AIM EUROPEAN BRANDS ASSOCIATION

Avenue de Gaulois 9
B-1040 Brussels
Belgium
Tel: +32 2 736 0305
TR: 107438267901
www.aim.be

AIM commentary

Proposal for EU Directive on Corporate Sustainability Due Diligence

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Executive summary

AIM – The European Brands Association – is supportive of an EU harmonised legislative framework for human rights and environmental due diligence. We therefore welcome the fact that the European Commission released its proposal for a Directive on Corporate Sustainability Due Diligence in late February 2022.

Based on the extensive experience of our members in operating complex global supply chains, and with the intention of strengthening the European Commission's proposal to achieve the stated objectives, we make the following recommendations for consideration:

- adopt a maximum harmonisation approach to the due diligence obligations set out in the proposed Directive. This will avoid fragmentation of requirements between Member States' national regimes, as well as ensure legal certainty and a level playing field for companies operating across the EU internal market;
- reframe the scope of the due diligence obligations in the proposed Directive to cover a company's own operations, subsidiaries, as well as business relationships, and explicitly allow them to prioritise their efforts based on the severity of actual or potential adverse impacts;
- resolve the ambiguity of the civil liability provision in the proposed Directive, which is based on unclear definitions and sets a scope of liability that exposes companies to heightened legal risks for harms beyond their control, potentially leading them to focus more on managing the risk of litigation rather than carrying out robust due diligence;
- ensure legal certainty by providing further clarity on the interaction between directors' duty of care (Article 25) and responsibility for setting up and overseeing due diligence (Article 26), as well as giving flexibility to companies as to which level the directors' duties shall apply;
- further define what constitutes a "severe adverse impact" in an interpretative guidance, following constructive dialogue amongst all relevant stakeholders, and taking into account existing instruments or standards;
- align the content and format of the reporting with regards to due diligence in the proposed Directive with those required by the Corporate Sustainability Reporting Directive, and provide the possibility for companies to refer to global consolidated reporting at group level;
- set minimum requirements for natural and legal persons to be entitled to bring administrative or legal complaints based on a strict "direct interest in acting" standard with a view to preventing frivolous or abusive complaints and lawsuits;
- require the Commission to issue guidance: (a) for assessing the fitness of industry schemes and multi-stakeholder initiatives as part of a company's overall due diligence approach with a view to ensuring effective due diligence; (b) regarding pro-active engagement with affected or potentially affected stakeholders at key moments in a company's due diligence process clarifying that this complements reactive engagement with affected or potentially affected stakeholders through complaints procedures.

Detailed commentary on the proposed Directive

1. Ensure EU-wide harmonisation

We welcome the fact that the legal basis for the proposed Directive spans both Articles 50 and 114 of the Treaty on the Functioning of the European Union (TFEU). Whilst the legislation will be grounded in company law on the one hand, it is equally aimed at supporting the functioning of the internal market. Chapter 2 of the explanatory memorandum is very clear about the goal of ensuring a level playing field through harmonisation of national approaches to due diligence and liability regimes.

However, **we note with concern that the proposed Directive takes a minimum harmonisation approach, leaving room for Member States to impose diverging, and potentially contradictory, obligations on companies**. This will lead to a divergence of rules at national level that may undermine legal certainty and the creation of a level playing field for companies. It could also have the detrimental consequence of opening the door to 'forum shopping' by companies in terms of establishment of their operations in the EU.

1.1. Harmonise due diligence obligations

We welcome that the key features of the due diligence process outlined in the proposed Directive seek to align with the OECD Due Diligence Guidance for Responsible Business Conduct. This approach (including "Assess, Act and Report" activities) will make companies more aware of the human rights and environmental risks they face and incentivise them to take action to mitigate and prevent them. Defining the key features of the due diligence process at EU level should effectively avoid diverging requirements across national legislations.

However, the proposed Directive gives freedom to Member States to adopt stricter due diligence obligations: Article 1(2)[1] seems to allow for the continuation of existing more stringent national legislation, whereas it is unclear whether Member States can adopt more stringent measures in the future.

AIM supports a **maximum harmonisation approach to the due diligence obligations** set out in the proposed Directive **to avoid fragmentation** of requirements between Member States' national regimes, **as well as to ensure legal certainty and a level playing field** for companies operating across the EU single market.

