



ENGAGE
for ESG

The European Commission First Omnibus Package

Thursday, 13 March 2025





Today's Speakers



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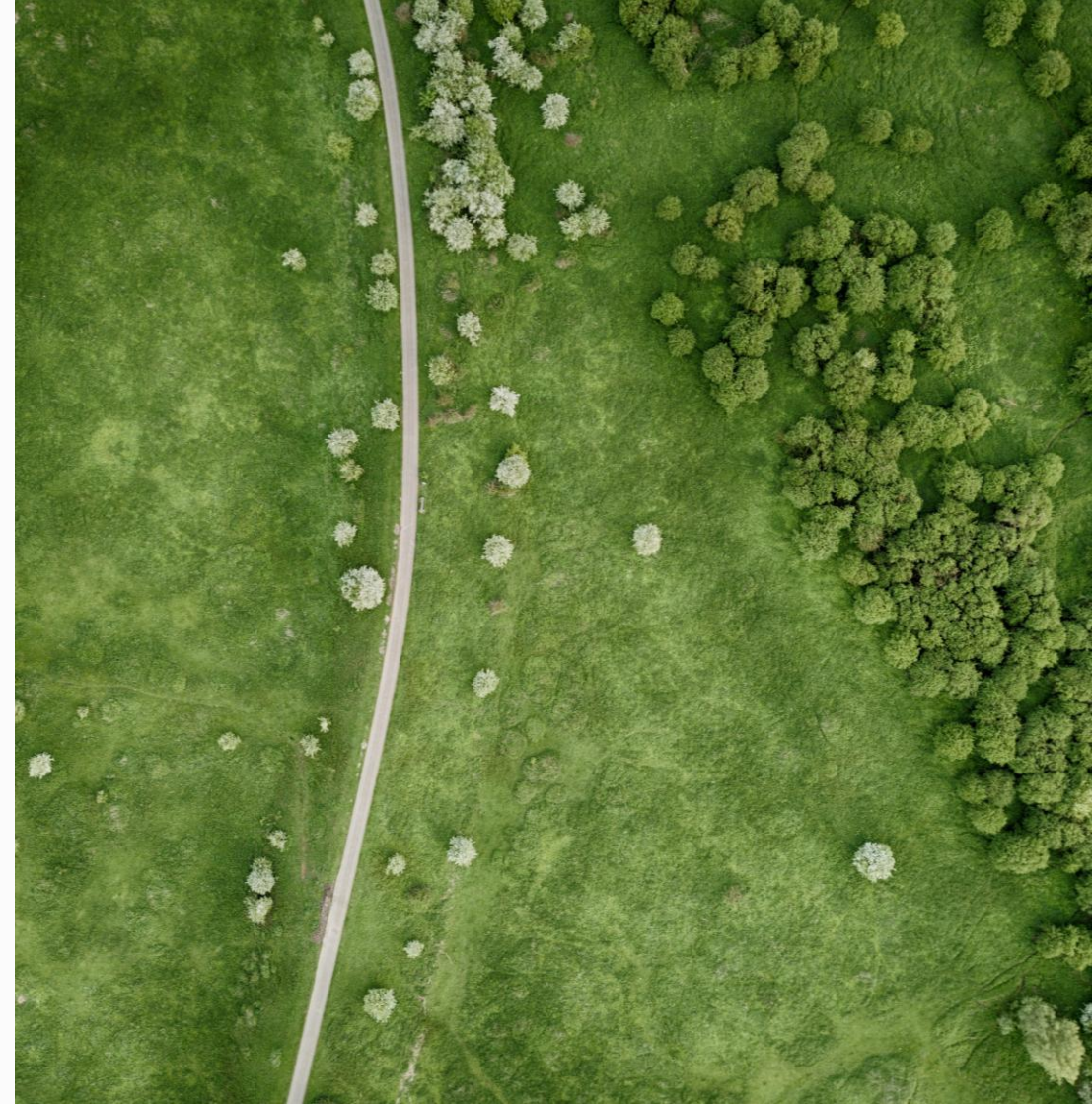


Vincent Mahieu
Head of Energy Efficiency &
Regulatory Technology
Hypoport



Agenda

- Welcome and introduction
- The European Commission first Omnibus package:
 - Summary
 - Relevance for ENGAGE for ESG
- What's next with ENGAGE for ESG





Welcome & Introduction

Marco Angheben

European DataWarehouse





ENGAGE for ESG initiative

- Co-funded by the European Union with a LIFE grant
- **Duration:** 1 November 2022 – 31 October 2025
- Six consortium partners from across Europe
- **Scope:** ENGAGE for ESG aims to provide:
 - A. A **simple solution** for **ESG reporting**
 - B. For **mortgages** and **home renovation loans** to check **alignment** with:
 1. the **EU Taxonomy Regulation**;
 2. in compliance with the **Energy Performance of Buildings Directive**; and
 3. the **General Data Protection Regulation**.

