

In This Issue

- [Background](#)
- [Proposed Changes to the CSRD](#)
- [Proposed Changes to the EUT](#)
- [Proposed Changes to the CSDDD](#)
- [Next Steps for the Proposals](#)
- [Next Steps for U.S. Entities](#)
- [Contacts](#)
- [Appendix A — Impacts of Proposal I and Proposal II](#)
- [Appendix B — Decision Trees: CSRD and EUT Scope](#)

European Commission Proposes Reduction in Sustainability Reporting and Due Diligence Requirements — Considerations for U.S. Entities

Background

On February 26, 2025, the European Commission (EC) published its proposed omnibus legislation that aims to significantly reduce the sustainability reporting and due diligence requirements for entities that are currently within the scope of the [Corporate Sustainability Reporting Directive](#) (CSRD), the [EU Taxonomy](#) (EUT), and the [Corporate Sustainability Due Diligence Directive](#) (CSDDD). Specifically, [Omnibus I — COM\(2025\) 80](#)¹ ("Proposal I") would postpone (1) the application of some reporting requirements in the CSRD and (2) the transposition deadline and application of the CSDDD; [Omnibus I — COM\(2025\) 81](#)² ("Proposal II") would modify the scope and reporting requirements of the CSRD, EUT, and CSDDD.

¹ "Proposal for a Directive of the European Parliament and of the Council amending Directives (EU) 2022/2464 and (EU) 2024/1760 as regards the dates from which Member States are to apply certain corporate sustainability reporting and due diligence requirements."

² "Proposal for a Directive 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 and due diligence requirements."

Key proposed changes include:

- **Postponing by two years** the effective dates of the existing reporting requirements under the CSRD (including any EUT disclosures required by CSRD). The effective date for the [second wave](#) of entities (large³ undertakings that are not included in the first wave) would be changed from 2025 to 2027. The effective date for the [third wave](#) of entities (listed small and medium-sized undertakings [SMEs], certain small and noncomplex credit institutions, and certain captive insurance and reinsurance entities) would be changed from 2026 to 2028.
- **Reducing the number of entities subject to the CSRD** by:
 - Limiting the scope to large E.U. undertakings (including parent entities of a large group that meets such criteria on a consolidated basis) with more than 1,000 employees⁴ on average on their balance sheet dates.
 - Increasing the threshold for enterprise-level reporting by U.S. and other non-E.U. groups to €450 million in net turnover generated in the European Union from €150 million.
- **Committing to simplifying the [European Sustainability Reporting Standards \(ESRS\)](#)** by reducing the number of data points, clarifying provisions that are deemed unclear, and removing the plans to adopt sector-specific standards.
- **Limiting mandatory EUT reporting** to those E.U. entities that are required to comply with the CSRD and have net turnover exceeding €450 million. Those with net turnover of less than €450 million that intend to claim alignment with environmentally sustainable activities under the EUT would need to comply with an “opt-in” version of the EUT.
- **Decreasing the number of data points required in EUT reporting** through draft amendments to the Taxonomy Disclosures Delegated Act, Taxonomy Climate Delegated Act, and Taxonomy Environmental Delegated Act.
- **Simplifying and reducing the requirements of the CSDDD** and delaying the implementation date for phase one of the requirements by one year to 2028.

The proposals also include amendments to the Carbon Border Adjustment Mechanism (CBAM) as well as the InvestEU Regulation.

Building on the analysis of the [Draghi report](#) published in September 2024, the EC published [A Competitiveness Compass for the EU](#) (the “Competitiveness Compass”) in January 2025 that is intended to guide its own work in the five upcoming years. In the Competitiveness Compass, which identified priority actions, the EC announced a series of legislative proposals (including so-called omnibus proposals) to reduce the regulatory and administrative burdens on entities. The proposals discussed in this *Heads Up* represent the first batch of expected omnibus proposals.

As a next step, the directives in the omnibus proposals will be submitted to the European Parliament and the European Council for scrutiny under the European Union’s ordinary legislative procedure. Once finalized and adopted, the legislation would be entered into force after publication in the *Official Journal of the European Union* and would need to be transposed into E.U. member state laws.

