

REPORT

BEYOND COMPLIANCE:
**SUSTAINABILITY
REPORTING**
AFTER THE OMNIBUS



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Executive Summary

How the Omnibus I package is shaping the future of reporting

Sustainability reporting in Europe has entered a new phase.

For years, the regulatory trajectory was largely one-directional: more requirements, more companies in scope, more data points to disclose. The Omnibus package has changed this direction, easing requirements and removing most companies from a formal reporting scope.

What remains unresolved is not whether companies can step back from reporting, but whether it makes sense to do so.

Our report examines how organizations are responding to that choice. The findings are telling: **ninety percent of companies excluded from CSRD scope state they will continue sustainability reporting.** When regulatory pressure softens and organizations continue reporting anyway, it tells us something important. Reporting is no longer merely a compliance exercise for many companies, but part of how they understand risk, allocate capital, and manage relationships with stakeholders.



ALBERTO ZAMORA

Co-Founder and Co-CEO, osapiens

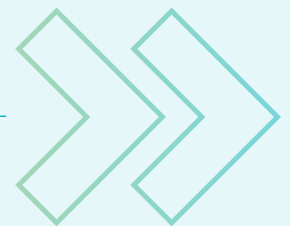
Companies that treat sustainability data as decision infrastructure, rather than a reporting obligation, are better positioned to navigate uncertainty. They identify risks earlier, respond to investors more credibly, and make operational decisions with greater clarity. **This foundation of reliable sustainability data becomes the basis for driving sustainable growth across the entire value chain** – from operations and supply chain management to strategic investment decisions.

To deepen this analysis, we have asked **Andreas Rasche, Professor and Associate Dean at Copenhagen Business School**, whose research focuses on corporate sustainability and ESG, to interpret some of the results. His insights throughout this report provide valuable context on the strategic implications of regulatory simplification.



90%

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02. Research Methodology

This report is based on a structured survey conducted between December 2025 and January 2026.

We surveyed **403 senior decision makers** across the **UK** (100 respondents), **DACH** – Germany, Austria, Switzerland (100 respondents), **Benelux** – Belgium, Netherlands, Luxembourg (101 respondents) and **France** (102 respondents) with the aim to gather insights into decision makers who have been affected by the Omnibus decision, alongside the challenges they have encountered so far and what they are expecting to see in the coming months.

403
decision-makers

1,000+
Employees

The survey targeted professionals in senior decision-making roles, including Head of Sustainability, Head of Compliance, CFO, CIO, Head of Supply Chain, Head of Human Rights.

All of those targeted work for companies with **1,000+ employees**, and for the UK, with material operations into the EU. Following the Omnibus simplification, **24% of these respondents are expected to fall out of the scope** of CSDR reporting requirements, while **76% remain in scope**.

Participants across all areas were asked a series of structured multiple choice and select-all-that-apply questions in order to successfully build this white paper. The questions covered support, internal factors, the integration of sustainability and finance, regulatory compliance and standardized sustainability reporting.



03. The Rules of Reporting Have Changed

For much of the past five years, the trajectory of sustainability regulation in Europe has appeared fixed. Policymakers have expanded the scope and enforceability of ESG reporting, while companies have been racing to build the systems and processes needed to keep up.

The European Commission's Sustainability Omnibus package has altered that rhythm, by recalibrating how quickly and for whom the rules apply.

The Omnibus decision: what happened, and what it reflects

The **Sustainability Omnibus (Omnibus I Package)** was introduced in 2025 against a backdrop of growing concern about regulatory overload. As the CSRD, CSDDD and related frameworks moved from policy design into implementation, discussions intensified among policymakers, member states, busi-

ness associations, and companies regarding scope, timelines, and administrative requirements.

The Omnibus package introduced adjustments to existing sustainability regulations, including **changes to thresholds, timelines, and specific requirements**. As a result, some companies that were previously preparing for near-term reporting obligations are now subject to revised or delayed requirements, while others remain fully in scope.