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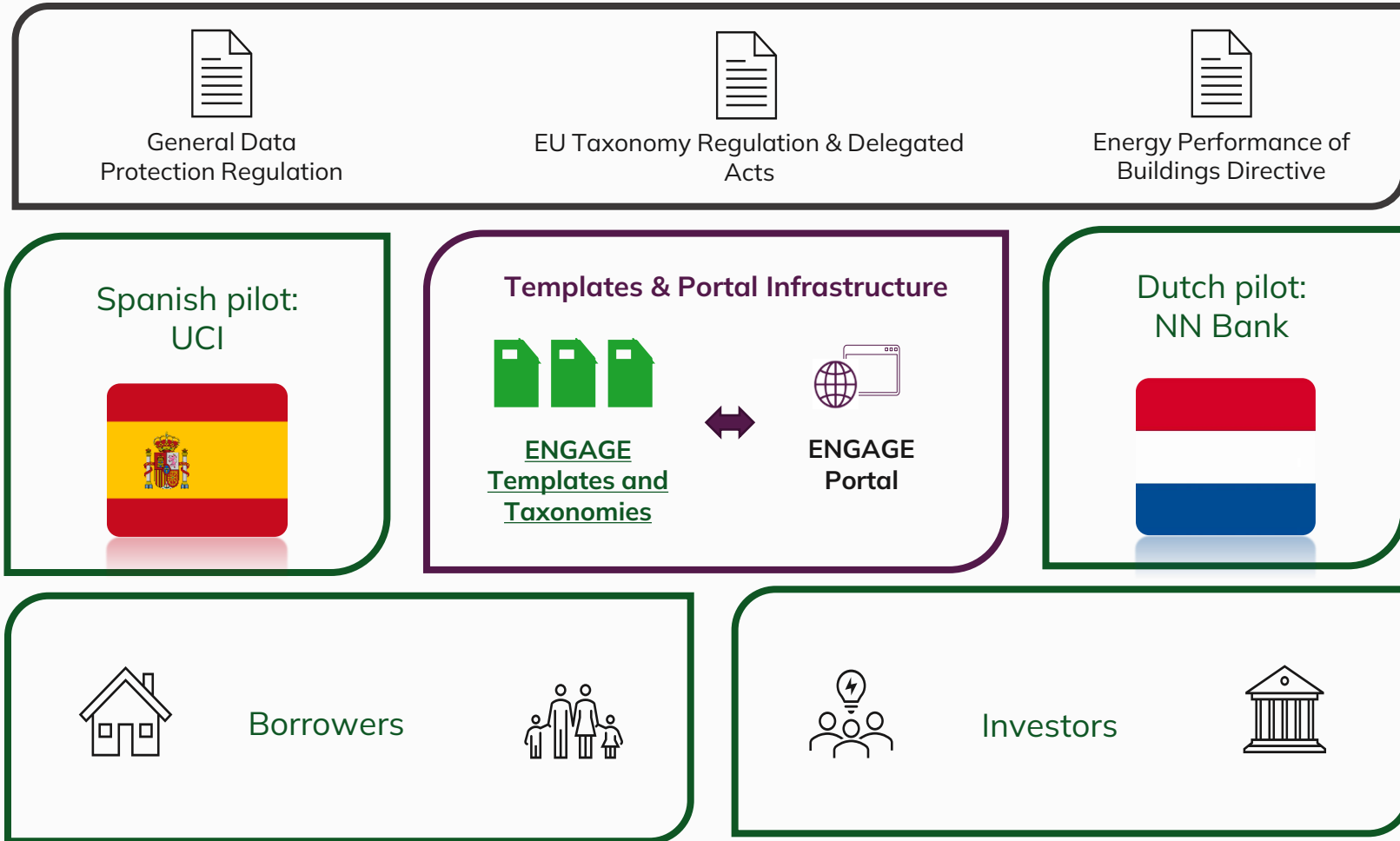
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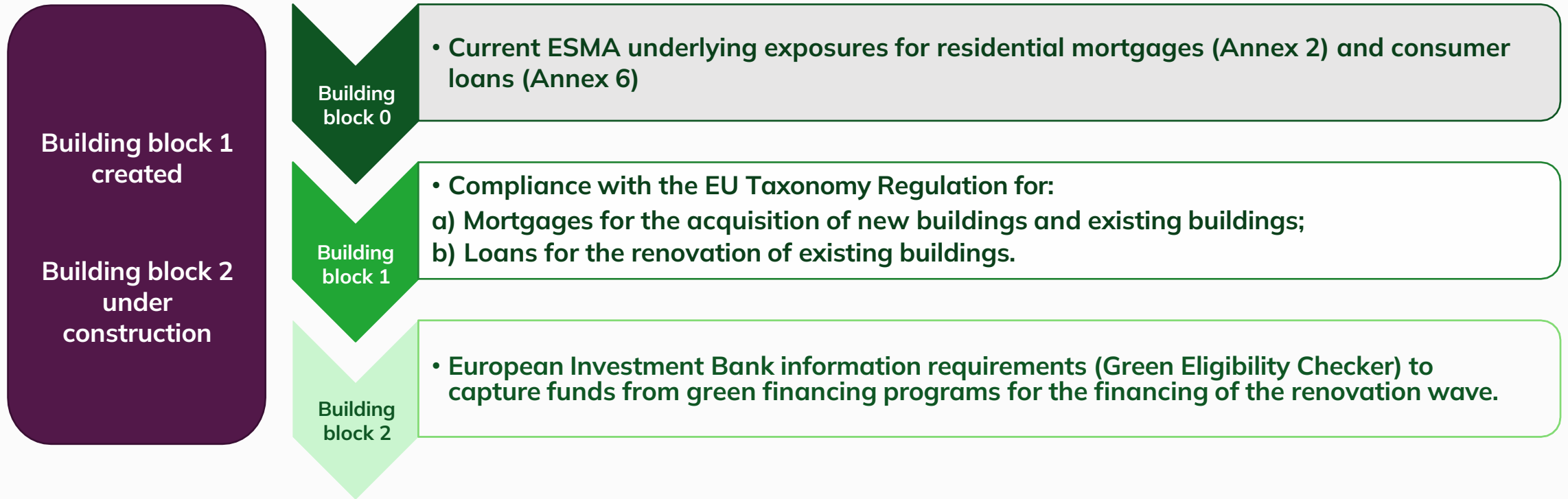
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ENGAGE for ESG initiative description