³ Large undertaking as defined in Article 3 of the Accounting Directive is an entity that exceeds at least two of the following criteria: (1) €25M balance sheet, (2) €50M turnover, and (3) 250 employees on average. Entities must meet or fail to meet these criteria for two consecutive years to enter or exit large undertaking status, respectively. Reporting requirements also apply to parent entities of a large group that meets such criteria on a consolidated basis.

⁴ The definition of “employee” and how to calculate the average may vary among E.U. member states. The applicable national law should be followed.

The provisions of each proposal are subject to change as they advance through the European Union's legislative procedures. Accordingly, while this publication summarizes the provisions of the proposals as issued by the EC, entities should monitor for changes that may occur during the legislative process.

Proposed Changes to the CSRD

As described above, Proposal I would postpone the application of some reporting requirements in the CSRD, and Proposal II would modify the scope requirements of the CSRD. In addition, the EC has committed to simplifying the ESRS through a future delegated act. The table below describes the combined impacts of these proposals from the perspective of a U.S.-based company once each proposed directive has been entered into force and transposed by E.U. member states, and related delegated acts have been adopted. The [proposed two-year delay](#), [proposed changes to scope](#), and the [ESRS](#) are further discussed below. For a table outlining the impacts of Proposal I and Proposal II separately, see [Appendix A](#). For an overview of the CSRD before these proposals, see Deloitte's August 17, 2023 (updated February 23, 2024), [Heads Up](#).

			Enterprise Level
Reporting for Calendar-Year-End Filers			
	2027 (Reporting in 2028)	2028 (Reporting in 2029)	
Scope	Large* companies with more than 1,000 employees on average on their balance sheet dates, including large U.S. companies listed on an E.U.-regulated market and large E.U. subsidiaries of U.S. companies	U.S. companies that generated turnover of more than €450M in the European Union in each of the last two financial years and have one of the following: (1) a large* E.U. subsidiary or (2) an E.U. branch with turnover of more than €50M	
Required standards	Revised ESRS** (or equivalent standards***)	Revised ESRS** (or equivalent standards***) or alternative standards for non-E.U. entities to be developed	
Reporting level	Stand-alone subsidiary, unless included in the parent's report prepared under ESRS or equivalent standards for a non-E.U. parent (i.e., consolidated group level)	Consolidated group	

* Large undertaking/large group is defined by the CSRD as an E.U. entity or an E.U. parent entity that meets two or more of the following three criteria (on a consolidated basis) in two consecutive financial years on its balance sheet date: >250 employees on average, >€25M balance sheet, >€50M turnover.

** Revised ESRS to be developed under a future delegated act. The EC no longer plans to adopt sector-specific ESRS.

*** What may be deemed "equivalent" is yet to be determined by the EC.

Proposed Two-Year Delay (Proposal I)

The reporting requirements under the **current CSRD** are phased in on the basis of entity categories in the following four waves:

- *Wave 1 (reporting on 2024 in 2025)* — Large public interest entities (PIEs) and issuers on an E.U.-regulated market with more than 500 employees; such entities are generally already within the scope of the Non-Financial Reporting Directive (NFRD). This wave would include (1) large U.S. companies that are listed on an E.U.-regulated market and have more than 500 employees and (2) large E.U.-based subsidiaries that are PIEs or are listed on a regulated market and have more than 500 employees.
- *Wave 2 (reporting on 2025 in 2026)* — Other large entities. This wave would include (1) all U.S. companies that are large and listed on an E.U.-regulated market and (2) large E.U.-based subsidiaries of U.S. companies regardless of whether they are listed on an E.U.-regulated market.
- *Wave 3 (reporting on 2026 in 2027)* — SMEs listed on E.U.-regulated markets, certain small and noncomplex credit institutions, and certain captive insurance and reinsurance entities. This wave would include listed U.S. companies and E.U.-based subsidiaries that meet these criteria.

- *Wave 4 (reporting on 2028 in 2029)* — Non-E.U. entities that have business in the European Union above certain thresholds. This reporting is published by the E.U. subsidiary or branch at the consolidated non-E.U. ultimate parent, or enterprise, level; this wave would include all U.S. companies that have business in the European Union that meet the thresholds.