The Omnibus package does not remove sustainability reporting as a regulatory concept, nor does it replace the existing frameworks. Instead, it modifies how obligations are distributed across companies. The underlying policy logic – that sustainability risks are financially material and demand structured disclosure – remains intact. However, what has changed is the sequencing and proportionality of obligations.

Who is affected by the change and how?

Who is affected?

How are they affected?

Who will have to continue reporting?

CSRD

Corporate Sustainability Reporting Directive

- ▶ Adjustments narrow the immediate reporting population by refining thresholds and timelines, particularly for non-listed companies.
- ▶ While large listed firms remain fully in scope, some organizations previously preparing for near-term inclusion now face delayed or reduced obligations.

- ▶ Companies with **more than 1,000 employees** within the financial year, and net turnover exceeding **€450 million**.
- ▶ UK companies who are generating more than **€450 million** net turnover in the EU, or with an EU subsidiary or branch with at least **€200 million** net turnover.

CSDDD

Corporate Sustainability Due Diligence Directive

- ▶ The most notable changes relate to due diligence expectations across value chains. Requirements are being clarified and, in some cases, softened to reduce duplication with existing processes and avoid imposing disproportionate burdens on smaller suppliers.
- ▶ The net effect is a more tiered regulatory landscape. Obligations are increasingly differentiated by company size, listing status and role within the value chain.

- ▶ EU companies with more than **5,000 employees**
- ▶ Non-EU companies who are generating **€1.5 billion** of large turnover



“The Omnibus has changed how sustainability reporting obligations apply, but it has **not necessarily removed the underlying rationale for reporting**. Stakeholder expectations for sustainability reporting still exist – from business partners, investors, banks, and from society more broadly. Being “out of scope” of the CSRD does not imply companies are out of scope of social and environmental risks.

For companies, the **key question** is no longer only whether they are formally required to report, but **how sustainability information continues to support decision-making, risk management, and credibility** in a changing regulatory environment.”



ANDREAS RASCHE

*Professor of Business in Society,
Copenhagen Business School*



What has not changed

Scrutiny is intensifying

Investors, lenders and regulators **continue to integrate ESG factors** into risk assessment and capital allocation

Sustainability data remains financially relevant, and will continue to expand

Climate exposure, human rights risks and supply-chain resilience **are no longer treated as peripheral concerns**

Accountability extends beyond compliance

Companies are increasingly judged on the **credibility of their data and the coherence of their transition strategies**

04 Organizations Choose Continuity

The Omnibus package has prompted renewed debate about the future of sustainability reporting in Europe. While simplified requirements have reduced formal obligations for some organizations, the assumption that reporting activity would decline does not reflect how companies are responding in practice.

Our research, conducted across the EU and UK following the decision, indicates that most organizations excluded from formal reporting scope intend to maintain, and in many cases expand, their sustainability reporting activity.

What were our key findings?

24% of the respondents have been excluded from formal reporting requirements following the Omnibus simplification

90% of those plan to maintain or expand their sustainability reporting, even while being excluded.

86% of those choosing to maintain or expand reporting are confident they can continue producing reports aligned with CSRD-level standards and expectations.



≈ 90%

Plan to invest in tools and automation

of all respondents expect their organization's investment in sustainability reporting solutions and automation to increase in the next 12 months.

90% of organizations already have sustainability reporting integrated with finance reports, whether partially or fully.

90%

already have sustainable reporting integrated



What were our key findings?

84%

of respondents think less regulatory pressure will eventually reduce resources allocated to sustainability reporting.

On the surface, the findings point to a positive picture of what the reporting landscape looks like post Omnibus. But a degree of tension remains. **For those who have been excluded from formal reporting requirements, many intend to continue reporting. 90% or all respondents plan to invest in more tool automation to support reporting.** But the picture is less clear about how the approach will be sustained over time as policy shifts and when internal resourcing priorities eventually compete.



What continuity looks like in practice

Despite changes to formal reporting scope, **most organizations remain confident in their ability to maintain sustainability reporting** aligned with CSRD-level requirements using existing resources. Many had previously been subject to in-depth reporting requirements, with processes, structures, and systems already established. In the near term, maintaining these arrangements may be more practical than discontinuing reporting activity entirely.