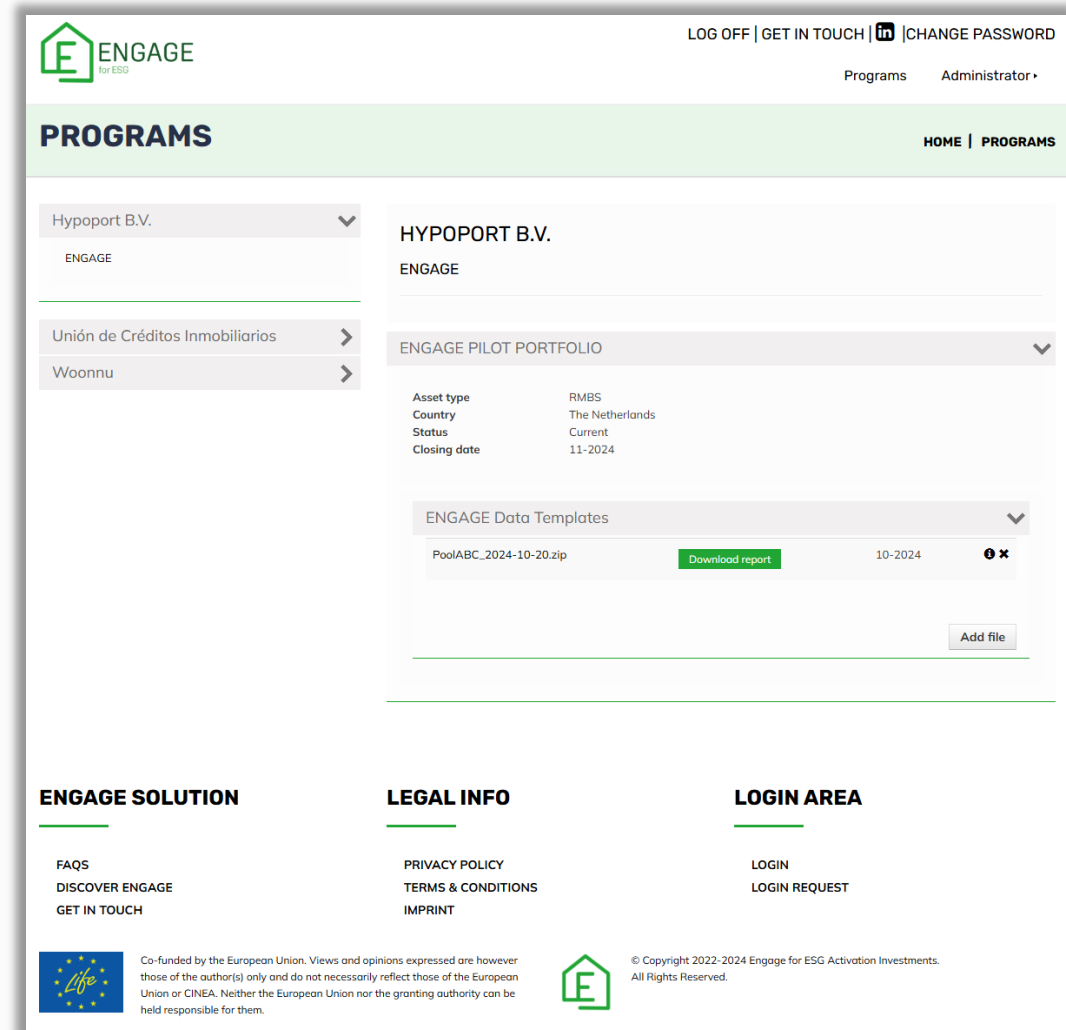


The ENGAGE Templates: structure



The ENGAGE Portal

- The ENGAGE Portal will enable lending institutions to **upload and assess the alignment of their loan portfolios with the EU Taxonomy**.
- The Portal incorporates detailed **loan and collateral level checks**.
- Access to multiple stakeholders (internal reporting, rating agencies, investors, regulatory supervisors, etc.) upon invitation.
- The ENGAGE Portal will enable users to assess multiple portfolios based on the EU Taxonomy.
- The Portal output is twofold:
 1. The **data quality feedback**;
 2. The **EU Taxonomy alignment report**.
- **Trial access** available subject to a standard legal arrangement (available upon request).



The screenshot displays the ENGAGE Portal interface. At the top, there is a navigation bar with the ENGAGE logo, a 'LOG OFF | GET IN TOUCH | CHANGE PASSWORD' link, and user roles 'Programs' and 'Administrator'. The main header is 'PROGRAMS' with a 'HOME | PROGRAMS' breadcrumb. The content area shows a dropdown menu for 'Hypoport B.V.' and 'ENGAGE'. Below this, there is a table with columns for 'Asset type', 'Country', 'Status', and 'Closing date', with values: 'RMBS', 'The Netherlands', 'Current', and '11-2024'. A section titled 'ENGAGE Data Templates' shows a table with columns for file name, a 'Download report' button, and a date. The footer contains three columns: 'ENGAGE SOLUTION' with links for 'FAQS', 'DISCOVER ENGAGE', and 'GET IN TOUCH'; 'LEGAL INFO' with links for 'PRIVACY POLICY', 'TERMS & CONDITIONS', and 'IMPRINT'; and 'LOGIN AREA' with links for 'LOGIN' and 'LOGIN REQUEST'. At the bottom, there is a European Union logo and a disclaimer: 'Co-funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or CINEA. Neither the European Union nor the granting authority can be held responsible for them.' and a copyright notice: '© Copyright 2022-2024 Engage for ESG Activation Investments. All Rights Reserved.'



Hellenic Financial Stability Fund Sustainability Report 2023

On 20 November 2024 the Hellenic Financial Stability Fund (HFSF) published its Sustainability Report for 2023.

The report covers the HFSF's ESG approach and its role in the banking sector of Greece, in particular, its role in strengthening the sustainable financing and climate transition of Greek banks.

In its report, the HFSF supports the ENGAGE for ESG initiative and urges Greek banks to join the initiative to support the increase of sustainable finance and promote better monitoring and measurement for banks' lending portfolios.



The full HFSF Sustainability Report 2023 is available at <https://hfsf.gr/en/hfsfs-esg-sustainability-report/>



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The European Commission first Omnibus package: summary and relevance for ENGAGE for ESG

Vincent Mahieu

Hypoport





The EC first Omnibus package: summary and relevance for ENGAGE for ESG

Background of Omnibus development

- **9 September 2024 – Draghi Report**
 - Identified the **CSRD, CSDDD, and EU Taxonomy** as significant regulatory burdens for EU businesses.
 - Warned of the risk of a “slow agony” in EU competitiveness. – *Mario Draghi*
- **8 November 2024 – Budapest Declaration**
 - EU leaders committed to reducing regulatory burdens and enhancing competitiveness.
 - Called for streamlined sustainability regulations to foster innovation.
 - *“We must ensure that Europe remains a competitive and innovative hub.”*
- **29 January 2025 – Competitiveness Compass**
 - European Commission launched a strategic framework for EU competitiveness.
 - Translates Draghi Report insights into concrete actions for the next five years.
 - Focuses on reducing complexity, boosting innovation, and maintaining sustainability goals.
 - *“Reducing complexity is not about lowering ambition; it is about making ambition work.”*



Source: European Commission





The EC first Omnibus package: summary and relevance for ENGAGE for ESG

Competitiveness Compass

- 8 November 2024 – Omnibus Proposal Announced
 - Ursula von der Leyen introduced reforms to simplify sustainability regulations.
 - Focus on:
 - CSRD (Corporate Sustainability Reporting Directive)
 - CSDDD (Corporate Sustainability Due Diligence Directive)
 - EU Taxonomy
- Key Objective:
 - Reduce administrative burdens on companies.
 - The "Simplification Omnibus package" aims to cut "25% of reporting requirements and administrative burdens", making it easier for businesses to comply with EU regulations.



Source: European Commission





The EC first Omnibus package: summary and relevance for ENGAGE for ESG

Omnibus announcement

The European Commission has proposed new measures to cut red tape and simplify EU rules for businesses, building on the Draghi report and the Competitiveness Compass. The first two Omnibus packages focus on making sustainability reporting more efficient, ensuring large companies bear most obligations while reducing burdens on SMEs.

