the opinion referred to in paragraph 1, second subparagraph, point (aa), provided that it is subject to requirements that are consistent with those set out in Directive 2006/43/EC as regards the assurance of sustainability reporting as defined in Article 2(1), point (r) of that Directive.

Or. en

Amendment 390
Caroline Roose, Michèle Rivasi, Pierrette Herzberger-Fofana
on behalf of the Greens/EFA Group

Proposal for a directive
Article 1 – paragraph 1 – point 10 b (new)
Directive 2013/34/EU

Text proposed by the Commission

(10 b) Article 41 is amended as follows:
(a) point (1) is replaced by the following:

(1) ‘undertaking active in the extractive industry’ means an undertaking with any activity involving the exploration, prospection, discovery, development, extraction, or the physical trading of minerals, oil, natural gas, or other materials, within the economic activities listed in Section B, Divisions 05 to 08 and Section G, Divisions 46.71 and 46.72 of Annex I to Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2.
Amendment 391
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 11 – point a
Directive 2013/34/EU
Article 49 – paragraph 2

Text proposed by the Commission

2. The power to adopt delegated acts referred to in Article 1(2), Article 3(13), Article 46(2), Article 19b and Article 19c shall be conferred on the Commission for an indeterminate period of time.

Amendment

2. The power to adopt delegated acts referred to in Article 1(2), Article 3(13), Article 46(2) and Article 19b shall be conferred on the Commission for a period in a five-year rolling process followed by a subsequent scrutiny phase by the Council and the Parliament.

Amendment 392
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 11 – point a
Directive 2013/34/EU
Article 49 – paragraph 2

Text proposed by the Commission

3. The delegation of power referred to in Article 1(2), Article 3(13), Article 46(2), Article 19b and Article 19c may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of that decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

Amendment

3. The delegation of power referred to in Article 1(2), Article 3(13), Article 46(2) and Article 19b may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of that decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.
Amendment 393
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 11 – point b
Directive 2013/34/EU
Article 49

Text proposed by the Commission

3a. When adopting delegated acts pursuant to Articles 19b and 19c, the Commission shall take into consideration technical advice from EFRAG, provided such advice has been developed with proper due process, public oversight and transparency and with the expertise of relevant stakeholders, and is accompanied by cost-benefit analyses that include analyses of the impacts of the technical advice on sustainability matters.

Amendment

3a. When adopting delegated acts pursuant to Articles 19b and 19c, the Commission shall guarantee the involvement of trade unions. It shall also include other relevant stakeholders and civil society organisations. It may take into consideration technical advice from EFRAG, provided such advice has been developed by an independent technical advisory body funded by the Union and financially independent from private stakeholders. The technical advice shall be developed with proper due process, public oversight and transparency and with the expertise, direct and balanced participation of relevant stakeholders and trade unions in particular. The technical advice shall cover all sustainability matters outlined in Articles 19a and 19b and is accompanied by analyses that balance the costs of reporting for undertakings of the technical advice on sustainability matters with the benefits for users and public policy goals.

Amendment 394
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 11 – point b
Directive 2013/34/EU
Article 49 – paragraph 3a
3a. When adopting delegated acts pursuant to Articles 19b and 19c, the Commission shall take into consideration technical advice from EFRAG, provided such advice has been developed with proper due process, public oversight and transparency and with the expertise of relevant stakeholders, and is accompanied by cost-benefit analyses that include analyses of the impacts of the technical advice on sustainability matters.

Amendment 395
Manon Aubry
Proposal for a directive
Article 1 – paragraph 1 – point 11 – point b
Directive 2013/34/EU
Article 49

Text proposed by the Commission

The Commission shall consult the Member State Expert Group on Sustainable Finance referred to in Article 24 of Regulation (EU) 2020/852 on the technical advice provided by EFRAG prior to the adoption of the delegated acts referred to in Articles 19b and 19c.

Amendment

The Commission shall consult the Member State Expert Group on Sustainable Finance referred to in Article 24 of Regulation (EU) 2020/852 prior to the adoption of the delegated acts referred to in Articles 19b and 19c.

Or. en

Amendment 396
Marlene Mortler
Proposal for a directive
Article 1 – paragraph 1 – point 11 – point b
Directive 2013/34/EU
Article 49 – paragraph 3a
The Commission shall consult the Member State Expert Group on Sustainable Finance referred to in Article 24 of Regulation (EU) 2020/852 on the technical advice provided by EFRAG prior to the adoption of the delegated acts referred to in Articles 19b and 19c.

