

ESG Summit

The post Omnibus regulatory environment: What's happening and how will it impact your business?

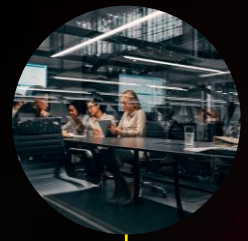
November 2025

The better the question. The better the answer. The better the world works.

Shape the future with confidence

The EU Omnibus Simplification Package

What impact does the proposed package have on your business?



Omnibus package



A **'stop-the-clock' directive** to postpone the effective dates of requirements under Corporate Sustainability Reporting Directive (CSRD) and Corporate Sustainability Due Dilligence Directive (CSDDD)



A directive making **substantive amendments to CSRD and CS3D** and their linkage to the EU Taxonomy (EUTR).



A **draft delegated act** to revise some of the currently applicable delegated acts under the **EUTR**



Proposal to **amend the Carbon Border Adjustment Mechanism (CBAM) Regulation**

The CSRD and ESRS initial proposed amendments

What should companies be thinking about to prepare?

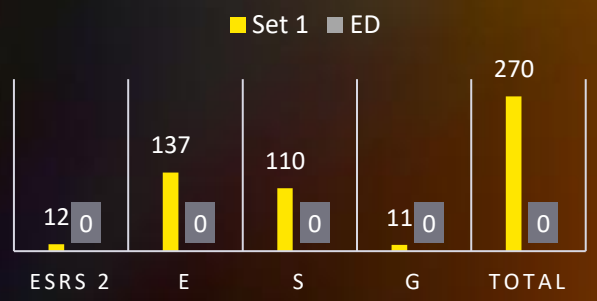


- **Postponement:** Proposed two-year postponement for Wave 2 + 3 reporters (to give time for second directive to change thresholds — see below)
- **Thresholds**: Will apply to large companies >1,000 employees with €50m turnover or €25m balance sheet (large companies with <1,000 employees, and SMEs to fall out of scope).
- **Third-country undertaking**: Raised from €150m to €450m turnover (timing now deferred).
- **Value chain reporting**: Limitations on data requests to SMEs.
- **Sector-specific standards**: Will not be developed.
- **Assurance:** Powers to move from limited to reasonable assurance removed.

ESRS shall disclosures*



ESRS may disclosures*



**Source: EFRAG, Basis for Conclusions, Draft Amended ESRS July 2025, pp. 81-82*

Important

Regardless of the outcome of the legislative process, here are general recommendations (including no-regret actions) that are applicable for all companies:

Assess scope and compliance impact	Strengthen governance and data integrity	Future-proof sustainability strategy	Leverage technology
Maintain double materiality analysis	Adapt value chain engagement	Engage with value chain stakeholders	Align with best practices

The opportunities continue to outweigh the risks

The reduced scope and reduced requirements create opportunities for flexibility, more time for preparation and cost savings. They also present potential challenges to achieving sustainability outcomes. Key opportunities for companies to capitalise on include:

4 Competitive advantage and market leadership

3 Sustainability impact beyond compliance

2 More resources to focus on strategic initiatives.

1 More time to prepare.



1 The gap between regulatory requirements and investor expectations may widen.

2 Lack of comparability across companies, sectors and countries

3 Reduced governance over sustainability information

What should businesses do to prepare?

It is critical that the progress of the Package through the legislative process is monitored, which includes national transpositions. Be aware of potential national-level sustainability reporting requirements beyond the EU directives. Be mindful that compliance may be necessary if the current implementation picture across EU remains static and the “stop-the-clock” directive is not agreed and transposed.

Actions

Regardless of the outcome of the legislative process, here are general recommendations (including no-regret actions) that are applicable for all companies:

- **Assess scope and compliance impact**
- **Strengthen governance and data integrity**
- **Future-proof sustainability strategy**
- **Leverage technology**
- **Maintain double materiality analysis**
- **Adapt value chain engagement**
- **Engage with customers and clients further up value chain**
- **Align with voluntary standards and best practices**

Full Omnibus Announcement: Omnibus I - European Commission

EY analysis: How to navigate the EU Omnibus Simplification Package

Sectoral Trends

How are Irish businesses currently being impacted by sustainability?

