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Contact(s):	Abigail Xu axu@aasb.gov.au Ao Li ali@aasb.gov.au Lachlan McDonald-Kerr lmcdonald-kerr@aasb.gov.au	Project Priority:	Low
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Objective

- 1 The objective of this paper is to inform Board members of relevant international and domestic updates in sustainability reporting. It is intended to provide updates on developments since the last version of the paper (presented at the Board’s meeting in March 2025).¹
- 2 This paper is for information purposes only and does not ask the Board to make any decisions.

Structure

- 3 This paper is structured as follows:
 - (a) [Section 1](#): Glossary (paragraph 4)
 - (b) [Section 2](#): IFRS Foundation (paragraphs 5–8)
 - (c) [Section 3](#): Update on Other International Standard-setters (paragraphs 9–20)
 - (d) [Section 4](#): Update on Domestic Sustainability Reporting Perspectives (paragraph 21–23)
 - (e) [Appendix A](#): Jurisdictional Sustainability Reporting Standards Progress Tracker (Asia-Oceania)
 - (f) [Appendix B](#): EU Omnibus Simplification Package

Section 1: Glossary

- 4 The following table outlines the main abbreviations used in this paper:

Abbreviation	Definition
AASB	Australian Accounting Standards Board
ASIC	Australian Securities and Investments Commission
BEES	Biodiversity, Ecosystems and Ecosystem Services
CS3D	Corporate Sustainability Due Diligence Directive
CSA	Canadian Securities Administrators

¹ See [Agenda Paper 9.4 SR Update](#) (March 2025).

CSDS	Canadian Sustainability Disclosure Standards
CSRD	Corporate Sustainability Reporting Directive
CSSB	Canadian Sustainability Standards Board
DCCEEW	Commonwealth Department of Climate Change, Energy, the Environment and Water
EC	European Commission
EFRAG	European Financial Reporting Advisory Group
ESG	Environmental, Social, and Governance
ESMA	European Securities and Markets Authority
ESRS	European Sustainability Reporting Standards
EU	European Union
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
GSSB	Global Sustainability Standards Board
IFRS	International Financial Reporting Standards
ISSB	International Sustainability Standards Board
NFRD	Non-Financial Reporting Directive
NGER	National Greenhouse and Energy Reporting scheme
SASB	Sustainability Accounting Standards Board
SME	Small and medium-sized enterprises
TCFD	Task Force on Climate-related Financial Disclosures
TNFD	Task Force on Nature-related Financial Disclosures
UK	United Kingdom
VSME	Voluntary Sustainability Reporting Standard for non-listed SMEs
XBRL	eXtensible Business Reporting Language
XRB	External Reporting Board (New Zealand)

Section 2: IFRS Foundation

5 The IFRS Foundation has published:

- (a) an initial set of 17 [jurisdictional profiles](#) communicating progress towards adoption of ISSB Standards, IFRS S1 and IFRS S2 (June 2025). The published profiles are for jurisdictions that have formally announced or finalised their decisions on the adoption or other use of ISSB Standards or have otherwise introduced sustainability-related disclosure requirements. Each profile contains information about each jurisdiction's stated target for alignment with ISSB Standards and the current status of its sustainability-related disclosure requirements.
- (b) [educational material](#) (May 2025) about the measurement and disclosure of greenhouse gas (GHG) emissions requirements in IFRS S2 *Climate-related Disclosures*. This document is presented as a series of questions and answers, and includes information on:

- (i) the context and reasoning underlying GHG emissions-related requirements;
 - (ii) the use of The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) and Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011) (collectively the GHG Protocol Standards); and
 - (iii) specific aspects of the GHG emissions-related requirements.
- 6 The IFRS Foundation and the TNFD have signed a Memorandum of Understanding (MoU) (April 2025).² The TNFD has been supporting the International Sustainability Standards Board (ISSB's) Biodiversity, Ecosystems and Ecosystem Services (BEES) research project. Under the MoU, the ISSB and TNFD will share research, knowledge and technical expertise to inform both the ISSB's BEES initiative and nature-related aspects of its SASB standards enhancement work.
- 7 The IFRS Foundation has launched the [Jurisdictional Roadmap Development Tool](#) (March 2025), an interactive tool that develops the concepts set out in the [Inaugural Jurisdictional Guide for the adoption or other use of ISSB Standards](#) into a practical application. The roadmap development tool is intended to help jurisdictions navigate the process of developing a detailed project plan for adopting or otherwise using ISSB Standards, focusing on four key decision areas: regulatory process, reporting entities, requirements and readiness.