The Commission shall give immediate access to experts of the Parliament and of the Council to all documents and meetings of preparation of the delegated acts.

The Commission shall request the opinion of the European Securities and Markets Authority on the technical advice provided by EFRAG, in particular with regard to its consistency with Regulation (EU)
2019/2088 and its delegated acts. The European Securities and Markets Authority shall provide its opinion within two months from the date of receipt of the request from the Commission.

2019/2088 and its delegated acts, Regulation (EU)2020/852 and other legislative acts referred to in Article 19a and 19b of this Directive. The European Securities and Markets Authority shall provide its opinion within three months from the date of receipt of the request from the Commission.

Amendment 399
Marlene Mortler
Proposal for a directive
Article 1 – paragraph 1 – point 11 – point b
Directive 2013/34/EU
Article 49 – paragraph 3a

Text proposed by the Commission

The Commission shall also consult the European Banking Authority, the European Insurance and Occupational Pensions Authority, the European Environment Agency, the European Union Agency for Fundamental Rights, the European Central Bank, the Committee of European Auditing Oversight Bodies and the Platform on Sustainable Finance established pursuant to Article 20 of Regulation (EU) 2020/852 on the technical advice provided by EFRAG prior to the adoption of delegated acts referred to in Articles 19b and 19c. Where any of those bodies decide to submit an opinion, they shall do so within two months from the date of being consulted by the Commission.;

Amendment

The Commission shall also consult the European Banking Authority, the European Insurance and Occupational Pensions Authority, the European Environment Agency, the European Union Agency for Fundamental Rights, the European Central Bank, the Committee of European Auditing Oversight Bodies and the Platform on Sustainable Finance established pursuant to Article 20 of Regulation (EU) 2020/852 on the technical advice provided by EFRAG prior to the adoption of delegated acts referred to in Article 19b. Where any of those bodies decide to submit an opinion, they shall do so within three months from the date of being consulted by the Commission.;

Amendment 400
Marlene Mortler
Proposal for a directive

Or. en
Article 1 – paragraph 1 – point 11 – point c
Directive 2013/34/EU
Article 49 – paragraph 5

Text proposed by the Commission

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

Amendment

5. A delegated act adopted pursuant to Article 1(2), Article 3(13), Article 46(2), Article 19b and Article 19c shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of four 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.

In all the delegated acts listed in the first subparagraph, the Commission and its advisory bodies shall ensure a coordinated and staggered approach to implementation to ensure high reporting/data quality, reliability and implementability.

Or. en

Amendment 401
Manon Aubry

Proposal for a directive
Article 1 – paragraph 1 – point 11 a (new)
Directive 2006/43/EC
Article 50a

Text proposed by the Commission

(11 a) The following Article 50a is inserted:

Article 50a

Complaint procedure

Member States shall organise an effective system of complaints for users to report
violations by a statutory auditor or an audit firm of the requirements related to the assurance of sustainability reporting.

The complaint may be directed simultaneously against the undertaking and the statutory auditor or the audit firm that has reviewed the undertaking’s sustainability reporting. In that case, Member States shall determine the respective responsibilities of the undertaking and of the statutory auditor or the audit firm involved during its examination of the alleged breach of the obligations related to sustainability reporting.

Amendment 402
Barry Andrews
on behalf of the Renew Group

Catherine Chabaud

Proposal for a directive
Article 1 – paragraph 1 – point 12
Directive 2013/34/EU
Article 51a (new)

Text proposed by the Commission

Amendment

1 a. Article 51a is added:

Article 51a

Cooperation with developing countries

1. Developing countries shall be consulted in the procedure of the Commission aimed at defining the sustainability reporting standards if there is a legitimate interest based on the fact that the undertaking or its supply and value chains operate in their territory.

2. Member States and the Commission shall step up cooperation with developing countries with a view to strengthening their institutional and legal systems to effectively implement and enforce corporate sustainability reporting in line
with the international, regional and Union frameworks and standards.

3. Special support shall be provided to small and medium undertakings operating in high risks sectors in developing countries with a view to facilitating the implementation of sustainability reporting requirements of this Directive, including concerning undertakings’ value and supply chains.