As noted above, Proposal I would postpone by two years the application of the existing reporting requirements under the current CSRD; the effective date for the second wave of entities (large entities that are not in the first wave) would be changed from 2025 to 2027, and the effective date for the third wave of entities (listed SMEs, certain small and noncomplex credit institutions, and certain captive insurance and reinsurance entities) would be changed from 2026 to 2028. If Proposal I is approved, E.U. member states would be required to transpose the requirements by December 31, 2025. If that transposition deadline is met, the proposal would be effective in time for the 2025 reporting period when Wave 2 would have otherwise had to start reporting. The omnibus legislation notes that the “objective of the postponement is to avoid a situation in which certain undertakings are required to report for financial year 2025 (second wave) or 2026 (third wave) and are then subsequently relieved of this requirement” as a result of the enactment of the proposals in Proposal II.

Proposal I does not postpone the application of the reporting requirements for the first wave (large PIEs/listed entities with more than 500 employees) or the fourth wave (non-E.U. ultimate parent or enterprise level).

Proposed Changes to Scope (Proposal II)

Proposal II would simplify the scope of entities that are required to apply the CSRD.

Waves 1 Through 3

The proposed revised CSRD applies to large entities with more than 1,000 employees on average on their balance sheet dates. The same applies to E.U. parent entities of a group that meets these criteria on a consolidated basis. Entities that do not meet these criteria would no longer be within the scope of the CSRD. This would include listed SMEs, certain small and noncomplex credit institutions, and certain captive insurance and reinsurance undertakings; therefore, Wave 3 would be eliminated. For these entities, the EC would adopt by delegated act a voluntary reporting standard that is based on the voluntary standard for SMEs published by European Financial Reporting Advisory Group (EFRAG) in December 2024.

Proposal II would also eliminate reference to Wave 1. As a result of the combined impact of Proposals I and II, the CSRD would be applicable to large entities with more than 1,000 employees on average on their balance sheet dates for financial years beginning on or after January 1, 2027 (including those entities currently in Wave 1 that meet the proposed revised scope criteria).



Connecting the Dots

Many but not all E.U. member states have transposed the current CSRD (i.e., as published in the *Official Journal of the European Union* in December 2022) into domestic law. The CSRD as transposed will continue to apply to entities based in those member states until the directives in the omnibus proposals enter into force and the amendments are transposed. The CSRD as transposed locally would therefore currently continue to be applicable to entities within the scope of the CSRD for financial years beginning on or after January 1, 2024.

Wave 4

Under Proposal II, the net turnover threshold for requiring a subsidiary or branch of a non-E.U. ultimate parent entity to disclose a sustainability report on the group's impacts would be raised from €150 million generated in the European Union at the group level to €450 million. The threshold for the E.U. branch would be raised from €40 million to €50 million.⁵ The threshold for the E.U. subsidiary would be limited to large entities (i.e., excluding SMEs) as defined in the [Accounting Directive](#).⁶ The 1,000 employee threshold does not apply to enterprise-level reporting. Therefore, entities may still have an enterprise-level reporting requirement even if they do not have E.U. subsidiaries with a CSRD reporting obligation at the subsidiary level. [Appendix B](#) provides a decision tree that describes the proposed scope for Wave 4.

Other Proposed Changes to the CSRD (Proposal II)

ESRS

The proposals also include a commitment to revise the ESRS that were issued through a delegated act published in the *Official Journal of the European Union* in December 2023, with the aim of substantially reducing the number of data points that entities are required to report, clarifying unclear provisions, improving consistency with other pieces of legislation, and clarifying the instructions for applying the double materiality principle. A delegated act that revises the first set of ESRS is expected to be adopted within six months of the finalization⁷ of Proposal II.

The EC no longer plans to adopt sector-specific ESRS or sustainability reporting standards for listed SMEs (since SMEs would no longer be within the scope of the CSRD under the current proposals). For entities not within the scope of the CSRD, the EC will adopt by delegated act a voluntary reporting standard based on the voluntary standard for SMEs that was published by EFRAG in December 2024.

The proposals do not provide any further clarity on the development of non-E.U. reporting standards for non-E.U. groups or equivalents.

Double Materiality Confirmed

The proposals would not modify the double materiality principle applied in sustainability reporting under the CSRD. The revisions to ESRS as discussed above should be monitored for clarifications on the application of the double materiality principle.