1.2. Harmonise sanctions and civil liability provisions

AIM recognises the need for an appropriate and proportionate set of enforcement rules and incentives for companies to conduct robust human rights and environmental due diligence across the value chain. We welcome the specification in the proposed Directive that any sanctions should

[1] Article 1, paragraph 2: "*This Directive shall not constitute grounds for reducing the level of protection of human rights or of protection of the environment or the protection of the climate provided for by the law of Member States at the time of the adoption of this Directive.*"

be "effective, proportionate and dissuasive" (Article 20(1)) and that due account should be taken of company efforts in deciding whether to impose sanctions and, if so, in determining their nature and appropriate level (Article 20(2)).

However, **letting Member States define their own set of sanctions will create an uneven playing field for companies operating across the EU single market**, leaving open the possibility for less responsible companies to relocate where penalties are lower.

The same concern arises from the risk of diverging civil liability regimes across Member States (see Recitals 59[2] and 62[3]; Article 22(4)[4]), which may lead to 'forum-shopping' with regards to where companies will establish their business in the EU if civil liability is regulated differently across Member States.

2. Reframe Due Diligence obligations

2.1. Align Due Diligence obligations with international standards

AIM calls for the **reframing of the due diligence obligations** in the proposed Directive so that, when companies implement these obligations, they are explicitly allowed to **prioritise their efforts based on the likely severity of actual or potential adverse impacts**. While the concept of "established relationship" can be a proxy for the leverage that companies can exert on business relationships, we believe that the severity and the likelihood of actual or potential harm to people and the environment should be taken into consideration as prioritisation criterion, in line with international standards.

In practice, the OECD Due Diligence Guidance for Responsible Business Conduct is a good reference document to implement a risk-based due diligence approach. Chapter 2 of the OECD Guidance on how to "identify and assess actual and potential adverse impacts associated with the enterprise's operations, products or services" clearly distinguishes between two consecutive steps: risk identification and in-depth assessments of prioritised supply chains. Articles 5 to 11 should be reformulated to reflect "appropriate measures" that would be consistent with the prioritised scope of due diligence, while recognising the more limited leverage that companies can be expected to have, if the due diligence obligations are no longer limited by reference to 'established business relationships.'

[2] Recital 59 states *"the civil liability rules under this Directive should be without prejudice to Union or national rules on civil liability related to adverse human rights impacts or to adverse environmental impacts that provide for liability in situations not covered by or providing for stricter liability than this Directive."*

[3] Recital 62 on civil liability emphasises, moreover, that *"this Directive should not prevent Member States from imposing further, more stringent obligations on companies or from otherwise taking further measures having the same objectives as that Directive."*

[4] Article 22, paragraph 4, states that *"the civil liability rules under this Directive shall be without prejudice to Union or national rules on civil liability related to adverse human rights impacts or to adverse environmental impacts that provide for liability in situations not covered by or providing for stricter liability than this Directive."*

"2.1 Carry out a broad scoping exercise to identify all areas of the business, across its operations and relationships, including in its supply chains, where RBC risks are most likely to be present and most significant. Relevant elements include, among others, information about sectoral, geographic, product and enterprise risk factors, including known risks the enterprise has faced or is likely to face. The scoping exercise should enable the enterprise to carry out an initial prioritisation of the most significant risk areas for further assessment. For enterprises with less diverse operations, in particular smaller enterprises, a scoping exercise may not be necessary before moving to the stage of identifying and prioritising specific impacts"

"2.2. Starting with the significant areas of risk identified above, carry out iterative and increasingly in-depth assessments of prioritised operations, suppliers and other business relationships in order to identify and assess specific actual and potential adverse RBC impacts. [...] *2.2.c Obtain, when appropriate and feasible, relevant information about business relationships beyond contractual relationships (e.g. sub-suppliers beyond "tier 1"). Establish processes individually or collaboratively to assess the risk profile of more remote tiers of the relationship, including by reviewing existing assessments, and engaging with mid-stream actors and* ***"control points"*** *in the supply chain to assess their due diligence practices against this Guidance".*

"Box 5: [...] Control point enterprises will likely have greater visibility and/or leverage over their own suppliers and business relationships further up the supply chain than enterprises closer towards consumers or end-users. Conducting due diligence on control point enterprises to determine whether they are in turn conducting due diligence in line with this Guidance provides some comfort that risks of adverse impact directly linked to suppliers have been identified, prevented and mitigated."

