

To whom it may concern

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Reggio Emilia, Jan. 23, 2026

MEMORANDUM N. 8/2026

Insight

Subject: EU reform on sustainability reporting – key changes for businesses

Dear Customer,

We would like to inform you that the European Parliament has approved a reform of EU sustainability reporting rules, **with the aim of reducing the number of companies involved and easing certain reporting requirements**, as part of the “Omnibus I” simplification package.

1. New thresholds for reporting requirements

Social and environmental reporting—that is, the obligation for companies to disclose data on their impact on the environment and people—will only become mandatory for very large companies. Specifically:

- EU companies with an average of more than 1,000 employees and annual net turnover exceeding €450 million.
- Non-EU companies with net turnover exceeding €450 million in the EU, including branches and subsidiaries with turnover exceeding €200 million in the Union.

2. Reduction and simplification of obligations

The reform provides for an overall reduction in sustainability reporting requirements. In addition:

- Disclosure requirements are reduced compared to the previous framework.
- Sectoral reporting becomes voluntary and no longer mandatory.

The stated intent is to simplify the regulatory framework and strengthen the competitiveness of European companies.

3. Measures to protect companies with fewer than 1,000 employees

A key point of the reform concerns the relationship between large companies

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subject to reporting requirements and smaller partners. The new rules stipulate that:

- Companies required to prepare sustainability reports cannot transfer this burden to smaller companies with which they collaborate.
- Companies with fewer than 1,000 employees will no longer be required to provide larger companies with additional information beyond that required by voluntary reporting standards.

Note: The changes described will only take effect after formal adoption by the Council and subsequent publication in the Official Journal of the European Union.

4. Lightweight sustainability reporting remains the right direction for SMEs

In this context, sustainability remains a key issue for access to business (credit, supply chain, tenders, structured customers).

The point is to set up a proportionate system that is aligned with European standards: We have always recommended adopting a simple reporting system that is in line with recognized European standards, adopting the VSME (EFRAG) standard.

Why is it advantageous to focus on “light” (but standardized) reporting?

- Reduces questionnaire chaos: instead of chasing different formats from banks and customers, you give yourself a reusable “common language.”
- Protects the supply chain: more and more requests come “cascading” from larger partners; having a ready-made data set allows you to respond better and faster.
- Increases credibility (and reduces the risk of greenwashing): little information, but measurable, traceable, and defensible.
- Saves time in the medium term, without starting from scratch.
- Prepares you for future scenarios: between simplifications and EU negotiations, the direction remains that of standardization and comparability.

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The Firm remains available for any clarification and to assist companies in analyzing the impact of the new provisions and new opportunities VSME.

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