This first package includes steps to:

- Streamline sustainability reporting for greater accessibility and efficiency.
- Simplify due diligence to support responsible business practices.
- Enhance the Carbon Border Adjustment Mechanism (CBAM) for fairer trade.
- Unlock investment opportunities in EU programmes.

The Omnibus Package (Omnibus I and II) simplifies sustainability reporting and EU investment programmes, reducing compliance burdens while maintaining obligations.

Simplifying EU rules and boosting competitiveness – Omnibus I

The Commission has a clear target to deliver an unprecedented simplification effort, by achieving at least 25% reduction in administrative burdens, and at least 35% for SMEs until the end of this mandate. These first 'Omnibus' packages, bringing together proposals in a number of related legislative fields, cover a far-reaching simplification in the fields of sustainable finance reporting, sustainability due diligence, EU Taxonomy, carbon border adjustment mechanism, and European investment programmes.

Omnibus II is a Level 1 amending regulation that would revise the InvestEU Regulation, which *supports long-term EU funding.*

InvestEU leverages public and private investments to drive a sustainable recovery, support economic growth, and align with EU priorities like the Green Deal.





The EC first Omnibus package: summary and relevance for ENGAGE for ESG

Omnibus announcement

The Omnibus I package includes two Level 1 directives and one Level 1 regulation to simplify sustainability reporting and corporate due diligence. It does not amend the Level 1 EU Taxonomy regulation, but a proposal to revise disclosure rules and technical screening criteria is under consultation.

Key proposed amendments:

- **Level 1 directive – CSRD and CSDDD postponement: Delays CSRD by 2 years and CSDDD by 1 year.**
- **Level 1 directive – Sustainability reporting and due diligence reforms**
 - **Updates Accounting and Audit Directives for sustainability disclosures.**
 - **Expands CSRD reporting and clarifies deadlines.**
 - **Standardises CSDDD rules on human rights and environmental risks.**
- **Level 1 regulation – CBAM adjustments: Aligns CBAM carbon pricing for imports with EU climate policies.**
- **Taxonomy Level 2 consultation**
 - **Simplifies sustainability disclosure rules (EU 2021/2178).**
 - **Revises technical screening criteria (EU 2021/2139, 2023/2486), easing DNSH requirements.**



Summary of proposals of Omnibus I

- Remove 80% of companies from CSRD scope, focusing reporting on the largest firms with the biggest impact.
- Ensure large companies' reporting does not burden SMEs in their value chains.
- Postpone CSRD reporting by two years (until 2028) for companies due to report in 2026 or 2027.
- Limit mandatory EU Taxonomy reporting to the largest firms (aligned with CSDDD), while allowing voluntary reporting for others, reducing costs for smaller companies.
- Allow reporting on partially aligned activities to support gradual sustainability transitions and transition finance.
- Introduce a financial materiality threshold for Taxonomy reporting and cut reporting templates by 70%.
- Simplify the most complex Do No Significant Harm (DNSH) criteria, starting with pollution prevention and chemical use.
- Adjust the Green Asset Ratio (GAR) so banks can exclude exposures to companies under 1,000 employees and €50m turnover.





The EC first Omnibus package: summary and relevance for ENGAGE for ESG

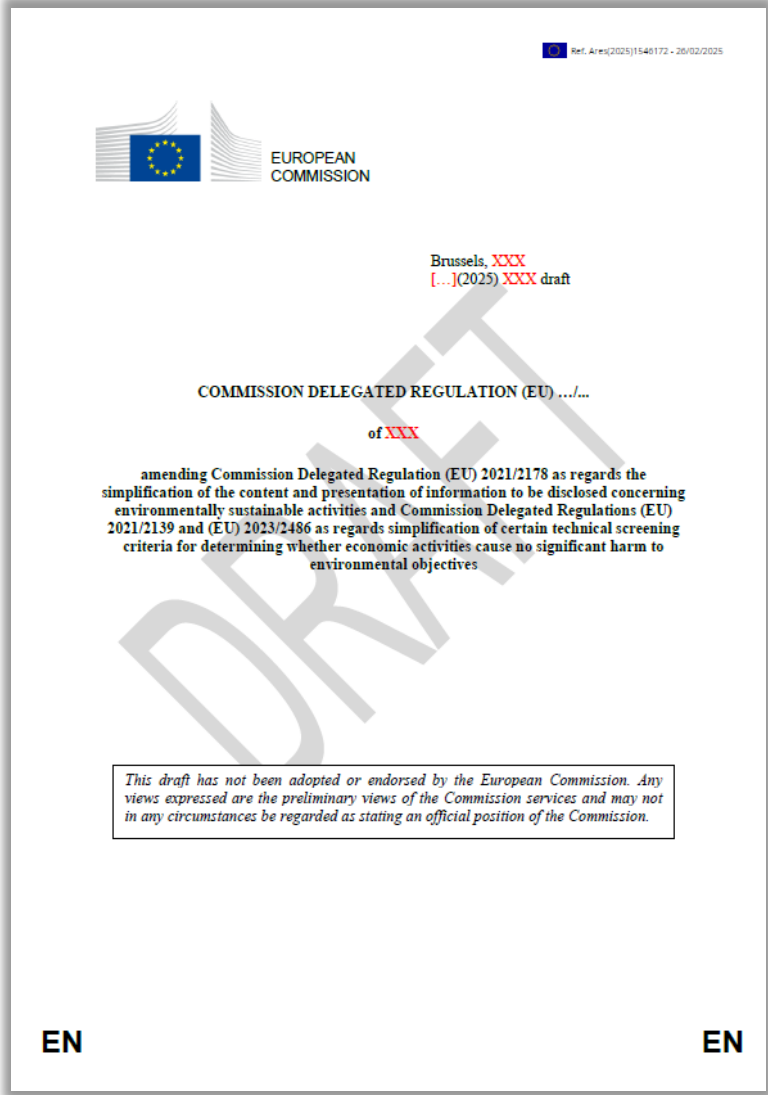
Proposed amendment to EUT Delegated Acts

This initiative accompanies the Omnibus simplification package on sustainability reporting and due diligence. It aims to make them simpler and more cost-effective for companies, by making certain requirements more flexible and reducing the amount of data to be provided.

The initiative aims to help balance EU environmental goals with business competitiveness. It comprises amendments to the:

- Taxonomy Disclosures Delegated Act
- Taxonomy Climate Delegated Act
- Taxonomy Environmental Delegated Act.

