

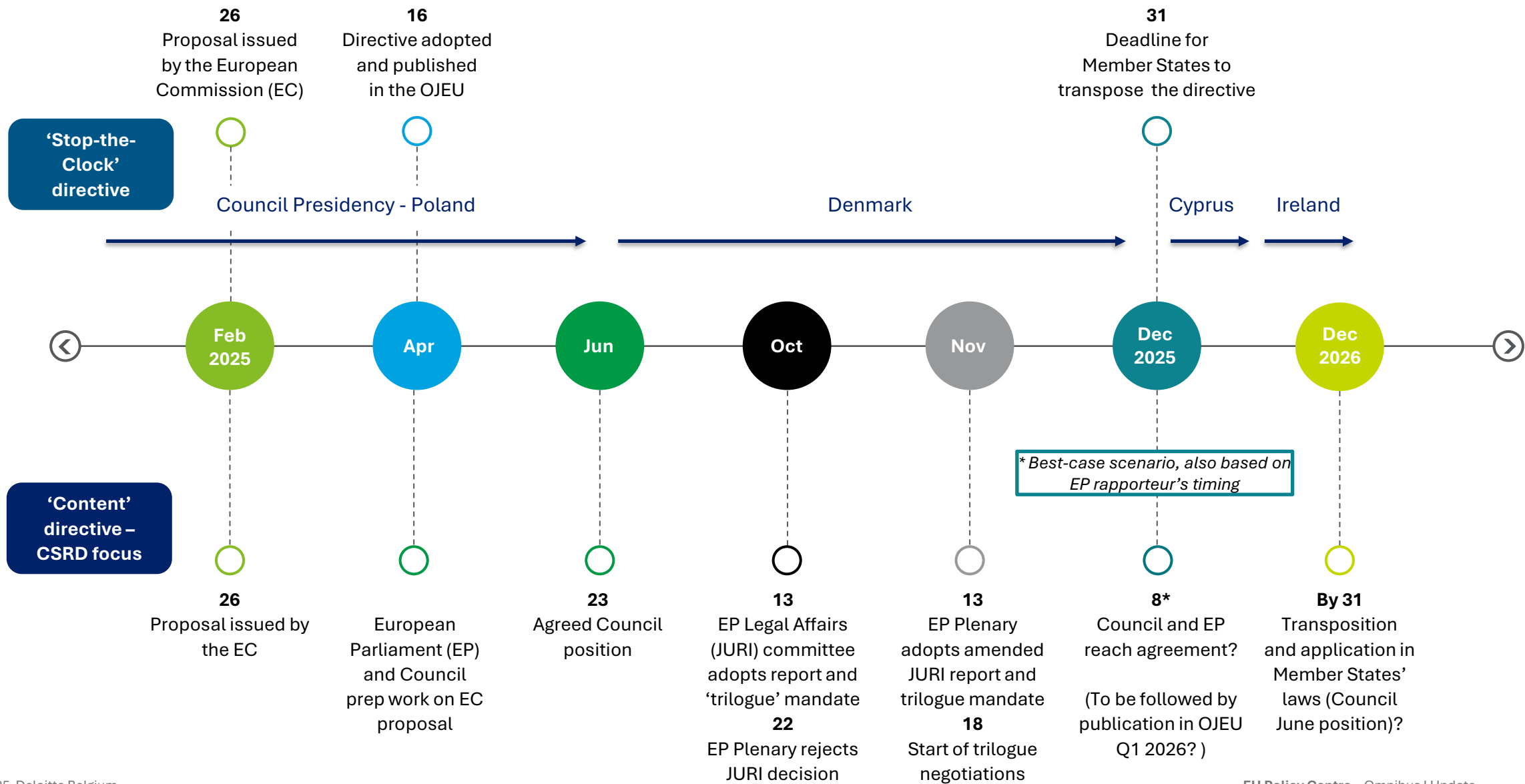
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Omnibus I package

Tentative timeline

Omnibus I package – Tentative timeline



Omnibus I package

CSRD - Key points under discussion

Omnibus I – Key points under discussion (divergent views in blue) (1/3)

Topic	CSRD & amended Accounting, Transparency and Audit Directives	European Commission (EC) proposal (26 Feb)	Council position amending Commission proposal (21 Jun)	European Parliament report amending Commission proposal (13 Nov)
Scope				
EU undertakings	<p>Large companies (or groups) as defined in the Accounting Directive as meeting 2 out of 3:</p> <ul style="list-style-type: none"> • >250 employees • >€25m balance sheet • >€50m net turnover <p>Listed small and medium-sized companies</p> <p>Staggered entry into force for different type/size companies. Wave 1 reporters for FY24 and FY25 =large Public Interest Entities (PIEs) with > 500 employees</p>	<p>New scope</p> <ul style="list-style-type: none"> • >1,000 employees and • >€50m net turnover or • >€25m balance sheet <p>(PIE status is not relevant)</p>	<p>Amended scope</p> <ul style="list-style-type: none"> • >1,000 employees and • >€450m net turnover <p>(Note: would apply as from FY27 but Member State option to exempt certain wave 1 reporters for FY25 and FY26 – see slide 4)</p> <p>Review clause: EC to report by 30 April 2029 on whether scope should be extended to large undertakings</p>	<p>Amended scope</p> <ul style="list-style-type: none"> • >1,750 employees and • >€450m net turnover
Non-EU undertakings	<p>Non-EU issuers listed on a regulated market in the EU (for wave 1: + 500 employees)</p> <p>As from FY28, non-EU parent companies with:</p> <ul style="list-style-type: none"> • €150m in net turnover in the EU for the last 2 years; and • At least one large or listed subsidiary or EU branch with +€40m net turnover <p>(Note: reporting at group level and subsidiary and branch to publish the reporting – Article 40a reporting)</p>	<p>New scope</p> <p>Large non-EU issuers listed on a regulated market in the EU with >1,000 employees</p> <p>As from FY28, non-EU parent companies with:</p> <ul style="list-style-type: none"> • €450m turnover in the EU; and • At least one large or listed subsidiary or EU branch with +€50m in turnover 	<p>Amended scope</p> <p>Non-EU issuers listed on a regulated market in the EU with</p> <ul style="list-style-type: none"> • >1,000 employees and • >€450m net turnover <p>(Note: would apply as from FY27 but Member State option to exempt wave 1 reporters for FY25 and FY26 – see slide 6)</p> <p>As from FY28, non-EU parent companies: EC proposal unchanged</p>	<p>Amended scope</p> <p>Non-EU issuers listed on a regulated market in the EU with</p> <ul style="list-style-type: none"> • >1,750 employees and • >€450m net turnover <p>As from FY28, non-EU undertakings with a subsidiary within the EU with more than €450m net turnover in the preceding financial year or a branch generating €450m net turnover (only if no subsidiary)</p>