ISSB Meetings Update

- 8 The table below provides a high-level overview of recent ISSB meetings for March 2025, April 2025, and May 2025.

Meeting	Staff summary
ISSB Update May 2025	<p>The ISSB discussed the prospective exposure draft of proposed amendments to nine of the 12 SASB Standards it has prioritised for enhancement. The exposure draft is expected to contain proposed amendments for all eight SASB Standards in the Extractives sector and the <i>Processed Foods</i> SASB Standard, as well as targeted amendments to 41 SASB Standards to maintain consistent disclosures for the same topics in different SASB Standards.</p> <p>The ISSB was not asked to make any decisions at its May meeting and will decide whether to ratify the exposure draft in June 2025.</p>
ISSB Update April 2025	<p>The ISSB discussed the first phase of its research projects on BEES and human capital.</p> <p>The ISSB was not asked to make any decisions.</p>
ISSB Update March 2025	<p>The ISSB discussed the current state of disclosure related to BEES and human capital.</p> <p>The ISSB also received an update on its SASB Standards project. It is expected that the following Exposure Drafts will be ratified in 2025:</p> <ul style="list-style-type: none"> • nine SASB Standards in Q2 2025 (i.e. eight for Extractive Industries and one for Processed Foods); and • three SASB Standards in Q4 2025 (i.e. Electric Utilities & Power Generators; Agricultural Products, and Meat, Poultry & Dairy). <p>The ISSB was not asked to make any decisions.</p>

² See the [IFRS Foundation news release](#) and the [TNFD news release](#).

Section 3: Update on Other International Standard-setters³

GSSB and GRI

- 9 The GRI has published the following:
- (a) exposure draft [GRI Standards Project for Alignment of Sector Standards with New and Revised Topic Standards](#) (open for comment until 13 July 2025), which includes proposed changes to:
 - (i) the GRI sector standards based on revised and newly issued topic standards and concerns the alignment of Sector Standards *GRI 11: Oil and Gas Sector 2021*, *GRI 12: Coal Sector 2022*, *GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022* and *GRI 14: Mining Sector 2024* with the revised *GRI 101: Biodiversity 2024*, *GRI 102: Climate Change 2025* and *GRI 103: Energy 2025* Topic Standards.
 - (ii) topics on GHG emissions, climate adaptation, resilience and transition, biodiversity, and natural ecosystem conversion; and
 - (b) three [exposure drafts on the proposed GRI Sector Standards for the financial sector](#), namely the draft Sector Standard for Banking, the draft Sector Standard for Capital Markets and the draft Sector Standard for Insurance. The exposure drafts were published on 5 March 2025 and closed for comment on 31 May 2025. The final Standard is expected to be approved in Q2 2026.

Taskforce on Nature-related Financial Disclosures (TNFD)

- 10 The TNFD has published:
- (a) additional ocean-related sector guidance for the [fishing](#) and the [marine transportation and cruise lines](#) industries, developed through engagement with organisations, industry stakeholders and other experts (June 2025). As part of this package, the TNFD has also released a [discussion paper on measurement of ocean-related issues](#), which explores current ocean-related measurement and metrics related to corporates and financial institutions. To inform this ongoing work, TNFD has launched an [ocean-related issues survey](#) (open for comment until 1 October 2025).
 - (b) its inaugural [Asking Better Questions on Nature](#) guide (May 2025), which is designed to help senior executives across business and finance surface critical insights about nature-related dependencies, impacts, risks and opportunities to inform their decision making. This first guide has been written for board directors, with guides for other audiences to be released in collaboration with a number of different partners over the next 12 months.

Canada

- 11 In December 2024, the CSSB published the Canadian Sustainability Disclosure Standards (CSDSs), which provide a voluntary framework for sustainability and climate-related disclosures that issuers are encouraged to refer to when preparing their reports.
- 12 In April 2025, the CSA announced that it is pausing its work on the development of a new mandatory climate-related disclosure rule and amendments to existing diversity-related disclosure requirements (April 2025).⁴

European Union (EU)

- 13 On 26 February 2025, the European Commission (EC) introduced the [Omnibus Simplification Package](#), which introduces changes and clarifications to key sustainability rules to make compliance easier and reduce administrative workload. It includes amendments to the:

3 A jurisdictional sustainability reporting standards progress tracker summarising progress towards the adoption or other use of ISSB Standards (IFRS S1 and IFRS S2) in Asia-Oceania jurisdictions can be found in [Appendix A](#).