2.2. Provide relevant guidance on model contract clauses

Companies may use model contract clauses as one of the tools, even though not the only one, to **provide leverage**[5] with business partners to deliver on human rights and environmental commitments throughout the supply chain. These can therefore support companies in driving continuous improvement within their supply chains, and not simply shifting the obligations further upstream. To ensure a consistent and efficient approach to the use of model contract clauses, it will be critical for the European Commission to issue, before the transposition deadline, **relevant guidance for companies on those clauses** (including templates), as part of a broader approach on the different forms of leverage that companies can undertake.

2.3. Align reporting requirements with CSRD

We recommend that Article 11 on reporting provides the possibility for both EU and non-EU companies to **refer to consolidated global reporting at group level**. The content and format of the reporting with regards to due diligence, set by the delegated acts under Article 12(2), should be fully aligned with the content and format required by the Corporate Sustainability Reporting Directive

[5] OECD Guidelines for Responsible Business Conduct: "Where an enterprise lacks leverage with its business relationships, it may seek to increase its leverage to the extent possible. For example, the enterprise may: 1) introduce RBC and due diligence expectations into **commercial contracts**; 2) establish commercial incentives linked to RBC criteria; and 3) establish longer-term relationships with its suppliers or business relationships."

(CSRD). In addition, the reporting mandated by Article 11 should not be linked to financial reporting for non-EU companies.

As companies determine fiscal years in different ways, the reporting obligation should **allow for companies to annually report on due diligence within 6 months from the end of their fiscal year**. This would ensure that the due diligence report adequately covers the company's last accounting period.

AIM welcomes the approach taken in the proposed CSRD[6] to allow consolidated sustainability reporting at parent company level of subsidiaries established in the EU and in third countries. This is in line with due diligence processes which are also driven at the corporate level.

AIM is also supportive of the alignment with international reporting standards, in particular the work of the European Financial Reporting Advisory Group to ensure that ongoing harmonisation efforts of the International Financial Reporting Standards Foundation are reflected in the future European standards, as suggested by Recital 34 of the proposed Directive.

3. Clarify civil liability provision

3.1. Distinguish between responsibility for due diligence and civil liability

As explained under point 1 above ("Harmonise due diligence obligations"), the scope of the due diligence obligations should cover a company's operations, including its own activities, as well as all its business relationships, throughout the value chain. Companies should put in place risk-based approaches, prioritising their due diligence efforts on the severity of the actual or potential harm to people and the environment throughout the value chain.

The scope of due diligence is not the same as the scope of legal liability. The legal liability provision of the proposed Directive should address failures to establish and maintain a reasonable CSDD process and the resulting harms.

Article 22, paragraph 2 of the proposed Directive on civil liability states that a company "shall not be liable for damages caused by an adverse impact arising as a result of the activities of an indirect partner with whom it has an established business relationship, unless it was unreasonable, in the circumstances of the case, to expect that the action actually taken, including as regards verifying compliance, would be adequate to prevent, mitigate, bring to an end or minimise the extent of the

[6] Article 19a (7): *"An undertaking which is a subsidiary undertaking shall be exempted from the obligations set out in paragraphs 1 to 4 if that undertaking and its subsidiary undertakings are included in the consolidated management report of a parent undertaking, drawn up in accordance with Articles 29 and 29a. An undertaking that is a subsidiary undertaking from a parent undertaking that is established in a third country shall also be exempted from the obligations set out in paragraphs 1 to 4 where that undertaking and its subsidiary undertakings are included in the consolidated management report of that parent undertaking and where the consolidated management report is drawn up in a manner that may be considered equivalent, in accordance with the relevant implementing measures adopted pursuant to Article 23(4), point (i), of Directive 2004/109/EC of the European Parliament and of the Council, to the manner required by the sustainability reporting standards referred to in Article 19b of this Directive. The consolidated management report of the parent undertaking referred to in subparagraph 1 shall be published in accordance with Article 30, in the manner prescribed by the law of the Member State by which the undertaking that is exempted from the obligations set out in paragraphs 1 to 4 is governed. The Member State by which the undertaking that is exempted from the obligations set out in paragraphs 1 to 4 is governed, may require that the consolidated management report referred to in the first subparagraph of this paragraph is published in an official language of the Member State or in a language customary in the sphere of international finance, and that any necessary translation into those languages is certified."*

adverse impact." This seems to indicate that civil liability occurs when there is not a reasonable CSDD process in place or where it fails.

However, unclear definitions such as 'indirect partner' and 'established business relationships' make the current scope of liability unclear, thereby exposing companies to legal risks for harms beyond their control.