Omnibus I – Key points under discussion (divergent views in blue) (2/3)

Topic	CSRD & amended Accounting, Transparency and Audit Directives	European Commission (EC) <u>proposal</u> (26 Feb)	Council <u>position</u> amending Commission proposal (21 Jun)	European Parliament <u>report</u> amending Commission proposal (13 Nov)
Exemptions	Exemptions from individual company sustainability reporting for EU undertakings included in EU or non-EU parent's consolidated sustainability reporting - except for subsidiaries that are large and listed	No change to subsidiary exemptions	Member State option to exempt wave 1 undertakings or issuers without > €450m net turnover and >1,000 employees for FY starting between 1 Jan 2025 and 31 Dec 2026 All PIEs (including listed entities) may benefit from exemption from SR requirements if included in parent's reporting	Exemption for (parent) financial holding undertakings Same exemption as Council for all PIEs In case of acquisition of a subsidiary <u>not</u> subject to sustainability reporting requirements, parent is only required to include this subsidiary after 24 months
Value chain (VC) cap		Undertakings should not seek to obtain from undertakings in their VC with 1,000 or less employees information going beyond what is specified in voluntary sustainability reporting standards (VSRS)	In addition <ul style="list-style-type: none"> In case of requests for information beyond that in VSRS, undertakings in VC have the right to decline to provide this Undertakings reporting information exceeding that in VSRS are deemed to have complied with reporting obligation 	Proposes higher thresholds (=< 1,750 employees and =< €450M net turnover)
Sustainability Reporting Standards (ESRS)	Commission to adopt ESRS by 30 June 2023, ESRS for listed SMEs and ESRS for non-EU reporters (Article 40a reporting) by 30 June 2024 and sector-specific ESRS by 30 June 2026	Removes requirements to adopt sector-specific ESRS and ESRS for listed SMEs Commission to adopt delegated acts to provide for VSRS by out-of-scope undertakings based on EFRAG VSME	In addition , asks the Commission to <ul style="list-style-type: none"> Consider sector-specific guidance 	In addition , asks the Commission to <ul style="list-style-type: none"> Develop voluntary sector-specific guidelines for companies' materiality assessment Base VSRS on Commission's recommendation on VSME
Optional taxonomy reporting		Allows undertakings (with < €450M net turnover) not to publish an EU Taxonomy reporting		Deletion of Commission's proposal

Omnibus I – Key points under discussion (divergent views in blue) (3/3)

Topic	CSRD & amended Accounting, Transparency and Audit Directives	European Commission (EC) <u>proposal</u> (26 Feb)	Council <u>position</u> amending Commission proposal (21 Jun)	European Parliament <u>report</u> amending Commission proposal (13 Nov)
Sustainability assurance	<p>Commission to adopt delegated acts</p> <ul style="list-style-type: none"> Introducing standards for limited assurance by 1 Oct 2026 Mandate to potentially amend the limited assurance requirement to reasonable assurance by 1 Oct 2028 after consultation 	<p>Removes the due date (1 October 2026) for the Commission to adopt standards for sustainability limited assurance and specifies that the Commission will issue targeted assurance guidelines by 2026</p> <p>Removes the possibility for the Commission to adopt reasonable assurance standards</p>		<p>Reintroduces requirement for Commission to adopt limited assurance standards by 1 Oct 2026, after obtaining an opinion from EFRAG</p>
Transitional regime for third country auditors of third country issuers			<p>Simplified registration conditions and exemption from supervision for third country auditors from 2025 to 2030</p>	
Other			<p>Sensitive information: clarification of specific circumstances in which companies are permitted to omit certain information in their sustainability reporting</p> <p>Transition plans: wording aligned on Omnibus I CSDDD proposal (replaces “compatibility” with “contribution to”)</p>	<p>Asks the Commission to establish a digital portal for businesses with free access to templates, guidelines and information on all EU reporting requirements complementing ESAP</p>
Transposition - Date new CSRD should apply	<p>Obligation for Member States to transpose the directive into national law by [12 months after into force] at the latest</p>	<p>Obligation for Member States to transpose the directive into national law by [12 months after into force] at the latest</p>	<p>Obligation to transpose the directive by [12 months after into force] or by 31 Dec 2026 (whichever comes later)</p>	<p>EC proposal unchanged</p>



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