This **consultation is open until 26 March 2025.**





The EC first Omnibus package: summary and relevance for ENGAGE for ESG

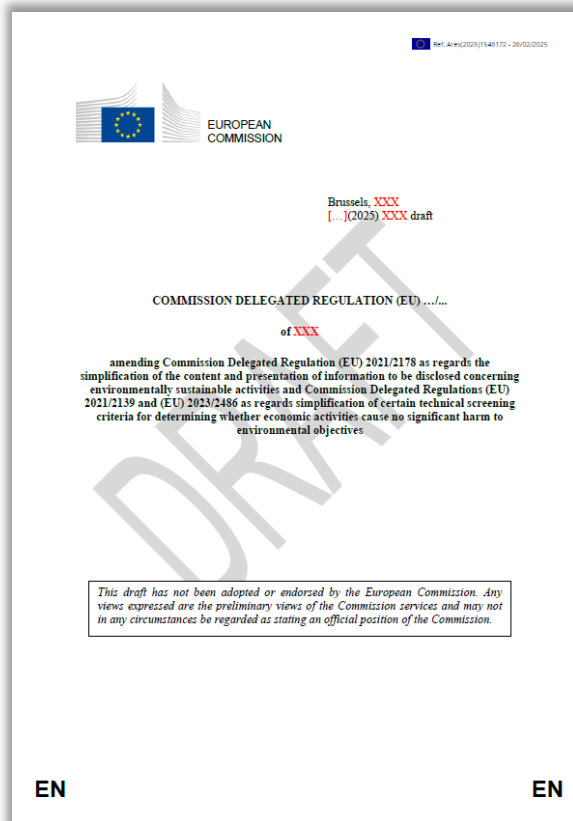
#	Area	Proposed Change
1	Materiality Thresholds and KPI Adjustments	<ul style="list-style-type: none">the regulation introduces a 10% minimum threshold, allowing large undertakings to exclude non-material activities from Taxonomy compliance assessments. This applies to both non-financial and financial undertakings, reducing unnecessary reporting burdens.Non-financial undertakings may also exclude operational expenditure from reporting if the cumulative turnover of eligible activities is below 25% of total turnover.Credit institutions subject to multiple KPIs may omit reporting for non-material activities, such as the Green Asset Ratio (GAR) for trading portfolios and the Fees & Commission KPI for services making up less than 10% of total revenue.
2	KPI Exemptions for Financial Institutions	The regulation excludes exposures to undertakings with fewer than 1,000 employees from the denominator of key financial institution KPIs. This ensures that smaller companies, which are not subject to sustainability reporting, are not indirectly required to meet stringent Taxonomy criteria when accessing sustainable finance.
3	Simplification of Reporting Templates	<ul style="list-style-type: none">Merging three summary templates into one, improving usability while maintaining key data for financial institutions.Simplifying per-activity reporting by consolidating rows, eliminating redundant disclosures on DNSH and minimum safeguards, and removing separate reporting on contributions to multiple objectives.Eliminating explicit reporting for non-aligned activities, as this information remains derivable from existing data points.As a result, non-financial undertakings will see a 66% reduction in reported data points (from 78 to 27 for one Taxonomy-aligned activity). For credit institutions, the data reporting burden is reduced by 89%, with similar reductions expected for other financial entities.
4	Revisions to DNSH Criteria and Future Review	The Climate and Environmental Delegated Acts are amended to resolve key implementation challenges related to DNSH compliance. Appendix C (GENERIC CRITERIA FOR DNSH TO POLLUTION PREVENTION AND CONTROL) is revised to clarify exemptions under EU environmental law, improving alignment with existing regulations and reducing legal uncertainty.

Conclusion: no real influence in practice for section “7. Construction & Real Estate” and thus on mortgages. But the revision of the TSC is still to come.





The EC first Omnibus package: summary and relevance for ENGAGE for ESG



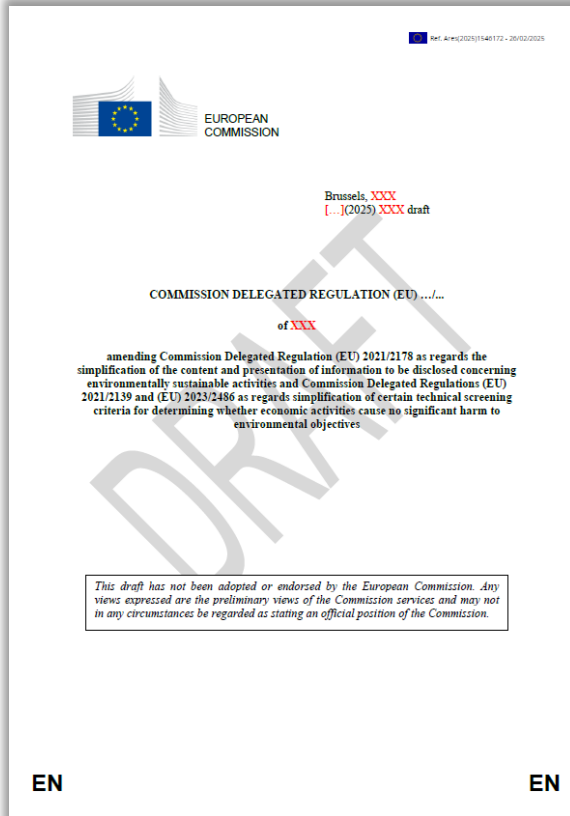
Interesting sections / phrases from the Proposed Amendment (1/2)

- *"These simplifications and improvements are independent of and complementary to the changes provided for in the Commission proposal for a Directive of the European Parliament and of the Council amending Directives 2006/43/EC, 2013/34/EU, (EU) 2022/2464 and (EU) 2024/1760 as regards certain corporate sustainability reporting and due diligence requirements (hereafter 'the Sustainability Omnibus proposal')." (Page 3)*
- *"The experience with the first year of reporting by financial undertakings... provides a sufficient basis for introducing certain targeted simplifications measures to streamline reporting obligations and thereby reduce administrative burden on reporting undertakings, while not losing relevant and material data from the Taxonomy reporting framework." (Page 3)*
- *"DNSH criteria are considered often overly complex and burdensome, and undertakings often quote the difficulty of establishing compliance with those criteria as the main reason for the absence of Taxonomy-alignment." (Page 3)*
- *"As a next step, the Commission will carry out a systematic and thorough review of all the technical screening criteria, in particular of all the DNSH criteria, with the aim of assessing ways to make them simpler, more usable and more aligned with EU legislation." (Page 4)*
- *"The burden reduction and simplification measures referred to above should be prioritised and distinguished from an ongoing review of the Disclosures Delegated Act that requires more time and policy assessment and that will be tabled separately in due course." (Page 6)*