4 See the [CSA news release](#).

- (a) [Corporate Sustainability Due Diligence Directive \(CS3D\)](#) – this directive requires companies to explain how they manage human rights and environmental risks in their global supply chains;
- (b) [Corporate Sustainability Reporting Directive \(CSRD\)](#) – sets the rules for how companies must report on environmental, social, and governance (ESG) issues, using the European Sustainability Reporting Standards (ESRS); and
- (c) [EU Taxonomy Regulation](#) – defines what counts as environmentally sustainable activities. Companies must report the portion of their revenue, capital, and operating expenses tied to these activities to support transparency and prevent greenwashing.

14 The primary goals of the Omnibus proposals are:

- (a) to exclude roughly 80% of firms from the scope of the European Union’s Corporate Sustainability Reporting Directive and delay reporting deadlines for firms covered by both the CSRD and the European Union’s Corporate Sustainability Due Diligence Directive; and
- (b) to reduce administrative burdens for all companies by 25% and for small- and medium-sized businesses by 35%.

For additional information on the details and progress of the EU Omnibus Simplification Package, see [Appendix B](#).

- 15 EFRAG has published a [report](#) (May 2025) on its virtual roundtable, “[Practical Considerations of Connecting Financial and Sustainability Reporting](#)”, which took place on 25 April. The roundtable consisted of an overview of EFRAG’s research project on connectivity, the presentation of a selection of illustrations, and follow-up discussions by industry experts with multi-functional backgrounds on the illustrations and practical aspects of connectivity.
- 16 EFRAG has released the first version of the [VSME Digital Template](#) and the accompanying [VSME XBRL Taxonomy](#) (May 2025). The VSME Digital Template and XBRL Taxonomy are intended to enable digital sustainability reporting in accordance with the [Voluntary Sustainability Reporting Standard for non-listed SMEs \(VSME\)](#),⁵ which was submitted as technical advice to the European Commission (EC) in December 2024.
- 17 The Platform on Sustainable Finance, an advisory body to the EC, has published an independent report, [Platform on Sustainable Finance report: Advancing sustainable finance](#) (April 2025). The report sets out recommendations for the EC’s planned revision of the EU Taxonomy Regulation and contains recommendations concerning the review of criteria and analysis for the Climate Delegated Act, new activities mandated by the EC and climate change adaptation.

New Zealand

18 The XRB has published the following:

- (a) [new guidance](#) for the measurement and assurance of GHG emissions, which includes:
 - (i) [Staff guidance GHG emissions – Uncertainty and data quality](#) (June 2025). The guidance focuses on data quality and scientific and estimation uncertainty, covering uncertainty, measurement methods, activity data, emission factors and financed emissions calculations. It has been developed to help preparers and assurance practitioners clarify key points and address potential differences in interpretation.

5 The VSME is targeted at non-listed micro-, small, and medium-sized entities that do not fall within the scope of the Corporate Sustainability Reporting Directive (CSRD). It aims to help such entities provide sustainability information to large companies, banks, and investors, manage sustainability issues, and contribute to a more sustainable and inclusive economy.

- (ii) [GHG assurance snapshot](#) (June 2025), which provides a snapshot of the assurance provided on GHG emissions disclosures that are included in the climate statements lodged by climate reporting entities with the Companies Office by 31 May 2025; and
 - (iii) [GHG assurance reports – Explainer](#) (February 2025), a guide for readers of climate statements that highlights key areas and what to look out for in the assurance reports that will accompany climate statements prepared by climate reporting entities.
- (b) a [request for information](#) (RFI) (April 2025) to obtain input from climate reporting entities and primary users about the costs and benefits of potential international alignment of the “Aotearoa New Zealand Climate Standards”. This is the first of two RFIs the XRB expects to issue on climate-related disclosures in 2025, with the second seeking information about the potential need for reduced disclosures for smaller CREs and differential reporting for specific classes of CRE.
 - (c) an [interoperability overview and tool](#) (April 2025) for preparers on the Aotearoa New Zealand Climate Standards (NZ CS) and AASB S2 *Climate-related Disclosures* (AASB S2) in response to preparer requests for support in understanding the trans-Tasman interoperability of climate reporting and to reduce the reporting burden for entities working across Australasia.

