

6 March 2025

Dear Board members,

The European Commission has just made public its Omnibus Regulation, which significantly modify the scope of the companies affected by the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD).

The reporting relief is good news for the competitiveness of companies and for the European economy. This announcement should be seen as an opportunity to spread efforts over time and gain experience, all while staying on course.

The goal of making European companies more sustainable in the long term must remain a collective goal, but above all, an objective for each company. This is why ecoDa, through its national institutes for directors, encourages directors to continue their efforts and to be change agents within their companies, even on a voluntary approach.

European competitiveness necessarily depends on:

- The commitment of European companies to undertake an in-depth review of their current business model, adapt it or accelerate its transformation to meet the challenges and opportunities of the transition journey in a sustainable way.
- The effective performance of a Double Materiality Assessment (DMA): in-depth DMA brings new perspectives to the boards as it requires a strategic analysis of the business model and value chain on the three dimensions of environment, social and governance, beyond costs. These new inputs will help shape strategy for the future with the right focus and prioritisation on truly material topics.
- The ability of European companies to distinguish themselves and provide a minimum foundation of comparable and consistent information to attract investors;

Without these elements, directors cannot claim to properly fulfil their duties or justify their strategic decisions. The environmental responsibility of companies can be held accountable in court both within European territory and beyond. It should not be forgotten that some countries have 'polluter pays' policies and/or punitive damage laws that can be extremely financially penalizing for foreign companies.

Companies which will apply the CSRD on a voluntary basis can adopt a gradual approach, capping the number of topics covered in the first year, with a plan to progressively add the most important topics identified as part of the DMA, and set clear and gradual objectives, including first-tier suppliers and ensuring clear communication. Larger companies while not seeing major reduction in compliance requirements nevertheless will benefit by keeping robust sustainability standards while continuing with their existing commitments and investments.

As board members of companies still within the CSRD scope or engaged in a voluntary approach, you can rely on ecoDa and its member institutes, which will continue to support you in enhancing your ability to move to the next level.

Thanks for your consideration,

With best regards,



Rytis Ambrazevicius  
ecoDa's Chair

**About ecoDa:**

*ecoDa is the European Voice of Board Members, an independent actor and a unique umbrella organization representing the main national institutes of directors in Europe.*

*The member institutes of ecoDa cover in total some 55,000 individual directors across 21 countries, sitting on the board of companies of all sizes and sectors. All ecoDa member institutes are non-profit organizations and are recognized as the leading institute for directors and governance in their respective countries. ecoDa is a member of the Global Network of Director Institutes (GNDI).*