Certain corporate sustainability reporting and due diligence requirements (Omnibus I)

2025/0045(COD) - 26/02/2026 - Final act

PURPOSE: to simplify, for companies, sustainability reporting and due diligence requirements to boost EU competitiveness.

LEGISLATIVE ACT: Directive (EU) 2026/470 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 requirements and certain corporate sustainability due diligence requirements.

CONTENT: this **omnibus directive** amends and simplifies the Audit Directive, the Accounting Directive, the Corporate Sustainability Reporting Directive (CSRD), and the Corporate Sustainability Due Diligence Directive (CS3D) by **reducing the burden of reporting obligations** and limiting the trickle-down effect of these obligations on small businesses.

Corporate sustainability reporting directive (CSRD)

To reduce the reporting burden on undertakings, the obligation to prepare and publish sustainability reporting at individual level should be reduced to undertakings with a net turnover **exceeding EUR 450 million** and an average of more than **1 000 employees** during the financial year. The rules will also apply to non-EU companies with net turnover in the EU of over EUR 450 million and to their subsidiaries and branches generating turnover higher than EUR 200 million in the EU.

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

Protection for small and medium-sized enterprises (protected enterprises)

The directive aims to protect SMEs by **limiting excessive information requests** from large companies. Companies are also supposed to base their efforts on reasonably available information, which will reduce the trickle-down effect of information requests on smaller business partners. Companies with fewer than 1 000 employees will not have to provide information to their bigger business partners beyond what is included in the **voluntary reporting standards**.

Inventory and assessment of actual and potential negative impacts

The directive requires companies to identify and assess the negative impacts (actual or potential) of their activities, those of their subsidiaries, and their business partners. Companies will be able to focus on the areas of their supply chains where actual and potential negative impacts **are most likely to occur**. They should:

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

(ii) carry out an **in-depth assessment** in the areas where adverse impacts were identified to be most likely to occur and **most severe**. Where a company has identified adverse impacts that are equally likely or equally severe in several areas, that company should be able to prioritise assessing adverse impacts which involve direct business partners.

EU Directive 2024/1760 on corporate sustainability due diligence (CS3D)

The CSRD's scope is narrowed. The Directive will apply to companies: (i) with an average of **over 5 000 employees** and a worldwide net turnover of more than **EUR 1.5 billion** in the last financial year and (ii) with a net turnover of more than EUR 1.5 billion in the Union in the financial year preceding the last financial year.

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

Civil liability and sanctions

Businesses will be liable at a national level (rather than EU level) for failure to apply the rules correctly and could face fines of up to a maximum cap of **3%** of the company's net worldwide turnover, with the Commission issuing the necessary guidelines in this regard.

ENTRY INTO FORCE: 18.3.2026.

TRANSPOSITION: 19.3.2027.