Amendment 403
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 12
Directive 2013/34/EU
Article 51 – paragraph 2

Text proposed by the Commission

(a) a public statement indicating the natural person or the legal entity responsible and the nature of the infringement;

Amendment
deleted

Or. en

Amendment 404
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 12
Directive 2013/34/EU
Article 51 – paragraph 2

Text proposed by the Commission

(b) an order requiring the natural person or the legal entity responsible to cease the conduct constituting the infringement and to desist from any repetition of that conduct;

Amendment

(b) an order requiring the legal entity responsible to cease the conduct constituting the infringement and to desist from any repetition of that conduct;

Or. en
Amendment 405
Barry Andrews
on behalf of the Renew Group
Catherine Chabaud

Proposal for a directive
Article 1 – paragraph 1 – point 12
Directive 2013/34/EU
Article 51 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2 a. Member States may include other penalties such as:

(a) exclusion from entitlement to public benefits or aid;

(b) temporary or permanent exclusion from access to public funding, including tender procedures, grants and concessions;

(c) temporary or permanent disqualification from the practice of commercial activities.

Amendment 406
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 12
Directive 2013/34/EU
Article 51 – paragraph 3

Text proposed by the Commission

Amendment

(b) the degree of responsibility of the natural person or legal entity responsible;

(b) the degree of responsibility of the legal entity responsible;

Or. en
Amendment 407
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 12
Directive 2013/34/EU
Article 51 – paragraph 3

Text proposed by the Commission

(c) the financial strength of the natural person or legal entity responsible;

Amendment

(c) the financial strength of the legal entity responsible;

Or. en

Amendment 408
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 12
Directive 2013/34/EU
Article 51 – paragraph 3

Text proposed by the Commission

(d) the importance of profits gained or losses avoided by the natural person or legal entity responsible, in so far as such profits or losses can be determined;

Amendment

(d) the importance of profits gained or losses avoided by the legal entity responsible, in so far as such profits or losses can be determined;

Or. en

Amendment 409
Barry Andrews
on behalf of the Renew Group
Catherine Chabaud

Proposal for a directive
Article 1 – paragraph 1 – point 12
Directive 2013/34/EU
Article 51 – paragraph 3 point e a (new)

Text proposed by the Commission

(e a) the impaired ability of affected people and organisations, including non-
governmental organisations, social partners, human rights and environmental defenders and anti-corruption activists, to hold undertakings to account for their impacts on people, the environment and good governance.

Amendment 410
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 12
Directive 2013/34/EU
Article 51 – paragraph 3

Text proposed by the Commission

(f) the level of cooperation of the natural person or legal entity responsible with the competent authority;

Amendment

(f) the level of cooperation of the legal entity responsible with the competent authority;

Amendment 411
Marlene Mortler

Proposal for a directive
Article 1 – paragraph 1 – point 12
Directive 2013/34/EU
Article 51 – paragraph 3

Text proposed by the Commission

(g) previous infringements by the natural person or legal entity responsible.’.

Amendment

(g) previous infringements by the legal entity responsible.’.

Amendment 412
Caroline Roose, Michèle Rivasi, Pierrette Herzberger-Fofana on behalf of the Greens/EFA Group
Proposal for a directive
Article 1 – paragraph 1 – point 12 a (new)
Directive 2013/34/EU

Text proposed by the Commission

Amendment

(12 a) the following Annex is inserted:

Annex II a: LIST OF SECTORS REFERRED TO IN POINT (21) OF ARTICLE 2

A- Agriculture
B- Fishing
C- Forestry
D- Food
E- Construction
F- Mining and Quarrying
G- Manufacturing and industrial production
H- Logistics, Transportation and Storing
I- Electricity, Gas, Steam, and Air Conditioning Supply
J- Water supply, Sewerage and Waste Management
K- Employment Activities
L- Garment and Retail
M- Health Care, Social Care and Elder Care
N- Cleaning and Household Services
O-Hospitality
P- Financial and Insurance Activities
Q- Technology, Digital Activities and Online Platforms

Or. en

Amendment 413
Marlene Mortler

Proposal for a directive
**Article 2 – paragraph 1 – point 4**  
Directive 2004/109/EC  
Article 28d

*Text proposed by the Commission*

*After consulting* the European Environment Agency and the European Union Agency for Fundamental Rights, *ESMA* shall issue guidelines in accordance with Article 16 of Regulation 1095/2010 on the supervision of sustainability reporting by national competent authorities.

*Amendment*

The European *Securities and Markets Authority (ESMA)* shall issue guidelines in accordance with Article 16 of Regulation 1095/2010 on the supervision of sustainability reporting by national competent authorities.