Subsidiary Exemptions

The proposals would not modify the current subsidiary exemption provisions, including the ability to perform an artificial consolidation through January 6, 2030.

Value Chain

Through the proposals, the EC aims to limit the information that larger entities need to request from smaller entities. Under Proposal II, a reporting entity would not be allowed to request information from entities in its value chain with fewer than 1,000 employees beyond the information specified in a voluntary standard, which has yet to be adopted by the EC; this voluntary standard would be based on the voluntary sustainability reporting for SMEs (VSME) developed by EFRAG.

⁵ The E.U. branch net turnover threshold would be aligned to the net turnover criteria for large undertakings as defined in Article 3(4) of the Accounting Directive; the net turnover threshold is currently €50M.

⁶ "Directive 2013/34/EU of the European Parliament and of the Council."

⁷ Finalization takes place when the directive in the proposal enters into force after its publication in the *Official Journal of the European Union*.

Digital Tagging

The proposals do not modify the existing digital tagging or format rules introduced by the CSRD. However, Proposal II clarifies that companies are not required to tag information until the delegated regulation for digital tagging is adopted.

Assurance

In Proposal II, the EC has committed to publishing targeted guidelines to clarify the procedures that should be performed during limited assurance engagements by 2026. It also removed the obligation to introduce European sustainability assurance standards by 2026. Further, the option to amend the limited assurance requirement to reasonable assurance is deleted under Proposal II.

Proposed Changes to the EUT

The two-year delay discussed above would similarly defer the obligation to report in accordance with the EUT. Under the proposals, entities reporting under the CSRD (large undertakings with more than 1,000 employees) that have a net turnover of less than €450 million would no longer be required to report under the EUT. Instead, these entities would only be required to report under an “opt-in” taxonomy regime if they claim that their activities are associated with economic activities that qualify as environmentally sustainable under the EUT. Entities that report under the CSRD and have a net turnover of €450 million or more would still be required to report under the EUT. If Proposal II is entered into force, EUT reporting would still only be applicable to E.U. parents and subsidiaries; it would not be required for enterprise-level reporting or voluntary consolidated reporting at the U.S. ultimate parent level.

As part of the omnibus proposals, the EC has also launched a [consultation](#) on draft amendments to the Taxonomy Disclosures Delegated Act, Taxonomy Climate Delegated Act, and Taxonomy Environmental Delegated Act. The comment period for this consultation ends on March 26, 2025. In the consultation, the EC proposes to:

- **Simplify the reporting templates** to substantially reduce data points.
- **Establish a materiality threshold** that will exempt entities from assessing the EUT eligibility and alignment of their economic activities that are not financially material for their business (e.g., those not exceeding 10 percent of their total turnover, capital expenditures, or total assets).
- **Modify the “Do No Significant Harm” criteria for pollution prevention and control**, streamlining requirements related to the use and presence of chemicals across all economic sectors.

[Appendix B](#) provides a decision tree that describes the proposed scope for EUT.

Proposed Changes to the CSDDD

The CSDDD entered into force in July 2024 but is not yet effective. It establishes a corporate due diligence duty for an entity to identify and address adverse human rights and the environmental impacts of its operations, including by adopting a transition plan for climate change mitigation. The scope of entities that are required to apply the CSDDD includes large E.U. limited liability companies and partnerships with more than 1,000 employees and more than €450 million net turnover worldwide. It also includes large non-E.U. entities with more

than €450 million net turnover in the European Union. Under the proposals, the EC would make the following amendments to the CSDDD:

- Delay the effective date to comply with the first phase of requirements of the CSDDD by one year to July 26, 2028.
- Limit due diligence activities to entities' "own operations, those of their subsidiaries and [direct business partners (e.g., tier 1 suppliers) in] their chains of activities" in which adverse impacts are most likely to occur and are most severe. An in-depth assessment of indirect business partners would only be required if the entity has plausible information that suggests an adverse impact at that level.
- Remove the duty to terminate the business relationships with suppliers as a measure of last resort; instead, the last resort should be a suspension of business relationships in which a supplier's business operations are linked to severe adverse impacts.
- Reduce the scope of stakeholders to only encompass workers, individuals, and communities that are or could be directly affected by the company, its subsidiaries, and its business partners.
- Require entities to engage only with relevant stakeholders that have a link to the specific stage of the due diligence process being carried out.
- Extend the intervals in which entities need to regularly assess the adequacy and effectiveness of due diligence measures from one year to five years.
- No longer consider additional sustainability due diligence requirements for regulated financial undertakings with respect to the provision of financial services and investment activities.
- Align the transition plan requirement better with the language of the CSRD.