The EC first Omnibus package: summary and relevance for ENGAGE for ESG



Interesting sections / phrases from the Proposed Amendment (2/2)

- *"That substantive review will consider options for more substantive changes in the current reporting framework, in particular on how the issues related to the difference in the scope of the numerator and denominator of the current GAR could be best addressed."* (Page 6)
- *"To provide immediate relief for reporting undertakings already in the 2026 Taxonomy reporting exercise, the simplification measures provided in this amending Regulation should be adopted and implemented expediently and separately from the review of the Disclosure Delegated Act and a broader review of the technical screening criteria, in particular the DNSH criteria, which will be initiated without delay."* (Page 7)
- *"Regarding the simplification of the technical screening criteria, the Commission will assess the existing criteria from the point of view of their clarity, the availability of evidence to demonstrate compliance, the cost of gathering the evidence and the applicability of the criteria in the international context, and simplify wherever possible."* (Page 8)
- *"The review will also ensure that, where appropriate, the technical screening criteria can be aligned with existing EU legislation to facilitate their application by undertakings and allow them to more easily demonstrate compliance with those criteria by providing evidence of compliance with applicable EU legislation."* (Page 8)





The EC first Omnibus package: summary and relevance for ENGAGE for ESG

Omnibus Package Timeline

- Each Level 1 legislative proposal in the Omnibus Package must be approved by the European Parliament and the Council through trilogue negotiations. The final text may change during this process.
- The postponement of CSRD and CSDDD is a separate proposal that could be adopted independently. The Commission urges a swift agreement, but if adopted, Member States must implement the postponement by 31 December 2025.
- Substantive changes to CSRD and CSDDD will take effect 20 days after publication in the Official Journal, with Member States having 12 months to transpose them into national law.
- CBAM amendments and Omnibus II proposals, as regulations, will take effect immediately upon publication in the Official Journal without national transposition.
- Taxonomy Delegated Acts follow a separate process without trilogue negotiations. After public consultation, the Commission will adopt the delegated act, and if the European Parliament or Council does not object within four months, it will enter into force.
- The timeline for final adoption of the Omnibus Package remains uncertain and depends on ongoing negotiations.

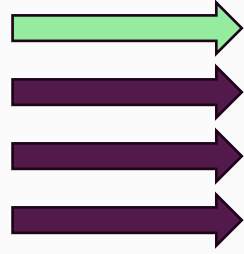




The EC first Omnibus package: EC Work Programme for 2025

Annex I: New initiatives¹

c	Policy objective	Initiatives
A new plan for Europe's sustainable prosperity and competitiveness		
1.	Competitiveness	Competitiveness Compass (non-legislative, Q1 2025)
2.	Competitiveness	Single Market Strategy (non-legislative, Q2 2025)
3.	Simplification	First Omnibus package on sustainability (legislative, Q1 2025)
4.	Simplification	Second Omnibus package on small mid-caps and removal of paper requirements (legislative, Q2 2025)
5.	Simplification	Third Omnibus package on investment simplification (legislative, Q2 2025)
6.	Simplification	Revision of the Sustainable Finance Disclosure Regulation (legislative, incl. impact assessment, Article 114 TFEU, Q3 2025)
7.	Simplification	Cybersecurity Act review and simplification of cybersecurity legislation (legislative, incl. impact assessment, Q4 2025)
8.	Simplification	European Business Wallet (legislative, incl. impact assessment, Article 114 TFEU, Q4 2025)
9.	Competitiveness	Clean Industrial Deal (non-legislative, Q1 2025)
		Action plan on affordable energy (non-legislative, Q1 2025)
10.	Competitiveness	Industrial Decarbonisation Accelerator Act (legislative, incl. impact assessment, Article 114 TFEU, Q4 2025)
11.	Competitiveness	EU Start-up and Scale-up Strategy (non-legislative, Q2 2025)



¹ In this annex, the Commission provides further information, as far as available, on the initiatives included in its work programme, in line with the Interinstitutional Agreement on Better Law-making. This information, which is provided in brackets next to each initiative, is indicative only and subject to change during the preparatory process, notably in view of the outcome of an impact assessment process. Simplification initiatives or initiatives with a strong simplification dimension are presented with a blue background.





The EC first Omnibus package: EC Work Programme for 2025



c	Policy objective	Initiatives
12.	Competitiveness	Communication on a Savings and Investments Union (non-legislative, Q2 2025)
		Review of the Securitisation Framework (legislative, incl. impact assessment, Article 114 TFEU, Q2 2025)
13.	Innovation	Digital Networks Act (legislative, incl. impact assessment, Article 114 TFEU, Q4 2025)
14.	Innovation	AI Factories boosting competitive AI ecosystems in Europe (non-legislative, Q1 2025)
15.	Innovation	Apply AI Strategy (non-legislative, Q3 2025)
16.	Innovation	Quantum Strategy of EU (non-legislative, Q2 2025)
17.	Competitiveness	EU Space Act (legislative, incl. impact assessment, Article 114 TFEU, Q2 2025)
18.	Competitiveness	Bioeconomy Strategy (non-legislative or legislative, Q4 2025)
		European Biotech Act (legislative, incl. impact assessment, Articles 43, 114, 168, 192 TFEU, Q4 2025)
19.	Simplification	Targeted revision of the REACH Regulation (legislative, Article 114 TFEU, Q4 2025)
20.	Security	Roadmap towards ending Russian energy imports (non-legislative, Q1 2025)
21.	Competitiveness	Sustainable Transport Investment Plan (non-legislative, Q3 2025)