	**Life Science and Healthcare**	ESG risk modelling and materiality assessments	AI regulation compliance for medical devices	Decarbonisation and biodiversity integration
	**Technology**	Carbon neutral infrastructure goals	Sustainability intelligence platforms	Supply chain decarbonisation (Scope 3)
	**Farming and Agriculture**	Methane reduction and regenerative farming	EU eco-schemes and soil strategy	Tools to monitor emissions & biodiversity
	**Financial Services**	Sustainable finance and ESG integration	Climate risk stress testing	Sustainability assurance & reporting
	**Construction**	Circular economy and lean construction	Green public procurement	Energy efficient infrastructure
	**Retail**	Circular fashion and waste reduction	Sustainability in automotive retail	AI in retail sustainability

Our recent State of Sustainability Report found

62%

of organisations now have a C-suite executive accountable for sustainability

57%

of organisations use data management solutions for sustainability

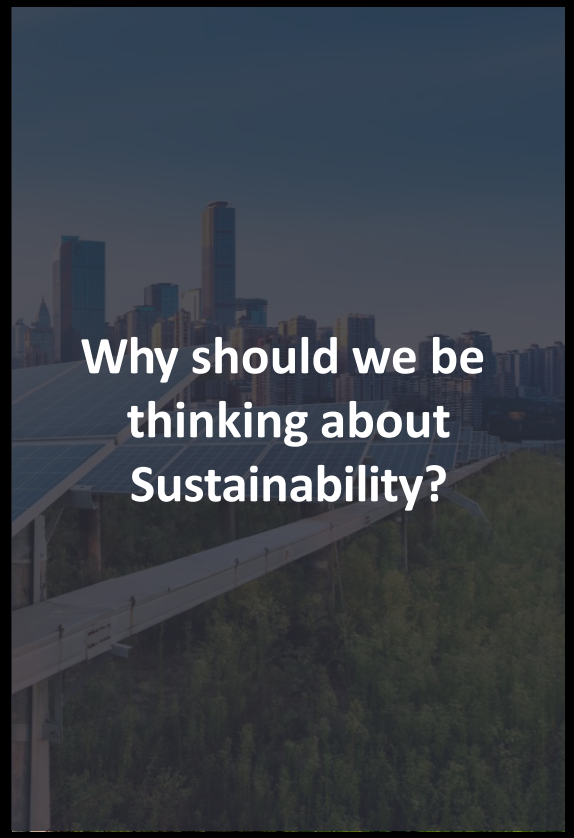
56%

of organisations believe their sustainability efforts have positively impacted their bottom line



Sustainability business case

Are we shaping the market or is the market shaping us?



New growth opportunities

- Access to **new markets, investors and customers**
- Attracts **quality talent**
- Strengthens **social license**
- Encourages **innovation** and **collaboration**

Cost savings

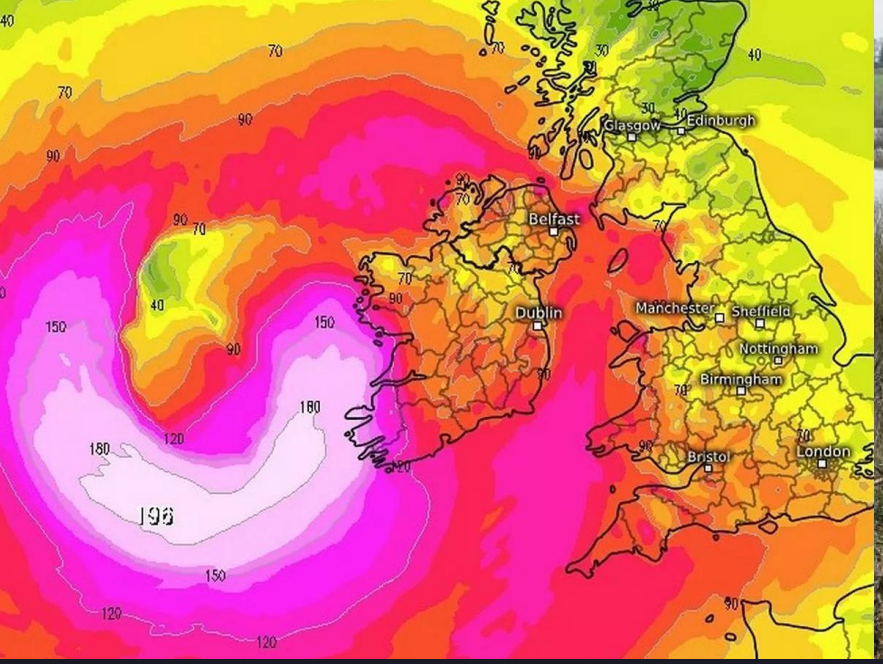
- Lowers cost of capital
- Improves staff productivity & retention
- Increases operational and resource efficiency
- Reduces supply chain complexity and waste

Risk management

- Reduces reputational, regulatory & operational risk
- Future proofs against stricter
- regulatory & legal requirements
- Enhances governance
- Forecasts & mitigates emerging threats to the business model

Contribution to Society

A strong sustainability agenda helps organisations meet their stakeholders' needs and expectations, including **fostering social value** and **regenerating our environment.**







The impact is being felt… now