Next Steps for the Proposals

As referenced above, each omnibus proposal will be submitted to both the European Parliament and the European Council for scrutiny under the European Union's ordinary legislative procedure. This could lead to amendments to the proposals. Once finalized and adopted, the legislation would enter into force after the publication in the *Official Journal of the European Union* and would need to be transposed into E.U. member state laws. Member states are required to transpose Proposal I, which extends the effective dates, into local law no later than December 31, 2025; Proposal II must be transposed twelve months after publication in the *Official Journal of the European Union*. Finally, these proposals are only the first in the series of expected simplification omnibus packages.

Next Steps for U.S. Entities

Companies that are within scope of the original CSRD will need to continue to monitor the progression of the proposals for subsequent updates. While the proposals would reduce the number of entities within the scope of the CSRD and delay the required implementation date for many reporting entities within the revised scope, many U.S. entities would remain within scope of the CSRD; therefore, it is likely that many of the steps taken to date would still be relevant for future reporting under the CSRD, voluntary reporting, or reporting under other regulations (e.g., the state of California or jurisdictions that have adopted IFRS® Sustainability Disclosure Standards as issued by the International Sustainability Standards Board [ISSB]). Depending on the size and type of entity within the scope of the original CSRD, entities may consider the following:

- *Monitoring developments of the proposals and further omnibus actions* — As the directives in the proposals progress through the scrutiny process, there may be changes and further developments. In addition, further delegated acts are expected to include revisions to the ESRS, adoption of VSME standards for voluntary reporting,

and the issuance of non-E.U. reporting standards for enterprise-level reporting by U.S. ultimate parents.

- *Reevaluating whether their E.U. subsidiaries and groups are still within the scope of the CSRD and EUT* — The new scope criteria may change which entities or groups will be required to report under the CSRD and EUT. Companies may wish to consider how any changes would affect their reporting strategy (e.g., consolidated group reporting to allow the use of subsidiary exemptions versus stand-alone subsidiary reporting).
- *Reassessing their conclusion regarding enterprise-level reporting* — While the net turnover thresholds would be increased to €450 million under the proposals, a 1,000 employee threshold was not proposed for enterprise-level reporting. Therefore, entities that do not have E.U. subsidiaries with a CSRD reporting obligation at the subsidiary level may still have an enterprise-level reporting requirement. In addition, no delay was proposed for initial enterprise-level reporting (i.e., first reporting in 2029 for fiscal 2028).
- *Developing plans for VSME standards* — Entities that are no longer required to report under the CSRD may wish to consider implementing the future VSME standards because such information may be requested by value chain partners that are required to report under the CSRD.
- *Capitalizing on efforts to date* — Many entities had begun extensive preparations for CSRD adoption and much of this effort may continue to be leveraged:
 - Entities that already report on sustainability voluntarily may use the insights from CSRD preparation to enhance their voluntary reporting.
 - Provided that the two-year delay is implemented, many entities may be required to comply with mandatory reporting in the state of California or in various international jurisdictions that have adopted ISSB standards before reporting under the CSRD. The [interoperability guidance](#) issued jointly by the ISSB, the EC, and EFRAG summarizes the interactions between the CSRD's and ISSB's requirements and may help entities understand how their preparations for the CSRD could then be leveraged for reporting under ISSB standards.
- *Using the proposed extended adoption timeline to enhance data, processes, systems, and controls as well as regulatory and assurance readiness* — Even simplified CSRD reporting will be likely to require capacity building for many entities, and the extended adoption timeline gives entities an opportunity to enhance their preparation.