AIM urges EU lawmakers to:

- **resolve the ambiguity of the civil liability provision** in the proposed Directive, which are based on unclear definitions and set a scope of liability that exposes companies to heightened legal risks for harms beyond their control, potentially leading them to focus more on managing the risk of litigation rather than carrying out robust due diligence;
- clearly limit civil liability to **severe adverse impacts caused by the company's own activities or activities of controlled companies**, which could have been prevented had the company fully complied with the requirement to conduct human rights and environmental due diligence**. This would exclude (i) third parties, such as suppliers, as well as (ii) subsidiaries where the company does not exert a decisive influence over the subsidiaries' operations and activities**;[7]
- require the Commission to **further define what constitute a "severe adverse impact"[8] in an interpretative guidance** following constructive dialogue amongst all relevant stakeholders, taking account of existing legal instruments or standards.

Conducting appropriate human rights due diligence should help business enterprises show that they took every reasonable step to avoid involvement with an alleged human rights abuse and address the risk of legal claims against them.[9]

3.2. Clarify the definition of control

The limitation of the scope of civil liability to controlled companies is aligned with the approach proposed by the European Parliament in its March 2021 Resolution on Corporate Due Diligence and Corporate Accountability.[10] Nonetheless, **the European Parliament's definition of "control" leaves too much room for interpretation** and does not provide sufficient legal certainty for companies.

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[7] This specification accounts for the fact that subsidiaries may have a separate corporate legal personality over which a parent company may not have decisive influence.

[8] The term *"severe adverse impacts"* is defined in Article 3(l) of the proposed Directive as *"an adverse environmental impact or an adverse human rights impact that is especially significant by its nature, or affects a large number of persons or a large area of the environment, or which is irreversible, or is particularly difficult to remedy as a result of the measures necessary to restore the situation prevailing prior to the impact".*

[9] This is in line with Article 19(3) of the Annex to the EP resolution of 10 March 2021 with recommendations to the Commission on corporate due diligence and corporate accountability (2020/2129(INL))providing that *"Member States shall ensure that their liability regime [...] is such that undertakings that prove that they took all due care in line with this Directive to avoid the harm in question, or that the harm would have occurred even if all due care had been taken, are not held liable for that harm."*

[10] Art 3(9): *"'control' means the possibility for an undertaking to exercise decisive influence on another undertaking, in particular by ownership or the right to use all or part of the assets of the latter, or by rights or contracts or any other means, having regard to all factual considerations, which confer decisive influence on the composition, voting or decisions of the decision making bodies of an undertaking."*

AIM supports the definition of "subsidiary" in Article 3(d) of the proposed Directive, which in turn refers to the definition of "controlled undertaking" of Article 2(1)(f) of Directive 2004/109/EC. This is relevant to define the scope of companies' due diligence obligations. However, AIM considers that the possibility of civil liability for damage resulting from impacts attributable to acts or omissions of subsidiaries should arise only where a company is able to and in fact does exercise "decisive influence" over a subsidiary. In addition, **a clear definition of "decisive influence" is needed** in the future Directive to provide companies with legal certainty and ensure that civil liability can arise only in situations where they can effectively exert control over other parties (and, specifically, subsidiaries) to prevent or mitigate adverse impacts on human rights or the environment.

Consequently, AIM would **suggest rewording Article 22 of the proposed Directive** as outlined in the Annex of this commentary.

3.3. Harmonise EU civil liability regimes

As already stated under point 1, we are also **concerned about the possibility for national civil liability regimes to go further the proposed EU Directive**, which will undermine its harmonisation effect and lead to the fragmentation of enforcement rules, thereby undermining the objective of having a level playing field across EU Member States.

4. Environmental due diligence – clarify wording on environmental degradation

The proposed Directive covers human rights and environmental due diligence, in line with the OECD Guidelines for MNEs and the OECD Due Diligence Guidance for Responsible Business Conduct. It focuses on those environmental adverse impacts that can be clearly defined in selected international conventions, as listed in part II of the Annex to the proposed Directive.

AIM is **concerned by the overly broad wording** used in paragraph 18 of part I of the Annex on international human rights agreements **referring to "any measurable environmental degradation"**. This may open the door to the filing of frivolous claims linked to minor environmental harm not effectively impairing any of the human rights specified in subparagraphs (a) to (e). Our suggestion would be to use the term "**any severe environmental degradation"** and to call for the **issuance of guidance before the end of the transposition period** to clarify how the term "significant" should be interpreted.