United Kingdom (UK)

- 19 The UK Treasury has published [Best Practice Guide 23-24: Climate & Sustainability Reporting](#) (April 2025), which identifies and evaluates good practice examples in reporting that align with the recommendations of the Task Force on Climate-related Disclosures (TCFD) and other existing climate and environmental reporting practices from 2023–24 Annual Reports and Accounts.
- 20 The ESMA has released [Guidelines On Enforcement of Sustainability Information](#) (April 2025), a set of principles-based guidelines intended to ensure that sustainability information provided by entities that have securities admitted to trading on a regulated market and that are required to publish sustainability information under the Accounting Directive, comply with the requirements of the Transparency Directive. The guidelines apply to the enforcement of sustainability information published from 1 January 2025.

Section 4: Update on Domestic Sustainability Reporting Perspectives

ASIC

- 21 ASIC has issued [Regulatory Guide 280 \(RG 280\)](#) (March 2025). The regulatory guide provides guidance for entities that are required to prepare a sustainability report containing climate-related financial information under Chapter 2M of the *Corporations Act 2001*. It sets out:
 - (a) guidance on determining who must prepare a sustainability report under the *Corporations Act*;
 - (b) the content required in the sustainability report;
 - (c) disclosing sustainability-related financial information outside the sustainability report; and
 - (d) ASIC’s administration of the sustainability reporting requirements.

DCCEEW (Commonwealth)

- 22 DCCEEW has published [consultation documents](#) on proposed updates to the NGER scheme and the NGER scheme forward work program (February 2025). The consultation is part of the DCCEEW’s annual review of the NGER scheme and includes the [National Greenhouse and Energy Reporting \(Measurement\) Amendment \(2025 Update\) Determination 2025](#) and [National Greenhouse and Energy Reporting \(NGER\) scheme 2025 Consultation paper](#).
- 23 The consultation documents were published on 28 February and closed for comment on 11 April 2025. Unless stated otherwise, the amendments are proposed to start on 1 July 2025 and apply

to future NGER reports, starting with those submitted by 31 October 2026 for the 2025–26 NGER reporting year.

Question 1 to the Board (for discussion):

Do Board members have any questions about the information provided in this paper?

Appendix A: Jurisdictional Sustainability Reporting Standards Progress Tracker (Asia-Oceania)

B1. The following table provides a high-level overview of the current state of jurisdictional progress towards the adoption or other use of ISSB Standards (IFRS S1 and IFRS S2) across select Asia-Oceania jurisdictions. The table is based on the [ISSB November 2024 report on Jurisdictional progress towards the adoption or other use of ISSB Standards](#) and [IFRS Foundation June 2025 jurisdictional profiles](#), with information updated to reflect new developments.

Jurisdiction	Scope/Approach	Jurisdictional Progress ⁶	Effective from...
Bangladesh	All sustainability-related risks and opportunities	Finalised	2024
China	All sustainability-related risks and opportunities	In progress	To be determined
Chinese Taipei	All sustainability-related risks and opportunities	Finalised	2026
Hong Kong SAR	Climate-first	Finalised	2025
Indonesia	Climate-first	In progress	To be determined
Japan* ⁷	All sustainability-related risks and opportunities	Finalised	To be determined
Malaysia	Climate-first	Finalised	2025
Pakistan*	All sustainability-related risks and opportunities	Finalised	2025
Philippines	All sustainability-related risks and opportunities	In progress	To be determined
Singapore	Climate-first	Finalised	2025
South Korea	Climate-first	In progress	To be determined
Sri Lanka	All sustainability-related risks and opportunities	Finalised	2024 (voluntary), 2025 (mandatory)
Thailand	Climate-first	In progress	To be determined

* denotes which jurisdictions have been updated by AASB staff to reflect new developments since the last update to the Board.

- 6 “Finalised” jurisdictional progress indicates that the jurisdiction has finalised decisions on adoption or other use of ISSB Standards, whereas ‘in progress’ jurisdictional progress indicates that the jurisdiction is currently making progress to adopt or otherwise use ISSB Standards.
- 7 The SSBJ has published a [Schedule of Differences between ISSB Standards and SSBJ Standards](#), which documents the degree of alignment between SSBJ Standards and ISSB Standards, as well as a [Table of Concordance between ISSB Standards and SSBJ Standards](#), which illustrates whether and if so where each paragraph in ISSB Standards is incorporated in SSBJ Standards.

Appendix B: EU Omnibus Simplification Package

B1. The following table summarises key dates and details relating to the EU Omnibus Simplification Package, as of 17 June 2025.