Contacts



Eric Knachel
Audit & Assurance
Partner
Deloitte & Touche LLP
+1 203 761 3625
eknachel@deloitte.com



Blair McCauley
Audit & Assurance
Managing Director
Deloitte & Touche LLP
+1 415 783 4030
bmccauley@deloitte.com



Doug Rand
Audit & Assurance
Managing Director
Deloitte & Touche LLP
+1 202 220 2754
dorand@deloitte.com



Sean May
Audit & Assurance
Partner
Deloitte & Touche LLP
+1 415 783 6930
semay@deloitte.com



Lauren Pesa
Audit & Assurance
Partner
Deloitte & Touche LLP
+1 312 486 4647
lpesa@deloitte.com



Kristen Sullivan
Audit & Assurance
Partner
Deloitte & Touche LLP
+1 203 708 4593
ksullivan@deloitte.com



Mike Shonce
Audit & Assurance
Senior Manager
Deloitte & Touche LLP
+1 313 394 5694
mshonce@deloitte.com



Lauren Horner
Audit & Assurance
Manager
Deloitte & Touche LLP
+1 415 783 7567
lahorner@deloitte.com



Grant Kluesner
Audit & Assurance
Manager
Deloitte & Touche LLP
+1 612 397 4044
gkluesner@deloitte.com

Appendix A — Impacts of Proposal I and Proposal II

The table below describes the impacts of Proposal I and Proposal II on each wave of CSRD implementation from the perspective of a U.S.-based company.

Reporting for Calendar-Year-End Filers				Enterprise Level
Existing CSRD	2024 (Reporting in 2025) “Wave 1”	2025 (Reporting in 2026) “Wave 2”	2026 (Reporting in 2027) “Wave 3”	2028 (Reporting in 2029) “Wave 4”
Proposal I	2024 (Reporting in 2025) “Wave 1”	2027 (Reporting in 2028) “Wave 2”	2028 (Reporting in 2029) “Wave 3”	2028 (Reporting in 2029) “Wave 4”
Scope — Existing CSRD	Generally, companies already subject to NFRD*	Large** U.S. companies listed on an E.U.-regulated market and all large** E.U. subsidiaries of U.S. companies	SMEs listed on an E.U.-regulated market, certain small and noncomplex credit institutions, certain captive insurance and reinsurance entities that are E.U. subsidiaries of U.S. companies***	U.S. companies that generated turnover of more than €150M in the European Union in each of the last two financial years and have any of the following: (1) a large** E.U. subsidiary, (2) an SME*** subsidiary listed on an E.U.-regulated market, or (3) an E.U. branch with turnover >€40M
Scope — Proposal II	N/A — See scope for Wave 2	Large** U.S. companies listed on an E.U.-regulated market and all large** E.U. subsidiaries of U.S. companies with more than 1,000 employees on average on their balance sheet dates	N/A — See scope for Wave 2	U.S. companies that generated turnover of more than €450M in the European Union in each of the last two financial years and have one of the following: (1) a large** E.U. subsidiary or (2) an E.U. branch with turnover of more than €50M

