

COMMISSION DELEGATED REGULATION (EU) .../...

of **XXX**

supplementing Directive **XX/XXX/EU** of the European Parliament and of the Council as regards sustainability reporting standards

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC¹, and in particular Article 29b(1) thereof,

Whereas:

- (1) Directive 2013/34/EU, as amended by Directive (EU) 2022/XXX [CSRD] on corporate sustainability reporting², requires large undertakings, as well as small and medium-sized undertakings with securities admitted to trading on the EU regulated markets, to include in a dedicated section of their management report or consolidated management report the information necessary to understand the undertaking's impacts on sustainability matters, and the information necessary to understand how sustainability matters affect the undertaking's development, performance and position. Undertakings are to prepare this information in accordance with sustainability reporting standards starting from the financial year indicated in Article 5 of Directive (EU) 2022/XXX [CSRD] for each category of undertakings.
- (2) Directive 2013/34/EU, as amended by Directive (EU) 2022/XXX [CSRD], empowers the Commission to adopt delegated acts to provide for sustainability reporting standards specifying the information that undertakings are to report in accordance with Article 19a and 29a of that Directive and, where relevant, specifying the structure to be used to present that information. In particular, the Commission is required to adopt by 30 June 2023 a first set of standards specifying the information that undertakings are to report in accordance with Article 19a(1) and (2), and Article 29a(1) and (2) of that Directive, including at least the information that financial market participants need in order to comply with the disclosure obligations of Regulation (EU) 2019/2088 of the European Parliament and of the Council³.

¹ OJ L 182, 29.6.2013, p. 19.

² Directive (EU) 2022/XXX of the European Parliament and of the Council of DD/MM/YYYY amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting (OJ...).

³ Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (OJ L 317, 9.12.2019, p. 1).

- (3) The Commission has taken into account the technical advice provided by the EFRAG. EFRAG's independent technical advice meets the criteria set out in Article 49(3b), first, second and third subparagraph, of Directive 2013/34/EU.
- (4) These sustainability reporting standards meet the requirements set out in Article 29b of Directive 2013/34/EU, as amended by Directive (EU) 2022/XXX [CSRD].
- (5) Common sustainability reporting standards should therefore be adopted.
- (6) Article 29b(1), fourth subparagraph, of Directive 2013/34/EU, as amended by Directive (EU) 2022/XXX [CSRD], requires that the reporting requirements laid down in the delegated acts providing for sustainability reporting standards are not to enter into force earlier than four months after their adoption by the Commission. Therefore, this delegated act should not enter into force before the end of the four-month period after its adoption by the Commission.
- (7) The Commission has consulted jointly the Member State Expert Group on Sustainable Finance, referred to in Article 24 of Regulation (EU) 2020/852 of the European Parliament and of the Council⁴, and the Accounting Regulatory Committee, referred to in Article 6 of Regulation (EC) No 1606/2002⁵. It has requested the opinion of the European Securities and Markets Authority (ESMA), the European Banking Authority (EBA) and the European Insurance and Occupational Pensions Authority (EIOPA), in particular with regard to its consistency with Regulation (EU) 2019/2088 and the delegated acts adopted pursuant to that Regulation. It has also consulted 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,

HAS ADOPTED THIS REGULATION:

Article 1

Subject matter

This Regulation specifies the sustainability reporting standards that undertakings shall use for carrying out their sustainability reporting in accordance with Articles 19a and 29a of Directive 2013/34/EU.

Article 2

European Sustainability Reporting Standards

The sustainability reporting standards are adopted as set out in the Annex to this Regulation.

Article 3

Entry into force and application

⁴ Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (OJ L 198, 22.6.2020, p. 13).

⁵ Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards (OJ L 243, 11.9.2002, p. 1).

This Regulation shall enter into force on DD/MM/YYYY [*PO: please insert the date that corresponds to the end of the four-month period starting from the date of adoption by the Commission of this delegated act*].

It shall apply from 1 January 2024 for financial years beginning on or after 1 January 2024.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, [DD/MM/YYYY].

For the Commission
The President
Ursula VON DER LEYEN

ANNEX
SUSTAINABILITY REPORTING STANDARDS

Cross-cutting standards

ESRS 1 General requirements
ESRS 2 General disclosures

Environment

ESRS E1 Climate change
ESRS E2 Pollution
ESRS E3 Water and marine resources
ESRS E4 Biodiversity and ecosystems
ESRS E5 Resource use and circular economy

Social and human rights

ESRS S1 Own workforce
ESRS S2 Workers in the value chain
ESRS S3 Affected communities
ESRS S4 Consumers and end-users

Governance

ESRS G1 Business conduct

[Please find EFRAG's technical advice at <https://www.efrag.org/lab6>]