Date	Details
8 November 2024	President von der Leyen announces that the EU Commission would propose streamlining its ESG regulations through an Omnibus Simplification Package.
29 January 2025	The EU Commission introduces the Competitiveness Compass , a plan to streamline legislation and enhance European competitiveness. The plan includes the Omnibus Simplification Package.
12 February 2025	The EU Commission's Work Programme 2025 further emphasises the importance of simplifying the EU's sustainability regulatory environment.
26 February 2025	The EU Commission releases two Omnibus packages , including legislative proposals on postponing reporting deadlines and reducing the scope of reporting companies. ⁸ <ul style="list-style-type: none"> Omnibus 1, also known as the “stop-the-clock proposal”, focuses on postponing the reporting deadlines for the CSRD and the entry into application and transposition of the CS3D. Omnibus 2 is intended to reduce the burden of the CSRD, the EU Taxonomy and the CS3D by at least 25% and encourages voluntary sustainability reporting.
27 March 2025	The European Commission (EC) tasks the EFRAG Sustainability Reporting Board (SRB) with the simplification of the European Sustainability Reporting Standards (ESRSs). ⁹
1 April 2025	The Parliament of the European Union (EU) votes to fast-track its work on the ‘stop-the-clock’ proposal. ¹⁰
3 April 2025	The European Parliament adopts Omnibus 1 . The draft law is now pending formal approval by the Council of the European Union, followed by transposition by each member state. This is expected to be a formality as the Council has already confirmed its position and endorsed the text provided by the EU Commission.
9 April 2025	Following the proposals in Omnibus 2 to simplify the first set of the European Sustainability Reporting Standards (ESRSs), EFRAG releases a call for inputs on the revision to the first set of ESRSs . Comments are requested by 6 May 2025.
25 April 2025	EFRAG submits its work plan to the European Commission (EC) that sets out the steps it will take to simplify the ESRSs. The timeline is as follows: <ul style="list-style-type: none"> April to mid-May: establishing a vision for substantial simplification, gathering evidence from stakeholders, and analysing issued reports and other sources. Second half of May to July 2025: drafting and approval of the exposure drafts (EDs) on the proposed amendments to ESRSs. August and September 2025: publication of the EDs for public comment, with a subsequent analysis of the feedback received. October 2025: finalising and delivering the technical advice to the EC.

8 On 26 February 2025, the proposals were not yet legally in effect. As both proposals are official legislative proposals, they must await review by the European Parliament and the Council of the EU before they can be formally adopted and implemented.

9 See the [European Commission's letter to EFRAG](#).

10 See the [European Parliament news release](#).

B2. The following table presents the details of Omnibus 1, which proposes to postpone the CSRD for Wave 2 and 3 companies by two years to 2028 and 2029 and delay the CS3D by one year from mid-2027 to mid-2028.

	Original timeline for application	Updated timeline for application
Corporate Sustainability Due Diligence Directive (CS3D)	<p>CS3D originally applied:</p> <ul style="list-style-type: none"> • From July 2027, for: <ul style="list-style-type: none"> ○ EU-incorporated companies with an average of more than 5,000 employees, and a net worldwide turnover of > €1,500 million; ○ and non-EU-incorporated companies which generated a net turnover of > €1,500 million in the EU; • From July 2028, for: <ul style="list-style-type: none"> ○ EU-incorporated companies with an average of more than 3,000 employees, and a net worldwide turnover of > €900 million; ○ and non-EU-incorporated companies which generated a net turnover of > €900 million in the EU; and • From July 2029 for: <ul style="list-style-type: none"> ○ all other EU-incorporated companies with an average of more than 1,000 employees, and a net worldwide turnover of > €450 million; ○ and all other non-EU incorporated companies which generated a net turnover of > €450 million in the EU. 	<p>CS3D will now apply:</p> <ul style="list-style-type: none"> • From July 2028, for: <ul style="list-style-type: none"> ○ EU-incorporated companies with an average of more than 5,000 employees, and a net worldwide turnover of > €1,500 million; ○ and non-EU-incorporated companies which generated a net turnover of > €1,500 million in the EU; • Unchanged: From July 2028, for: <ul style="list-style-type: none"> ○ EU-incorporated companies with an average of more than 3,000 employees, and a net worldwide turnover of > €900 million; ○ and non-EU-incorporated companies which generated a net turnover of > €900 million in the EU; and • Unchanged: July 2029 for: <ul style="list-style-type: none"> ○ all other EU-incorporated companies with an average of more than 1,000 employees, and a net worldwide turnover of > €450 million; ○ and all other non-EU incorporated companies which generated a net turnover of > €450 million in the EU.
Corporate Sustainability Reporting Directive (CSRD)	<p>CSRD originally applied:</p> <ul style="list-style-type: none"> • FY24 (reporting in 2025) for large listed companies ("Wave 1"); • FY25 (reporting in 2026) for other large companies or parents of large groups ("Wave 2"); • FY26 (reporting in 2027) for listed SMEs ("Wave 3"); and • FY28 (reporting in 2029) for non-EU third country parents of large EU companies, which come in scope through the extraterritorial reach of CSRD. 	<p>CSRD will now apply:</p> <ul style="list-style-type: none"> • Unchanged: FY24 (reporting in 2025) for large listed companies ("Wave 1"); • FY27 (reporting in 2028) for other large companies or parents of large groups ("Wave 2"); • FY28 (reporting in 2029) for listed SMEs ("Wave 3"); and • Unchanged: FY28 (reporting in 2029) for non-EU third country parents of large EU companies, which come in scope through the extraterritorial reach of CSRD.