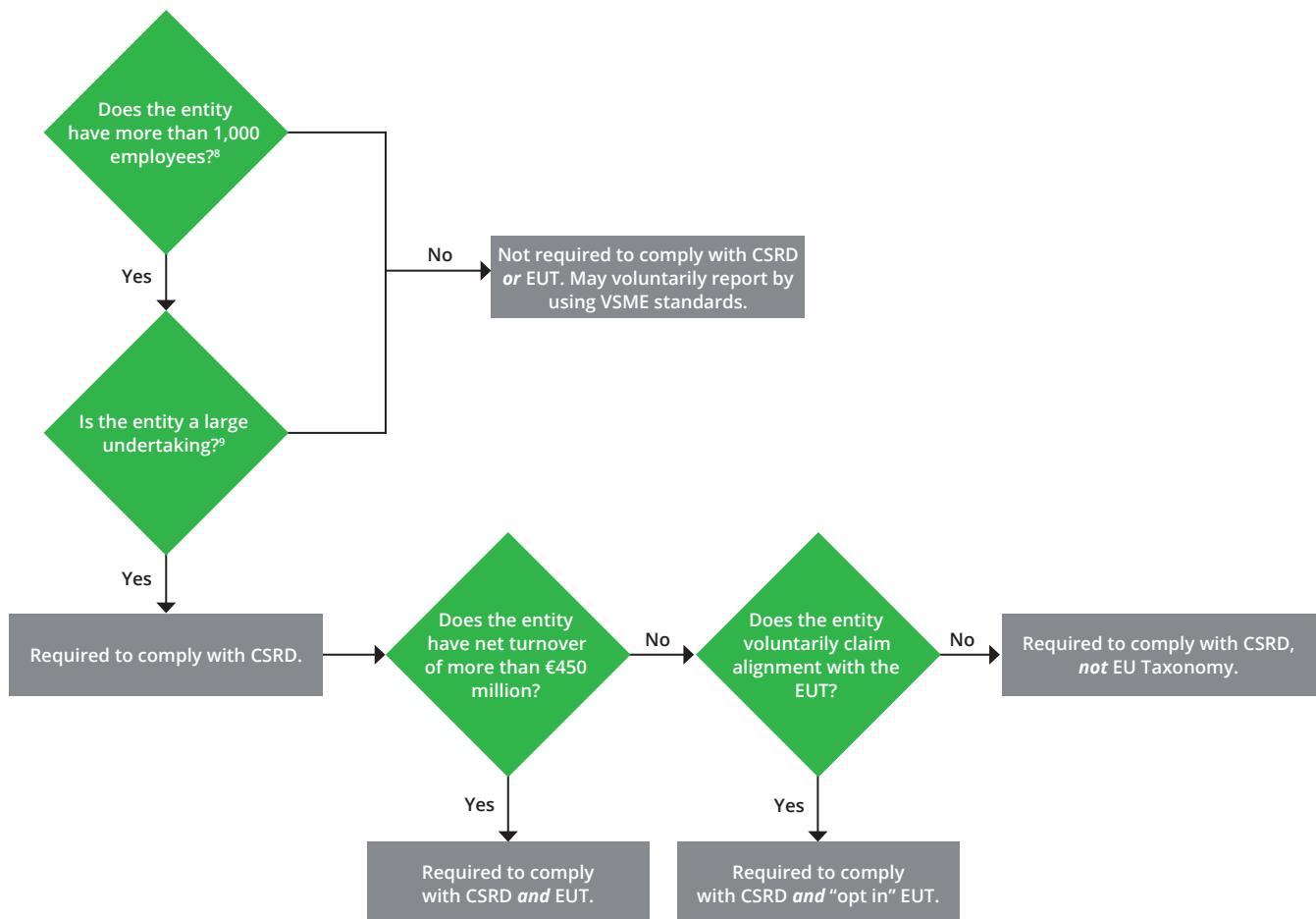
* Companies already subject to the NFRD are large PIEs with more than 500 employees. PIEs include companies listed on an E.U.-regulated market, banks, insurance companies, and other companies designated by national authorities as public-interest entities. From the perspective of a U.S. company, entities in Wave 1 include (1) large U.S. companies that have more than 500 employees and are listed on an E.U.-regulated market and (2) all large E.U. subsidiaries of U.S. companies with more than 500 employees that are PIEs or listed on an E.U.-regulated market.

** Large undertaking/large group is defined by the CSRD as an E.U. entity or an E.U. parent entity (on a consolidated basis) that meets two or more of the following three criteria in two consecutive financial years on its balance sheet date: >250 employees on average, >€25M balance sheet, >€50M turnover.

*** Listed SMEs, small and noncomplex credit institutions, and insurance and reinsurance undertakings as defined in Article 5(2) of Directive (EU) 2022/2464 of the European Parliament and of the EC.