Continuity in reporting is largely managed through established frameworks without materially changing existing reporting processes.



“The results show a **clear preference for reporting continuity**, even as policy shifts have caused uncertainty. This reflects the fact that many organizations have already **embedded sustainability reporting into planning, governance, and internal decision-making.**”

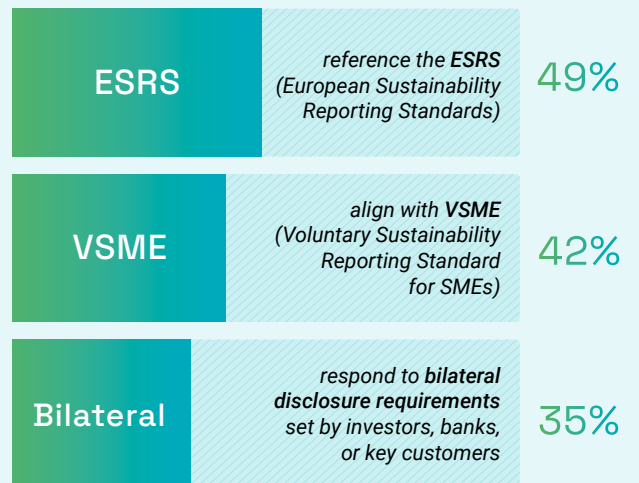
Companies can therefore no longer rely on compliance alone to justify reporting. They must really **consider the purpose of voluntary action** and decide what role sustainability reporting plays in how they run the business.”

ANDREAS RASCHE

Professor of Business in Society,
Copenhagen Business School



Sustainable reporting frameworks respondents align most with:



90%

are expected to **increase investment** in sustainability reporting tools and automation in the next 12 months



05. Beyond Compliance – How Organizations Benefit from Sustainability Reporting

Sustainability reporting has taken many forms, evolving alongside regulatory changes and corporate practice. While it started off as a response to external expectations, it now supports long-term resilience across the business.

Most large companies have built mandatory reporting into their operating model for years, while data has become deeply embedded in how they assess business risk and exposure. This shift helps explain why **90%** of organizations – which are all large firms with at least 1,000 employees and prior experience of regulatory reporting – have opted to **maintain or expand their sustainability reporting**, even when it is no longer mandated for them.