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**Amendment 414**  
**Barry Andrews**  
on behalf of the Renew Group  
**Catherine Chabaud**

**Proposal for a directive**  
**Article 3 – paragraph 1 – point 1**  
Directive 2006/43/EC  
Article 1

*Text proposed by the Commission*

This Directive establishes rules concerning the statutory audit of annual and consolidated accounts and the assurance of annual and consolidated sustainability reporting, where this is performed by the statutory auditor or audit firm carrying out the statutory audit of financial statements.;

*Amendment*

This Directive establishes rules concerning the statutory audit of annual and consolidated accounts and the assurance of annual and consolidated sustainability reporting, where this is performed *either* by the statutory auditor or *by the* audit firm carrying out the statutory audit of financial statements.;

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**Amendment 415**  
**Barry Andrews**  
on behalf of the Renew Group  
**Catherine Chabaud**

**Proposal for a directive**
Article 3 – paragraph 1 – point 4 – point b
Directive 2006/43/EC
Article 8 – paragraph 1 – point c c

Text proposed by the Commission
(cc) sustainability reporting standards;

Amendment
(cc) sustainability reporting standards as referred to in Article 19b of Directive 2013/34/EU;

Or. en

Amendment 416
Marlene Mortler

Proposal for a directive
Article 3 – paragraph 1 – point 4 – point d
Directive 2013/34/EU
Article 8(1)

Text proposed by the Commission
(ff) due diligence processes with regard to sustainability matters;

Amendment
deleted

Or. en

Justification

Due diligence should be covered by the upcoming Sustainable Corporate Governance Commission Proposal. Otherwise, due diligence obligations would need to be included in reporting before the standards are clear, which prevents legal certainty.

Amendment 417
Barry Andrews
on behalf of the Renew Group
Catherine Chabaud

Proposal for a directive
Article 3 – paragraph 1 – point 13
Directive 2006/43/EC
Article 27 a – subparagraph 2 (new)

Text proposed by the Commission
The statutory auditor or the audit firm carrying out the statutory audit of an
undertaking referred to in Article 19a(1) of Directive 2013/34/EU, or any member of the network to which the statutory auditor or the audit firm belongs, shall not, directly or indirectly provide to the audited entity, to its parent undertaking or to its controlled undertakings within the Union any assurance of sustainability reporting in:

(a) the period between the beginning of the period audited and the issuing of the audited report;

(b) the financial year immediately preceding the period referred to in point (a) of this subparagraph.

Amendment 418
Barry Andrews
on behalf of the Renew Group
Catherine Chabaud

Proposal for a directive
Article 3 – paragraph 1 – point 14 – point e
Directive 2006/43/EC
Article 28 – paragraph 3 – subparagraph 1

Text proposed by the Commission

The audit report shall be signed and dated by the statutory auditor. Where an audit firm carries out the statutory audit and, where applicable, the assurance of sustainability reporting, the audit report shall bear the signature of at least the statutory auditor(s) carrying out the statutory audit and the assurance of sustainability reporting on behalf of the audit firm. Where more than one statutory auditor or audit firm have been simultaneously engaged, the audit report shall be signed by all statutory auditors or at least by the statutory auditors carrying out the statutory audit and the assurance of sustainability reporting on behalf of every audit firm. In exceptional circumstances

Amendment

The audit report shall be signed and dated by the statutory auditor or by the audit firm carrying out the audit. Where an audit firm carries out the statutory audit and, where applicable, the assurance of sustainability reporting, the audit report shall bear the signature of at least the statutory auditor(s) carrying out the statutory audit and that of the auditor carrying out the assurance of sustainability reporting on behalf of the audit firm. Where more than one statutory auditor or audit firm have been simultaneously engaged, the audit report shall be signed by all statutory auditors or at least by the statutory auditors carrying out the statutory audit and the assurance of sustainability reporting on behalf of every audit firm. In exceptional circumstances
Member States may provide that such signature(s) need not be disclosed to the public if such disclosure could lead to an imminent and significant threat to the personal security of any person.;

reporting on behalf of every audit firm. In exceptional circumstances Member States may provide that such signature(s) need not be disclosed to the public if such disclosure could lead to an imminent and significant threat to the personal security of any person.;

Or. en

Amendment 419
Manon Aubry

Proposal for a directive
Article 3 – paragraph 1 – point 16 a (new)
Directive 2006/43/EC
Article 30h

Text proposed by the Commission

Amendment

(16 a) The following Article 30h is inserted:

Article 30h

Complaints procedure

Member States shall organise an effective system of complaints for users to report violations by a statutory auditor or an audit firm of the requirements related to the assurance of sustainability reporting.

The complaint may be directed simultaneously against the undertaking and the statutory auditor or the audit firm that has reviewed the undertaking’s sustainability reporting. In that case, Member States shall determine the respective responsibilities of the undertaking and of the statutory auditor or the audit firm involved during its examination of the alleged breach of the obligations related to sustainability reporting.