5. Tackling the global challenge of climate change at the global level

Climate change is one of the greatest challenges we face, as society and as businesses. Tackling the accelerating pace of climate change requires transformational changes to the broader systems in which brands operate.

AIM members are committed to mitigating climate change by reaching the global consumer goods industry's goal of driving down carbon emissions through innovation in our production processes, our supply chains and our products. Many of our members have Net Zero plans in place and are actively working to implement them in line with the 1.5-degree global warming limit set out in the Paris Agreement.

AIM would like to **seek assurance that the climate plans that companies need to adopt under the proposed Directive can be established at the global level**. Businesses with different legal entities in the EU should be able to refer to their parent company plan to demonstrate compliance with national legislation in EU Member States where they are established.

6. Clarify Directors' Duty of Care

6.1. Clarify interaction between directors' duty of care and responsibility for putting in place and overseeing due diligence

The proposed Directive sets in Article 25 a duty of care requiring directors to consider the consequences of their decisions on sustainability issues. AIM believes that **the formulation of Article 25 is imprecise as it refers to undefined and broad terms, such as sustainability**. This does not provide any legal certainty for companies and will also lead to fragmentation of the EU single market as each Member State may interpret these terms in different ways.

In addition, the proposed Directive also requires, in Article 26, that directors of EU companies are responsible for putting in place and overseeing the due diligence actions of their company.

Individual directors could face increased litigation exposure pursuant to alleged breaches of their duty of care under domestic laws of Member States for matters that are outside of their control, or for any – even minor – breach of compliance by the company of its due diligence obligations.

There is a risk that a breach of Article 26 could automatically imply a breach of Article 25. Therefore, we **recommend that the proposed Directive explicitly clarifies that a breach of the due diligence obligations by the company would not automatically entail a breach of its director's duty of care**.

6.2. Enable the level of responsibility for duty of care to be set at the appropriate corporate level

Moreover, the director's duty of care, as proposed by the European Commission, would seemingly apply to each individual legal entity established in the EU, meaning also at sub-corporate level. We recommend that the directors of EU legal entities be entitled to fulfil their duty of care obligations by adhering to the global policies of the parent company of the EU legal entity.

AIM believes that companies should have the flexibility to decide the appropriate level at which the directors' responsibility for setting up and overseeing the due diligence should be set. Directors' duty of care needs to lie where the company strategy is created and its execution organised. This may differ in each company group depending on the way the supply chain and sourcing is structured. To avoid confusion as to where this duty of care lies in each company, this could be addressed in the reporting requirements by asking companies to identify which directors in their own organisation will need to comply with this duty of care.

7. Access to justice – set minimum requirements to file complaints

We support Recital 42 of the proposed Directive highlighting that *"recourse to the complaints and remediation mechanism should not prevent the complainant from having recourse to judicial remedies*", which is in line with UNGP29.[11]

AIM would advocate for a **set of minimum requirements for natural and legal persons to be entitled to bring administrative or legal complaints** based on "direct interest in acting" with a view to preventing frivolous or abusive complaints and lawsuits. These minimum criteria should comprise independence, non-profit character and representation of the affected parties as the main mission of the legal entity.[12]

8. Recognise the role of multi-stakeholder initiatives (MSI)

AIM is pleased that the proposed Directive recognises the valuable role that voluntary multi-stakeholder initiatives can play in helping identify, mitigate and prevent adverse impacts, provided that they are appropriate to support the fulfilment of the due diligence obligations. Collaboration by companies within and across sectors, including through multi-stakeholder initiatives and collaboration with civil society and trade union partners, is pivotal to tackling systemic human rights and environmental challenges within the confines of competition law.

AIM recognises that adherence to a multi-stakeholder initiative, a standard or certification scheme is not per se a substitute for an effective system of due diligence but should rather be a supporting mechanism. Nevertheless, this mechanism is essential to facilitate the implementation for companies and their business relationships (e.g. through the sharing of audit results within industry schemes) and simplify controls by competent authorities. Simultaneously, multi-stakeholder initiatives and industry schemes enable businesses to effectively use their leverage vis-à-vis business relationships and allow for collaborative learning to bundle industry know-how, ultimately stimulating continuous improvement on the ground.

Consequently, the issuing of guidance for assessing the fitness of industry schemes and multi-stakeholder initiatives as part of a company's overall due diligence approach will be a prerequisite for effective due diligence. A maximum harmonisation approach would avoid fragmentation of requirements between Member States' national legal regimes and ensure legal certainty and a level playing field for companies operating across the EU single market.