Appendix B — Decision Trees: CSRD and EUT Scope

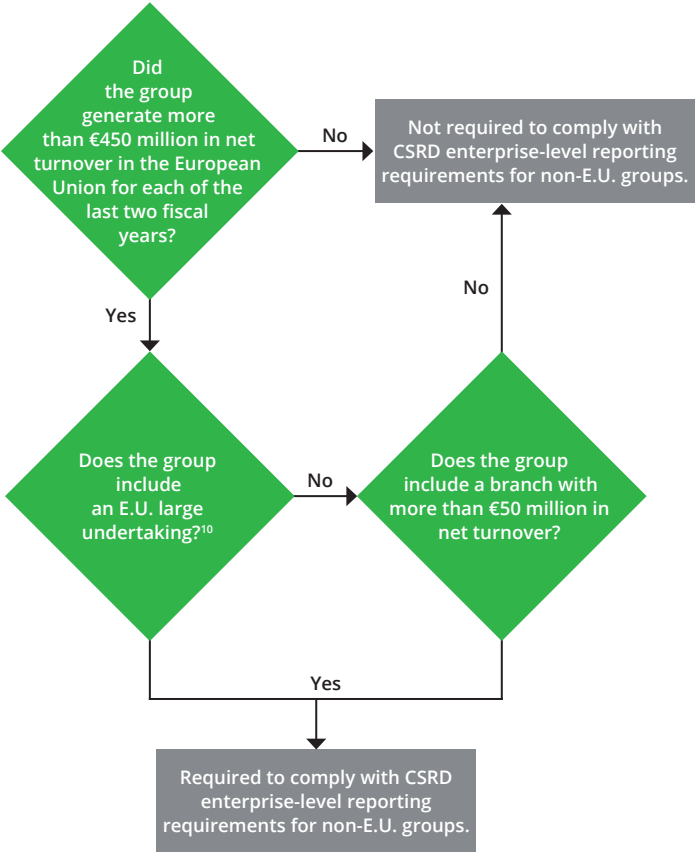
Proposal II — Impact on (1) E.U. Entities and Groups and (2) Entities Listed on E.U.-Regulated Markets



⁸ As determined on the basis of the average number of employees on their balance sheet dates.

⁹ Large undertaking as defined in Article 3 of the Accounting Directive is an entity that exceeds at least two of the following criteria: (1) €25M balance sheet, (2) €50M turnover, and (3) 250 employees on average. Entities must meet or fail to meet these criteria for two consecutive years to enter or exit large undertaking status, respectively. Reporting requirements also apply to parent entities of a large group that meets such criteria on a consolidated basis.

Proposal II — Impact on Non-E.U. Enterprise-Level Reporting



¹⁰ Large subsidiary undertaking as defined in Article 3 of the Accounting Directive is an entity that exceeds at least two of the following criteria: (1) €25M balance sheet, (2) €50M turnover, and (3) 250 employees on average. Entities must meet or fail to meet these criteria for two consecutive years to enter or exit large undertaking status, respectively.

Dbriefs for Financial Executives

We invite you to participate in [Dbriefs](#), Deloitte's live webcasts that give you valuable insights into important developments affecting your business. Topics covered in the [Dbriefs for Financial Executives](#) series include financial reporting, tax accounting, business strategy, governance, and risk. Dbriefs also provide a convenient and flexible way to earn CPE credit — right at your desk.

Subscriptions

To subscribe to Dbriefs, or to receive accounting publications issued by Deloitte's Accounting and Reporting Services Department, please visit My.Deloitte.com.

The Deloitte Accounting Research Tool

The Deloitte Accounting Research Tool (DART) is a comprehensive online library of accounting and financial disclosure literature. It contains material from the FASB, EITF, AICPA, PCAOB, and SEC, in addition to Deloitte's own accounting manuals and other interpretive guidance and publications.

Updated every business day, DART has an intuitive design and powerful search features that enable users to quickly locate information anytime, from any device and any browser. Users can also work seamlessly between their desktop and mobile device by downloading the DART by Deloitte [mobile app](#) from the App Store or Google Play. While much of the content on DART is available at no cost, subscribers have access to premium content, such as Deloitte's *FASB Accounting Standards Codification Manual*. DART subscribers and others can also [subscribe](#) to *Weekly Accounting Roundup*, which provides links to recent news articles, publications, and other additions to DART. For more information, or to sign up for a free 30-day trial of premium DART content, visit dart.deloitte.com.



Heads Up is prepared by members of Deloitte's National Office as developments warrant. This publication contains general information only and Deloitte is not, by means of this publication, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This publication is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor. Deloitte shall not be responsible for any loss sustained by any person who relies on this publication.

The services described herein are illustrative in nature and are intended to demonstrate our experience and capabilities in these areas; however, due to independence restrictions that may apply to audit clients (including affiliates) of Deloitte & Touche LLP, we may be unable to provide certain services based on individual facts and circumstances.

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. In the United States, Deloitte refers to one or more of the US member firms of DTTL, their related entities that operate using the "Deloitte" name in the United States and their respective affiliates. Certain services may not be available to attest clients under the rules and regulations of public accounting. Please see www.deloitte.com/us/about to learn more about our global network of member firms.