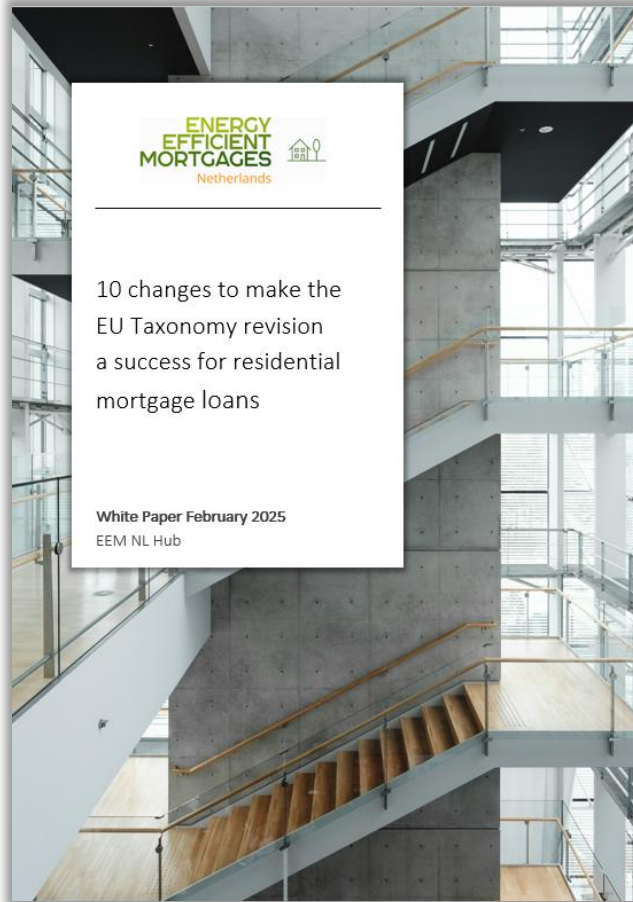
The EC first Omnibus package: EC Work Programme for 2025

c	Policy objective	Initiatives
25.	Security	New European Internal Security Strategy (non-legislative, Q1 2025)
26.	Security	New rules on drug precursors (legislative, incl. impact assessment, Articles 114 and 207 TFEU, Q3 2025)
		Firearms Trafficking Directive (legislative, incl. impact assessment, Article 83 TFEU, Q4 2025)
27.	Security	Action plan on the cybersecurity of hospitals and healthcare providers (non-legislative, Q1 2025)
28.	Migration	New common approach on returns (legislative, Article 79 (2) TFEU, Q1 2025)
29.	Migration	European Migration and Asylum Strategy (non-legislative, Q4 2025)
Supporting people, strengthening our societies and our social model		
30.	Social fairness	A new action plan to implement the European Pillar of Social Rights (non-legislative, Q4 2025)
31.	Social fairness	European Affordable Housing Plan (non-legislative, Q4 2025)
32.	Competitiveness	Union of Skills (non-legislative, Q1 2025)
33.	Social fairness	2030 Consumer Agenda, including an action plan for consumers in the Single Market (non-legislative, Q4 2025)
Sustaining our quality of life: food security, water and nature		
34.	Sustainability	European Climate Law amendment (legislative, Article 192(1) TFEU, Q2 2025)
35.	Competitiveness	Vision for Agriculture and Food (non-legislative, Q1 2025)
36.	Simplification	Common Agricultural Policy simplification package (legislative, Q2 2025)
37.	Competitiveness	Oceans Pact (non-legislative, Q2 2025)
38.	Preparedness and Resilience	European Water Resilience Strategy (non-legislative, Q2 2025)





Energy Efficient Mortgages Hub Netherlands White Paper



[Download White Paper](#)

White Paper: *10 Changes to Make the EU Taxonomy Revision a Success for Residential Mortgage Loans.*

- 1. Applying Renovation Criteria means working with fractions of loans.*
- 2. Bias Towards Already-Efficient Buildings.*
- 3. Level 2 Regulation being stricter than National EPBD implementation.*
- 4. Simplify criteria for renovation activities.*
- 5. Simplify criteria for new buildings.*
- 6. Overreliance on Commission Notice Documents.*
- 7. Minimum Safeguards (MS) should not apply to households or homeowners (as they are not enterprises), and for legal clarity, this exclusion should be explicitly stated.*
- 8. The EUT/CDA revision should take data availability as a starting point and clarify the legal bases under Article 6 of the GDPR within the legislative text.*
- 9. The DNSH criteria for climate objectives 3, 4, 5, and 6 should not apply to households, in line with the PSF simplification report's proposal, due to the disproportionate administrative and financial burden required to demonstrate compliance.*
- 10. Continuous exchange with Stakeholders.*