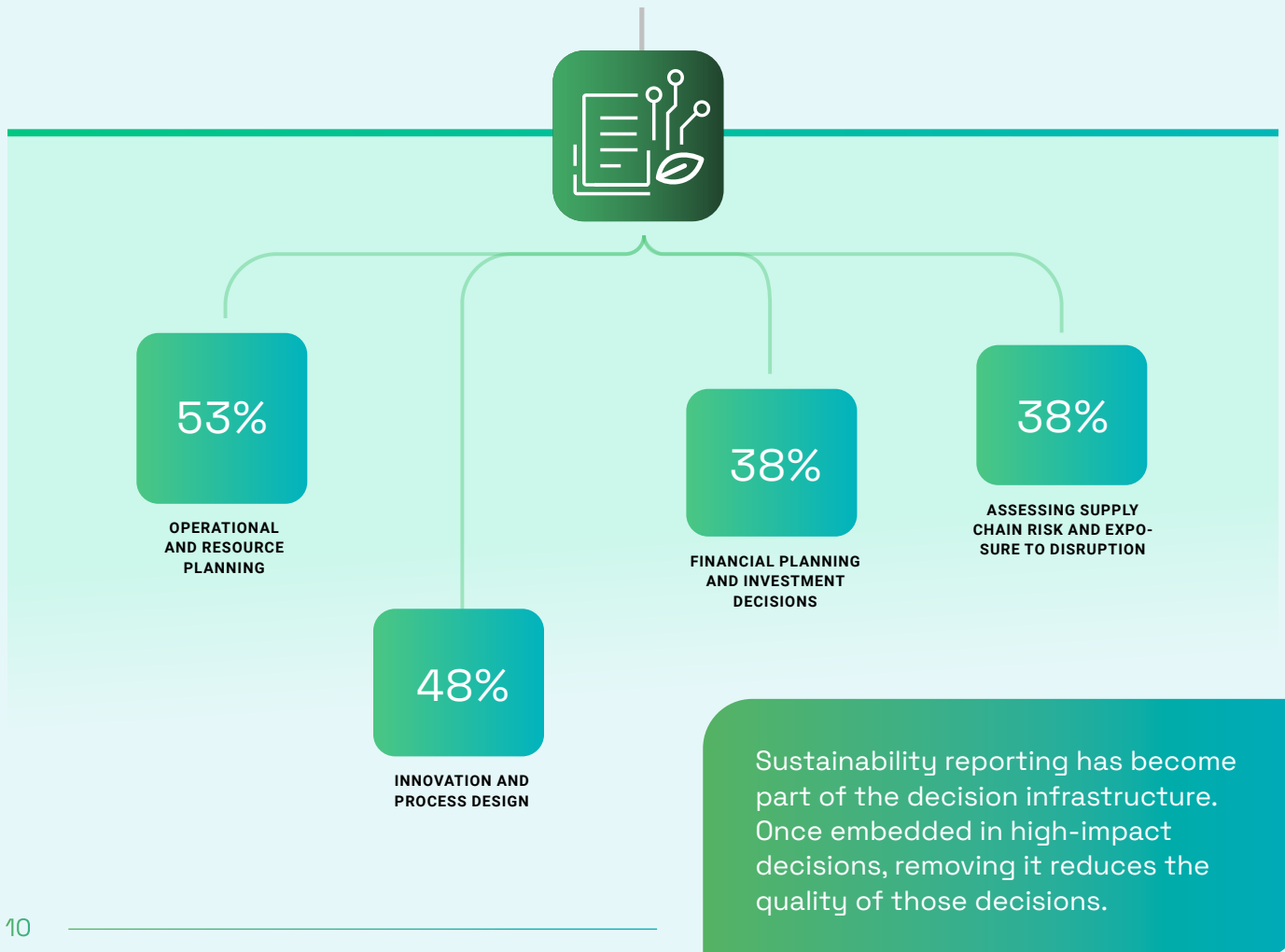


90%

of organizations have **opted to maintain or expand their sustainability reporting**, even when it is no longer mandated.

Sustainability data adds an extra dimension to decision-making, helping teams surface risks they might otherwise overlook. When data is embedded at this level, sustainability reporting becomes hard to remove without reducing the overall quality of decision-making.

Where organizations are already using sustainability data:



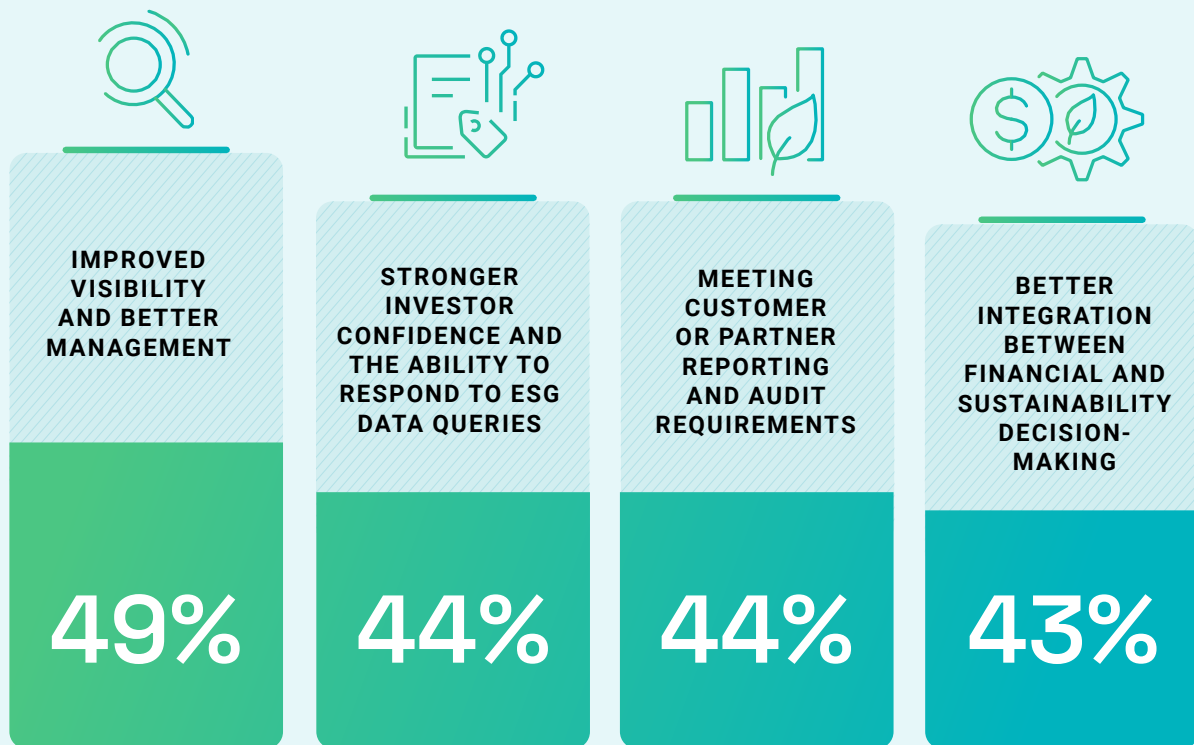
Where Firms Stand Today – A Realistic Picture The Data’s Greatest Strength

The strengths of reporting concentrated on **areas where scrutiny and exposure already run high**, such as in procurement requirements, investor due diligence, and maintaining eligibility with partners who expect auditable information as part of the vetting process.

Nearly half of organizations point to **improved visibility into operational risk** as the leading advantage, pointing to a growing consensus around the role sustainability data plays.

In these situations, leaders need data that holds up. Credible sustainability data increasingly determines who moves forward and who does not. As large organizations converge around this expectation, they begin to define what acceptable practice looks like for others.

The areas where respondents saw the greatest strength of sustainability reporting data:



Improved visibility into climate, supply chain, and operational risks, and better management of these risks (49.2%)

Stronger investor confidence and the ability to respond to ESG data queries with auditable information (43.8%)

Meeting customer or partner reporting and audit requirements, particularly in procurement and RFP processes (43.8%)

Better integration between financial and sustainability decision-making (43.3%)

Where Sustainability and Financial Reporting Meet

Environmental impact remains a central focus of sustainability reporting, but it represents only part of the broader disclosure landscape. As reporting matures, sustainability data will increasingly intersect with **financial exposure, risk assessment, and performance oversight**.

This shift pulls sustainability reporting closer to financial reporting themes, and our data reflects this clearly. **Nine in ten respondents** say that **sustainability reporting is already partially or fully integrated with financial reporting**, where sustainability metrics are already feeding into financial reporting cycles, and most expect that collaboration to deepen over the next 12 months.

That integration changes the nature of sustainability reporting. Finance teams apply standards around consistency, auditability, and materiality that sustainability functions cannot sustain alone. Where disclosures affect investment decisions or enterprise value, organizations now review sustainability data through a financial lens.

On the flip side, the **financial landscape now depends on data that sits beyond the finance function** and reacts quickly to regulatory and market signals. Chief Financial Officers (CFOs) operate in an environment where investors scrutinize long-term risk closely. Sustainability information has moved from context to input in how companies are assessed.

Once sustainability reporting is integrated in financial governance, rolling it back doesn't happen with the flick of a switch, while finance functions have low tolerance for gaps or ad-hoc processes. The **integration locks sustainability reporting into the management system** as part of how the business ultimately evaluates risk and value through and through.

90%

say sustainability reporting is **partially or fully integrated** with financial reporting



Most organizations expect the **collaboration** to deepen in the next

12 months



06 Challenges and the Road Ahead

Our research findings point to a **strong near-term commitment to sustainability reporting** while demonstrating sustainability reporting as a valued strategic discipline. As it stands, however, its long-term durability should not be assumed.