Or. en
Amendment 420
Marlene Mortler

Proposal for a directive
Article 5 – paragraph 1 – introductory part

Text proposed by the Commission

1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with Articles 1 to 3 of this Directive by 1 December 2022. They shall immediately inform the Commission thereof.

Amendment

1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with Articles 1 to 3 of this Directive one and a half years after this Directive has entered into force. They shall immediately inform the Commission thereof.

Or. en

Amendment 421
Beata Kempa
on behalf of the ECR Group

Proposal for a directive
Article 5 – paragraph 1 – introductory part

Text proposed by the Commission

1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with Articles 1 to 3 of this Directive by 1 December 2022. They shall immediately inform the Commission thereof.

Amendment

1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with Articles 1 to 3 of this Directive by 1 December 2023. They shall immediately inform the Commission thereof.

Or. en

Amendment 422
Marlene Mortler

Proposal for a directive
Article 5 – paragraph 1 – subparagraph 1

Text proposed by the Commission

1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with Articles 1 to 3 of this Directive by 1 December 2022. They shall immediately inform the Commission thereof.

Amendment

1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with Articles 1 to 3 of this Directive by 1 December 2023. They shall immediately inform the Commission thereof.
Member States shall provide that the provisions referred to in the first subparagraph shall apply for financial years starting on or after 1 January 2023

Member States shall provide that the provisions referred to in the first subparagraph shall apply for financial years not earlier than two full financial years during which the undertakings have had the opportunity to adapt to the provisions and reporting standards set out in this Directive and the accompanying, adopted and published delegated acts.

Amendment 423
Beata Kempa
on behalf of the ECR Group

Proposal for a directive
Article 5 – paragraph 1 – subparagraph 1

Text proposed by the Commission

Member States shall provide that the provisions referred to in the first subparagraph shall apply for financial years starting on or after 1 January 2023

Amendment

Member States shall provide that the provisions referred to in the first subparagraph shall apply for financial years starting on or after 1 January 2024

Or. en

Amendment 424
Beata Kempa
on behalf of the ECR Group

Proposal for a directive
Article 5 – paragraph 1 a (new)

Text proposed by the Commission

1 a. Member States shall provide that the provisions referred to in Article 1 subparagraph 1 point 3 subparagraph 3 (Directive 2013/34/EU Article 19 a – paragraph 3 subparagraph 2), Article 1 subparagraph 4 (Directive 2013/34/EU Article 19 d) and Article 1 subparagraph 1 point 7 subparagraph 3 (Directive 2013/34/EU Article 29 a – paragraph 3

Amendment

1 a. Member States shall provide that the provisions referred to in Article 1 subparagraph 1 point 3 subparagraph 3 (Directive 2013/34/EU Article 19 a – paragraph 3 subparagraph 2), Article 1 subparagraph 4 (Directive 2013/34/EU Article 19 d) and Article 1 subparagraph 1 point 7 subparagraph 3 (Directive 2013/34/EU Article 29 a – paragraph 3
subparagraph 2) shall apply for financial years starting on or after 1 January 2025.

Or. en

Amendment 425
Marlene Mortler

Proposal for a directive
Article 6 – paragraph 1

Text proposed by the Commission

Article 4 of this Directive shall apply to financial years starting on or after 1 January 2023.

Amendment

Article 4 of this Directive shall apply to financial years not earlier than one full financial year during which the undertakings have had the opportunity to adapt to the provisions and reporting standards set out in this Directive and the accompanying, adopted and published delegated acts

Or. en

Amendment 426
Marlene Mortler

Proposal for a directive
Article 8 – paragraph 1 a (new)

Text proposed by the Commission

Article 8 a

Amendment

Review Clause

1. The Commission shall review the impact of the amendments made by this Directive by [5 years from the date of entry into force]. This review shall examine, in particular, the impact of the sustainability reporting standards on sustainability reporting of financial and non-financial undertakings, its added value for the economy, as well as the associated direct and indirect costs thereof, especially for SMEs, which are

Or. en
not in the scope of this Directive;

2. After a successful review, which was confirmed by an opinion of the Parliament, the Council and the Regulatory Scrutiny Board of the Commission, a further extension of the scope of this Directive to undertakings fulfilling the size criteria of Article 3(4) can be taken into consideration;

3. Voluntary standards for SMEs below the size criteria of Article 3(4) below may be developed [5 years from the date of entry into force] by this Directive, which in turn correspond exactly to the process as well as reporting requirements of the already reporting companies in a simplified form.

Or. en