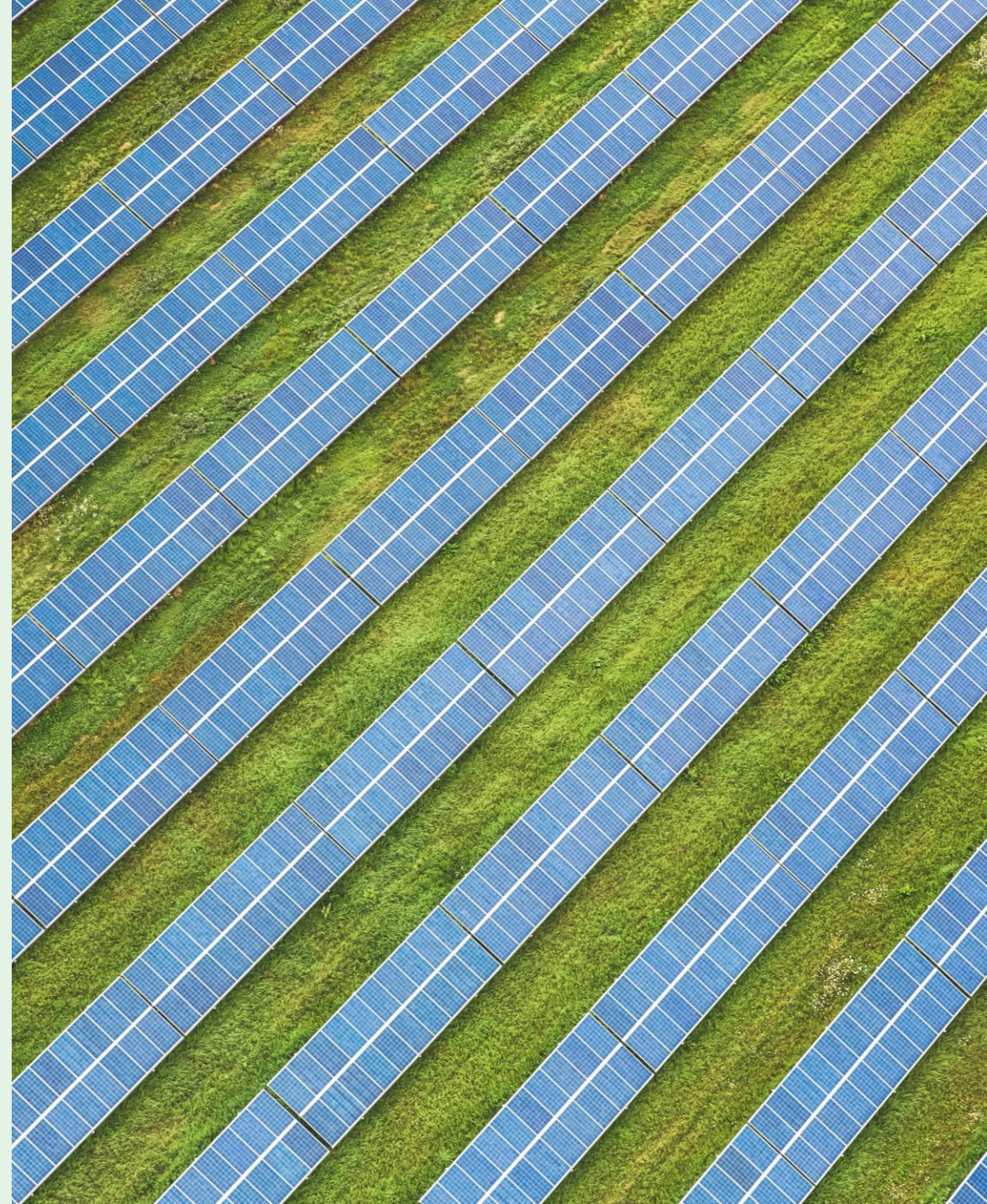




What' next with **ENGAGE** for ESG

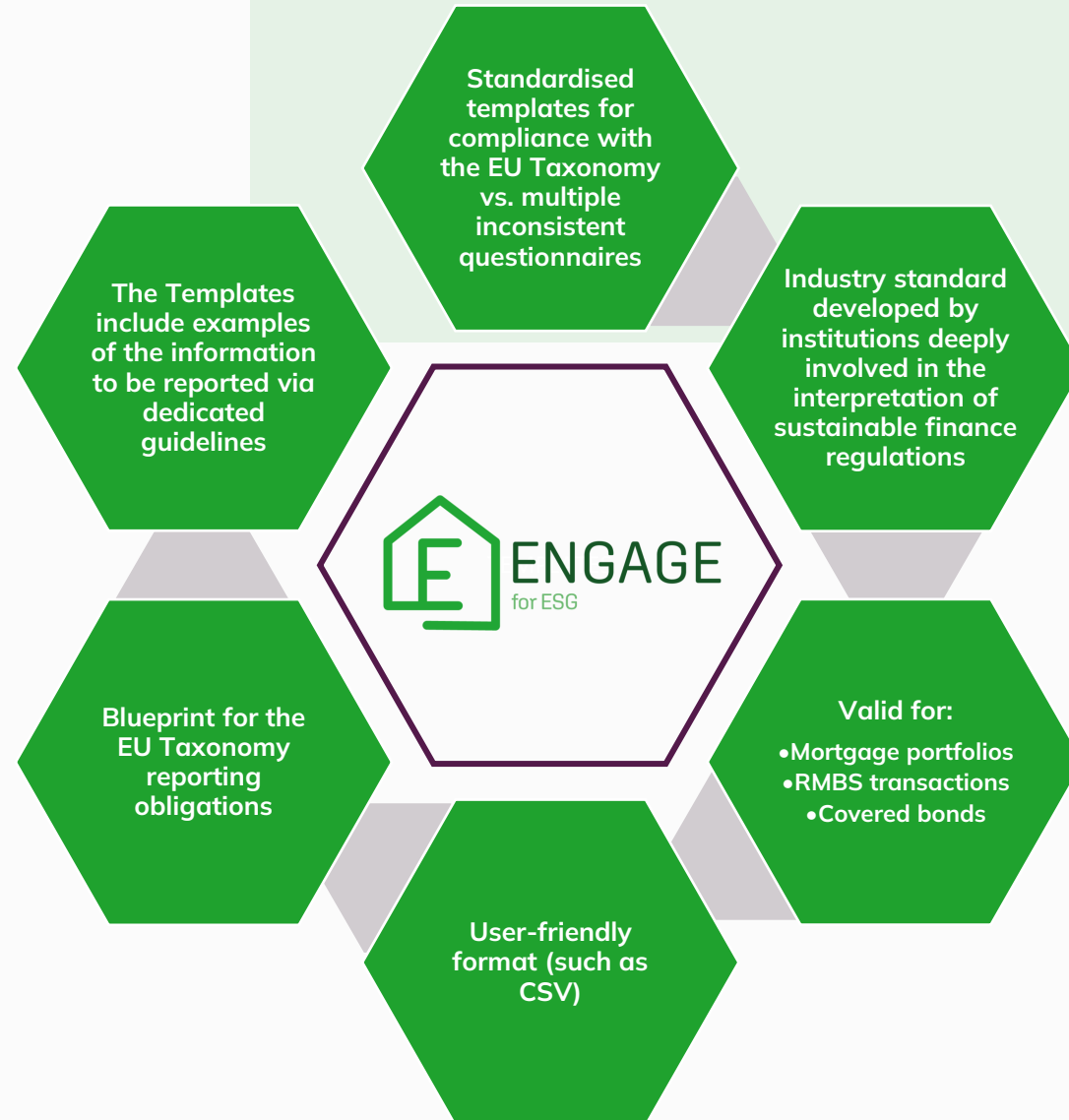
Marco Angheben

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Why become a Trial User via the Portal





Free ENGAGE trial period until October 2025



- Version 1.1 available now through [Request for Access to the ENGAGE Templates](#)
- **70 institutions** have requested access to the ENGAGE Templates

- The ENGAGE Team is available for clarifications on the ENGAGE Templates

- Signature of a standard legal arrangement for the safe processing of the data
- Possibility to submit the ENGAGE sample files various times enriching the information

- For each sample file submission two reports are generated: 1) an EU Taxonomy alignment report; 2) a data quality report.





Upcoming Events

Upcoming In-Person Events:

1. **Outvie Securitisation Event**, Amsterdam, 25 March 2025
2. **Sustainable Finance Conference**, Athens, 27 March 2025
3. **Tendencias hacia la simplificación del reporting de sostenibilidad: la solución ENGAGE for ESG** – Madrid, 7 May 2025

Upcoming ENGAGE Webinars:

- Session III: The ENGAGE Portal Launch – 27 March at 15:00 CET, with Sergio Mayordomo (Banco de España research department) as guest speaker. Sergio will present his research work and papers currently being prepared.



Register here: [2025 ENGAGE Webinar Series: Session III – ENGAGE4ESG](#)





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