Changes introduced through the Omnibus decision have reduced immediate regulatory pressure for some organizations. This has created what our research calls the “**sustainability paradox**”. While **90%** of organizations that have been excluded from reporting requirements **plan to continue reporting**, nearly the same proportion (**84.5%**) expect that the reduced scrutiny will lead to **fewer internal resources** allocated to these efforts.

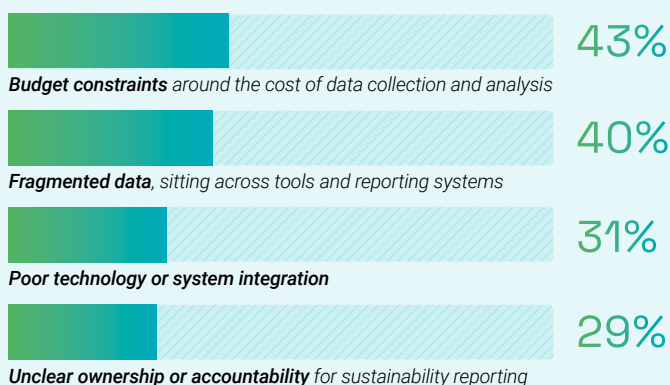


84% of respondents expect that **reduced regulatory scrutiny will lead to fewer internal resources** being allocated to sustainability reporting.

Reduced resourcing does not immediately undermine reporting quality, but it does change its course. Institutional knowledge is concentrated in fewer individuals, and integration with key functions like finance or operations slows. Over time, reporting becomes harder to maintain at the same standard.

To add to the challenge, **over 40%** of respondents expect **internal resources dedicated to sustainability reporting to taper off** in light of relaxed scrutiny. The concerns are also exacerbated by existing operational challenges, creating the need to bring stakeholders in on the value of reporting.

The top internal barriers hindering structured reporting



The risks of rolling back

Reducing or rolling back sustainability reporting activity carries its own risks, even for organizations that actively recognize its benefits. When the processes are allowed to weaken over time, organizations will risk creating exposure for themselves. These challenges only amplify the overall risk to a business when circumstances change:

Organizations may find it **harder to respond to sudden regulatory changes** or **stakeholder disclosure requirements**.

The unclear responsibilities make **coordination more difficult**. Budget pressures may make it **difficult to mobilize resources quickly** if more comprehensive reporting is required at short notice.

Without a clear business case, sustainability reporting risks being deprioritized even if deemed ‘essential’ by those running it. If this is left unmanaged, sustainability reporting may even be eliminated entirely.



“One of the most telling findings in the survey is the **gap between intention and resourcing**. While most organizations plan to continue reporting, a large share also expects internal resources to decline.

If firms can no longer rely on compliance alone to justify sustainability reporting, it only survives if leaders can **explain its purpose inside the business**. They need to decide what sustainability reporting enables – whether it supports decision-making, risk management, or long-term strategy – and resource it accordingly.

Voluntary action without a clear rationale will not sustain itself. This is the moment for organizations to reflect on **why they report and what they want reporting to deliver**, beyond meeting external requirements.”



ANDREAS RASCHE

Professor of Business in Society,
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07. The Business Case for Sustainability Reporting

Many organizations **continue to report** because the **data now supports decisions that carry real operational, financial, and strategic weight.**

That continuity is fragile, however. Without a **clear internal rationale**, sustainability reporting remains exposed to cost pressure, reprioritization, and leadership change. Scaling back reporting often appears low-risk in the short term, but the consequences accumulate over time.

Larger organizations play a big part in shaping this dynamic. Their choices influence expectations across value chains, capital markets, and partnerships. When they sustain reporting, they set

a baseline that others follow. And consequently, when they step back, reporting loses its place in the room.

Without a **clear internal business case**, reporting remains exposed to cost pressure, reprioritization, and leadership turnover. Therefore, organizations need to define why reporting matters internally, integrate it across functions, and run it as efficiently as possible. The greatest hurdle lies in making sustainability reporting relevant to multiple internal audiences at once, each with different incentives and pressures.

