



REVISED CORPORATE SUSTAINABILITY DUE DILIGENCE DIRECTIVE (CSDDD)

Objective

The **Corporate Sustainability Due Diligence Directive** (CSDDD) aims to foster sustainable and responsible business practices by setting human rights and environmental due diligence obligations for both EU and non-EU companies across global value chains.

Scope

The CSDDD applies to:

- **EU companies with 5000+ employees** and net turnover of more than **EUR 1.5 billion**;
- **Non-EU companies** with net turnover of **more than EUR 1.5 billion** generated in the Union;
- **Franchises** with a net turnover of **more than EUR 275 million** if at least **EUR 75 million** was generated by royalties.

Timeline

	Before Omnibus	After Omnibus
Deadline for Member States to transpose the CSDDD into national law	26 July 2026	<u>26 July 2028</u>
Entry into application	From 26 July 2027	<u>From 26 July 2029</u>

Major changes*

1. Risk-based approach

Companies will have to carry out **scoping exercises**, based on reasonably available information, to identify the most salient human rights and environmental adverse impacts in their chain of activities. **In-depth assessments** will be based on areas where impacts may be more severe.

2. Value chain cap

Companies will be allowed to request information from business partners **only when necessary**, and targeted towards business partners where the adverse impacts are most likely to occur; for partners with **less than 5000 employees**, requests should be made only when the information cannot reasonably be obtained by other means.

3. Climate Transition Plans

The obligation for companies to adopt a Climate Transition Plan has been removed.

4. Civil liability

Companies **to no longer face EU-wide liability for failure to comply with due diligence requirements**; Member States will now enforce it at national level instead.

*Please note that this is a non-exhaustive list of the most relevant changes for sporting goods companies. For more information, please take a look at the full version of the Directive.



REVISED CORPORATE SUSTAINABILITY REPORTING DIRECTIVE (CSRD)



Federation of the European Sporting Goods Industry

Objective

The Corporate Sustainability Reporting Directive (CSRD) aims to foster sustainable and responsible business practices by setting **social and environmental information disclosure** obligations on companies operating in the EU, according to European Sustainability Reporting Standards (ESRS).

Scope

The CSRD applies to:

- **EU companies with 1000+ employees** and a net turnover of **EUR 450 million**.
- **Non-EU companies** with net turnover of **EUR 450 million** in the Union and above €200 million generated turnover for the subsidiary or branch.

Timeline

	After Omnibus
Deadline for Member States to transpose the revised CSRD into national law	<u>19 March 2027</u>
Entry into application of revised framework	<u>From financial year starting on 1 January 2027</u>

Major changes*

1. Limited assurance

The European Commission will issue **limited assurance standards by July 2027**, for auditors to ensure companies' reports comply with the Directive. Reasonable assurance standards, initially expected for October 2028, will not be adopted.

2. ESRS revision

European Sustainability Reporting Standards (ESRS) were revised (Commission adoption is still pending): removal of 61% of datapoints; priority on quantitative indicators over narrative text; removal of voluntary datapoints; simplified application of materiality. The adoption of additional, sector-specific ESRS has been cancelled.

3. SME Shield

Companies with less than 1000 employees will not have to disclose information to partners beyond the content of **voluntary reporting standards (VSME)**. If additional information is asked, these companies have the right to refuse disclosing it.

4. Climate Transition Plans

Climate Transition Plans will now have to be disclosed **only if companies already adopted them or if they know** when they expect to adopt them.

*Please note that this is a non-exhaustive list of the most relevant changes for sporting goods companies. For more information, please take a look at the full version of the Directive.