B3. The following table presents the details of Omnibus 2, which proposes to ease regulatory burdens and simplify reporting requirements.

	Current directive	New proposal
Corporate Sustainability Due Diligence Directive (CS3D)	<ol style="list-style-type: none"> 1. Covers direct and indirect suppliers 2. Yearly monitoring 3. Member states are allowed to adopt stricter rules 	<ol style="list-style-type: none"> 1. Reducing the scope of CS3D due diligence: Limiting identification and assessment of actual or potential adverse impacts to own operations and direct business partners, with the obligation to assess indirect business partners only in case of "plausible information" on adverse impacts. Focus on direct business partners (Tier 1). <ul style="list-style-type: none"> • Removing the requirement to terminate business relationships as a last resort. 2. Extending intervals for monitoring the adequacy and effectiveness of due diligence (from yearly to every 5 years). 3. National rules must not deviate from European law 4. Removing civil liability regime (civil liability will be determined by national law). 5. European Commission to provide guidance on due diligence and transition plans prior to implementation.
Corporate Sustainability Reporting Directive (CSRD)	<ol style="list-style-type: none"> 1. Thresholds for applicability: <ul style="list-style-type: none"> • First wave: All companies falling under the NFRD (Non-Financial Reporting directive) • Second wave: Reporting is mandatory for large undertakings fulfilling two of three criteria: <ul style="list-style-type: none"> ○ > 250 employees ○ > €50 million net turnover balance sheet above €25 million • Third wave: SMEs 2. Companies falling under the CSRD are required to use the ESRS 3. Sector-specific standards should be developed to simplify the reporting requirements 4. Limited assurance should be extended to reasonable assurance in the future 	<ol style="list-style-type: none"> 1. Increasing the thresholds for applicability: CSRD to apply to large companies with: <ul style="list-style-type: none"> • more than 1,000 employees plus either a turnover above €50 million, or; • a balance sheet total above €25 million, with the same 1000 employee threshold applying to parent companies of large groups. 2. Commitment to revise the ESRS (European Sustainability Reporting Standards). 3. Removing the requirement for future sector-specific standards. 4. Removing the requirement to transition to reasonable assurance (i.e. remain at limited assurance). 5. Reducing value chain "trickle down": new measures to limit the reporting and due diligence obligations on smaller companies down the value chain. <i>Note</i> the Omnibus Package does not change the 'double materiality' concept.
EU Taxonomy	<ol style="list-style-type: none"> 1. All companies falling under the CSRD must mandatorily report according to the EU taxonomy 2. Only fully aligned activities are considered as ecologically sustainable 3. Companies could set and provide reasoning for thresholds by themselves 	<ol style="list-style-type: none"> 1. Limit Taxonomy reporting obligations to the largest companies/groups (1,000 employees and €450 million net turnover) (aligned with CS3D thresholds), voluntary full or partial reporting for all other CSRD companies/groups. 2. Partial alignment with the Taxonomy should be possible

	Current directive	New proposal
		<ol style="list-style-type: none"> 3. Introducing a financial materiality threshold for Taxonomy reporting and reduction of the reporting templates by around 70%. 4. Adjustments to the main Taxonomy-based key performance indicator for banks, the Green Asset Ratio (GAR). 5. Simplification of Do No Significant Harm ("DNSH") (proposed and announced as further review).