With this in mind, we set out a **practical framework** for building a durable business case for reporting. Maintaining sustainability reporting requires different arguments for different audiences - anchoring outcomes to what each stakeholder values.

Framework for building a durable business case for reporting

The Business Case for Sustainability Reporting		Primary audience
<p>01 Protecting decision quality in high-impact areas</p>	<p>Sustainability reporting adds a dimension to decision-making that did not previously exist. Once this layer exists, rolling it back makes little sense while introducing even more decision blindspots. In high-impact business areas such as resource planning, supply chain visibility, investment, and risk management, losing that visibility only increases uncertainty rather than reducing effort.</p>	<p>Executive leadership, operations, and risk management teams.</p>
<p>02 Protecting valuation in risk-sensitive markets</p>	<p>Changes in disclosure rules have not changed how investors assess risk. Institutional investors continue to use all available data to judge a company's exposure and governance quality. When disclosure weakens, investors assume visibility has declined and price that uncertainty accordingly. In European markets, investors respond to reduced visibility by adjusting expectations, limiting exposure, or applying more conservative risk assumptions.</p> <p>Investors expect structured, transparent, and financially relevant sustainability data, not high-level intentions or narrative assurances.</p>	<p>CEO, CFO, Investor Relations</p>
<p>03 Protecting revenue through meeting external requirements</p>	<p>Customers and partners that aim to reduce their supply-chain footprint build sustainability reporting into due diligence. Companies that cannot meet these expectations restrict their access to larger firms or higher-value opportunities and partnerships. Where partners carry Scope 3 reporting obligations, they pass those requirements downstream, making credible sustainability data a condition for doing business.</p>	<p>Commercial leadership, procurement, and partnerships team.</p>
<p>04 Maintain readiness as regulations evolve</p>	<p>Regulatory requirements will change again, even if the shape and timing remain unclear. Organizations that dismantle the reporting baseline risk rebuilding under pressure, often with incomplete data and weaker assumptions, inviting further scrutiny. There are purpose-built platforms that help keep things streamlined</p>	<p>Executive leadership, legal and finance teams.</p>

08 Six Steps to Build Your 2026 Sustainability Reporting Roadmap



Can we sustain reporting?

Any reporting roadmap needs to **start with a clear understanding of where they currently stand.** This involves taking stock of current reporting practices, frameworks, data availability, and how embedded they are within the business.

Effective reporting begins with understanding the current state of ESG capabilities. This involves:

1. **Evaluating** the completeness and quality of **existing sustainability data**
2. **Identifying gaps in governance, processes, and reporting frameworks**
3. **Benchmarking** against industry standards and peer practices to determine relative maturity



Governance defines who is responsible for sustainability reporting, how decisions are made, and how reporting is prioritised alongside other business activities. In a simplified regulatory environment, this clarity only becomes more important.

The focus areas include:

1. Establishing **executive sponsorship and board-level oversight**
2. **Defining roles, responsibilities, and accountability** across functions
3. **Embedding sustainability objectives** into corporate strategy and decision-making processes

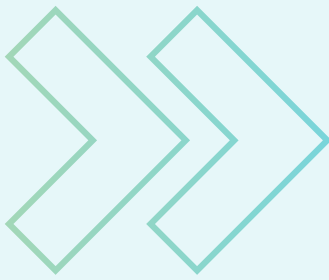


Is the data structured and embedded where decisions are made?

Reporting is fragile when data is fragmented or manually assembled. **Structured data flows and data governance** ensure consistency, reduces reporting effort and make output reliable. We recommend:

1. **Mapping sources of ESG data across** operations and supply chains
2. **Standardize collection, validation, and reporting processes**
3. Assigning **clear ownership** and accountability for each data point
4. **Automating** where it makes sense





Can the data flex to meet different stakeholder needs?

Sustainability reporting is more likely to endure when the data it produces is recognized as useful beyond sustainability teams.