In this context, **EU competition rules should not stand in the way of sustainable development**. They should be reviewed to allow collaborative action on sustainability including human rights.[13] While companies can and do achieve some meaningful sustainability goals by acting alone, more

[11] UNGP29: *"Operational-level grievance mechanisms can be important complements to wider stakeholder engagement and collective bargaining processes but cannot substitute for either. They should not be used to undermine the role of legitimate trade unions in addressing labour-related disputes, nor to preclude access to judicial or other non-judicial grievance mechanisms."*

[12] These examples are inspired by the EU Directive on collective redress, which lists several criteria for legal entities to file collective complaints.

[13] See ongoing review of Chapter 9 of HBER Guidelines on sustainability agreements.

deep-rooted structural issues require partnership and collective action involving a wide range of stakeholders, including governments of countries in which these deep-rooted structural issues exist.

9. Support stakeholder engagement

The proposed Directive contains important references to stakeholders but does not give their perspectives and role the weight that the international standards do. Meaningful engagement with affected or potentially affected stakeholders or their legitimate representatives is central to making due diligence effective in practice. This is different from purely transactional due diligence.

The Directive should require and provide guidance regarding pro-active engagement with affected or potentially affected stakeholders at key moments in a company's due diligence process:

- In assessing and prioritizing risks (Article 6)
- In tracking effectiveness (Article 10)
- When communicating (Article 11)

The future Directive should clarify that this complements reactive engagement with affected or potentially affected stakeholders through complaints procedures; it should apply effectiveness criteria from UNGP 31. Special attention should be paid to protection of human rights and environmental defenders.

10. Strengthen cooperation with third countries through trade preferences and development policies

In line with the UNGPs, mandatory human rights and environmental due diligence legislation should be developed as part of a "smart mix" of measures by States – mandatory and voluntary, national and international. States should use mutually reinforcing policy tools to not only require but also incentivize and support businesses to respect human rights and the environment. This means that **the European Commission should complement its proposed EU Directive with approaches that foster business respect for human rights and the environment, such as trade preferences and development policies.** Member States should also be required to implement due diligence in their own public procurement approaches. In addition, the EU and Member States should exert direct leverage and support enabling environments to advance better human rights and environmental outcomes in their relationships with partner countries.

AIM calls for the EU Directive to **include provisions to strengthen the EU's external engagement with third countries**, promoting a strong national legal system and law enforcement, so as to improve the capacity of enforcement agencies, judicial systems and legal practitioners, and support the independence of the judiciary to enforce existing laws and prosecute illegal activities locally.

ANNEX

Proposal for amended Article 22 of proposed Directive:

"1. Member States shall ensure that companies are held liable for damages if:

(a) they failed to comply with the obligations laid down in Articles 7 or 8; and

(b) as a result of this failure, a severe adverse impact that should have been identified, prevented, mitigated, brought to an end or its extent minimised through the appropriate measures laid down in Articles 7 and 8 occurred, and that failure led to damage.

2. Notwithstanding paragraph 1, Member States shall ensure that companies shall not be held liable for any damage:

(a) resulting from a severe adverse impact referred to in paragraph 1 that is attributable to the intervening acts or omissions of any third party, unless that third party is a subsidiary over which, at the time of the activity giving rise to the adverse impact, the companies exercised decisive influence;

(b) caused by a severe adverse impact that occurred despite the companies having complied, in good faith, with the obligations laid down in Articles 7 and 8."[14]

[14] This provision retains the possibility of liability for impacts where the proximate and immediate cause was acts or omissions of a third party but is intended to limit any potential liability for acts of subsidiaries that can be demonstrated could have been prevented by the company.

About AIM

AIM is the European Brands Association representing brand manufacturers in Europe on key issues which affect their ability to design, distribute and market their brands.

AIM comprises 2500 businesses ranging from SMEs to multinationals, directly or indirectly through its corporate and national association members. Our members are united in their purpose to build strong, evocative brands, placing the consumer at the heart of everything they do.

AIM's mission is to create for brands an environment of fair and vigorous competition, fostering innovation and guaranteeing maximum value to consumers now and for generations to come. Building sustainable and trusted brands drives investment, creativity and innovation to meet and exceed consumer expectations. AIM's corporate members alone invested €14 billion in Research & Development in Europe in 2014, placing them fifth in the EU ranking of R&D investment.

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