Shared metrics and common understanding across functions help embed reporting within everyday decision-making rather than treating it as a standalone exercise. It can look like:

1. **Promoting cooperation between operations, finance, risk, HR, and IT teams**
2. **Defining clear, measurable KPIs** linked to each functions' strategic objectives
3. **Ensuring shared understanding** of metrics and reporting processes



As sustainability disclosures increasingly intersect with financially material risks and planning decisions, **alignment with finance and risk functions** supports oversight, validation, and use of sustainability data within existing reporting structures.

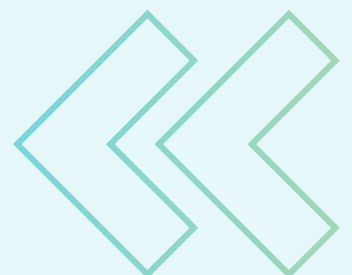
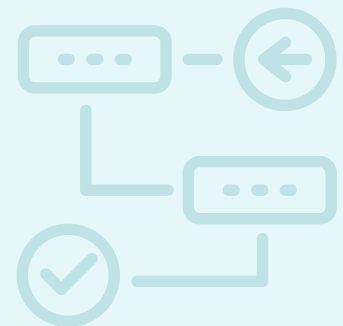
Integration involves:

1. **Aligning** ESG indicators with **financial planning and forecasting**
2. **Incorporating** sustainability risks into **enterprise risk management processes**
3. **Coordinating** with **audit and compliance** teams to validate data quality



Organizations rarely report to a single audience and this final step recognizes that.

When **data is kept interoperable**, it ensures sustainability information are reused across different reporting contexts, supporting responsiveness while avoiding unnecessary duplication.



09. How osapiens can help

The Omnibus package has created a moment of choice for many organizations. Regulatory pressure has eased for some, but the **strategic case for sustainability reporting** has not disappeared. Investors, customers, and supply chain partners continue to demand credible information.

This report shows that the **majority of companies excluded from mandatory scope choose continuity**. They recognize that **reporting supports risk management, stakeholder engagement, and strategic decision-making**. At the same time, the **data reveals real pressure**: fewer resources, competing priorities, and uncertainty about how to justify reporting investments internally.

Organizations that maintain continuity need **infrastructure that makes reporting efficient and reliable**. Fragmented systems and manual processes create risk – not just in accuracy, but in the ability to sustain effort as priorities shift.

The **osapiens HUB Reporting Cockpit** consolidates sustainability KPIs across multiple frameworks (CSRD, ESRS, VSME, CCF, GRI, ISSB) into a **single, centralized platform**. Data from diverse sources is validated and structured for consistent, audit-ready reporting. Built-in workflows ensure accountability and traceability at every step.

The platform supports both standard and custom KPIs, allowing organizations to track regulatory requirements alongside company-specific metrics. Pre-configured templates for common frameworks accelerate setup, while flexible data models enable tailored configurations that reflect unique business structures and priorities.

Automation reduces manual work, accelerates reporting cycles, and frees teams to focus on analysis. **Companies gain real-time visibility into sustainability performance, enabling faster decisions and more credible disclosure**. Whether you remain in regulatory scope or are navigating voluntary reporting, **osapiens provides the infrastructure to manage complexity with clarity**.

Want to learn more
about the osapiens HUB?

Get to know more!





osapiens – one platform for sustainable growth

osapiens develops cloud-based software solutions that empower companies to drive sustainable growth across their entire value chain. With powerful data integration and real-time analytics, osapiens supports companies to consolidate, interpret and act on complex operational data and sustainability metrics.

The osapiens HUB – a scalable, AI-powered platform – combines over 25 solutions to enhance operational efficiency and sustainability in two core areas: **Transparency solutions** enable companies to map and monitor their entire value chain to mitigate supply chain risks and comply with regulatory requirements such as EUDR, CSRD and CSDDD. **Efficiency solutions** digitalize and connect processes across procurement, maintenance, service, and distribution to enable smarter planning and seamless operations.

Headquartered in Mannheim, Germany, osapiens works with an international team of over 550 employees to support more than 2,500 customers worldwide.

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