

EU CSDD

Readiness Guide for Supply Chain Teams

The EU Corporate Sustainability Due Diligence Directive is now an operational requirement for organisations sourcing from global supply chains. This guide sets out the key obligations, timelines, and the practical steps your team needs to take – now.

The Directive at a Glance

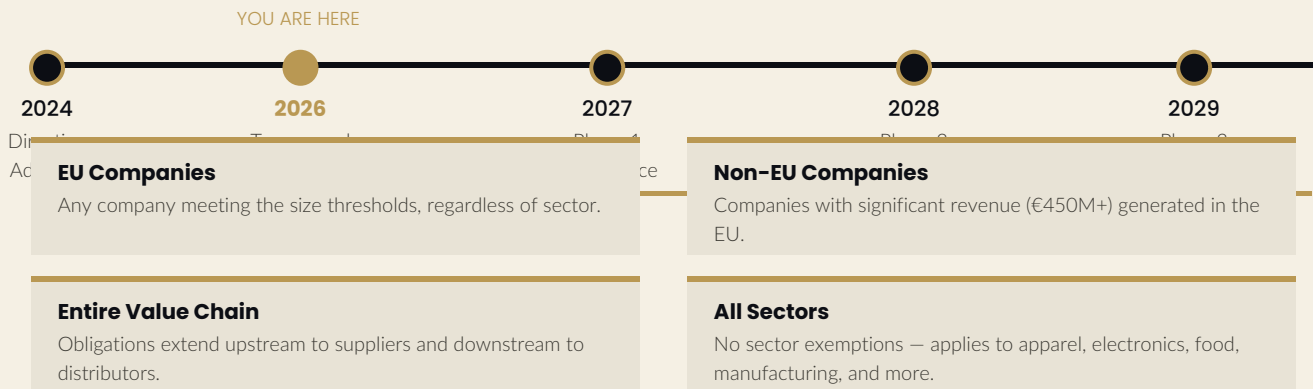
WHAT IS EU CSDD?

The Corporate Sustainability Due Diligence Directive (CSDD) requires companies to identify, prevent, and address adverse human rights and environmental impacts across their operations and value chains.

Who Is Affected?

- **Phase 1 – 2027**
EU companies: 5,000+ employees
& €1.5B+ global turnover
- **Phase 2 – 2028**
EU companies: 3,000+ employees
& €900M+ turnover
- **Phase 3 – 2029**
EU companies: 1,000+ employees
& €450M+ turnover

Key Timeline



Critical Definitions

Value Chain — All activities and relationships with business partners, both upstream (suppliers) and downstream (distributors, end users).

Adverse Impact — Violations of human rights (forced labour, child labour, unsafe conditions) or environmental harm (pollution, biodiversity loss, GHG emissions).

Due Diligence — An ongoing process of identification, prevention, mitigation, remediation, and monitoring of adverse impacts.

The Five Core Obligations

01

Supply Chain Mapping

Identify and document all direct and indirect business partners across the entire value chain. Understand who makes what, where, and under what conditions.

- Map Tier 1, 2 and 3 suppliers
- Document product journeys
- Identify high-risk geographies and categories

02

Risk Identification & Assessment

Conduct a thorough risk assessment to identify potential and actual adverse human rights and environmental impacts across your value chain.

- Apply SMETA, RBA, or equivalent frameworks
- Assess country-level and sector-level risk
- Prioritise by severity and likelihood

03

Prevention & Mitigation

Implement measures to prevent identified risks from materialising – through supplier contracts, codes of conduct, and corrective action programmes.

- Embed CSDD clauses in supplier contracts
- Develop supplier capacity-building programmes
- Set time-bound corrective action plans (CAPAs)

04

Remediation

Where harm has occurred, establish and implement remediation processes that genuinely address the adverse impact and make good to those affected.

- Establish a grievance mechanism
- Provide or facilitate access to remedy
- Document and monitor remediation outcomes

05

Monitoring & Reporting

Maintain ongoing monitoring of your supply chain risk and publish an annual due diligence report in line with regulatory requirements.

- Annual CSDD report (public)
- Board-level oversight of due diligence
- Auditable documentation trail

CSDD Readiness Checklist

Use this checklist to assess your organisation's current readiness level.

SUPPLY CHAIN MAPPING

- Tier 1 suppliers fully documented (name, location, category)
- Tier 2 and beyond mapped for high-risk product categories
- Country-level human rights risk assessment completed
- Environmental risk mapped across supply tiers
- Supplier information kept current (annual refresh minimum)

REMEDIATION & GRIEVANCE

- Worker-accessible grievance mechanism in place
- Mechanism tested and communicated to supply chain
- CAPA (corrective action) process documented
- Escalation and closure procedures defined
- Remedy tracking and evidence retention in place

POLICY & GOVERNANCE

- Human rights & environmental due diligence policy in place
- Policy aligned to UN Guiding Principles and OECD Guidelines
- Board-level ownership and sign-off established
- Due diligence integrated into procurement / sourcing decisions
- Supplier Code of Conduct updated with CSDD requirements

MONITORING & REPORTING

- Annual CSDD report structure prepared
- KPIs defined for due diligence performance
- Audit schedule aligned to risk level
- Evidence trail maintained for regulatory scrutiny
- Legal team briefed on disclosure obligations

RISK ASSESSMENT

- Formal risk assessment process documented and repeatable
- Prioritisation methodology based on severity and likelihood
- High-risk suppliers identified and action-planned
- Sectoral and geographic risk factored into sourcing strategy
- Risk assessment reviewed at minimum annually

HOW TO SCORE:

20–25 items: Strong foundation — focus on monitoring and reporting gaps

10–19 items: Active remediation required — prioritise mapping and governance

0–9 items: Urgent action needed — engage independent advisory support now

The Most Common CSDD Gaps

Based on advisory experience across global supply chains.

Tier 2+ Blindspot

CHALLENGE:

Most organisations have reasonable visibility of Tier 1. CSDD requires mapping further upstream — where the highest human rights risks often sit.

SOLUTION:

Conduct a risk-based Tier 2/3 mapping exercise, prioritised by product category and country of origin.

Inaccessible Grievance Mechanisms

CHALLENGE:

Mechanisms exist on paper but are unknown to workers, not available in local languages, or too formal for practical use.

SOLUTION:

Test your grievance channel with supplier workers directly. Anonymity, local language, and simplicity are non-negotiable.

Evidence Gaps

CHALLENGE:

Companies believe they are compliant but lack the documented evidence trail required to demonstrate it under regulatory scrutiny.

SOLUTION:

Build evidence retention into your audit and remediation processes from day one, not as an afterthought.

Outdated Supplier Codes

CHALLENGE:

Standard supplier codes of conduct do not meet the specificity now required. CSDD demands contractual obligations, not just aspirations.

SOLUTION:

Update supplier agreements with binding CSDD clauses and graduated consequence frameworks.

No Board Ownership

CHALLENGE:

Due diligence sits in procurement or sustainability teams. CSDD requires demonstrable board-level oversight — not just delegation downward.

SOLUTION:

Establish a board-approved due diligence policy and a named executive responsible for CSDD compliance.

No Independent Verification

CHALLENGE:

Self-reported supplier assessments are unlikely to satisfy auditors. CSDD expects credible, defensible evidence of actual conditions.

SOLUTION:

Commission independent social compliance audits aligned to SMETA, RBA, or customer-specific frameworks.

How Easton Row Can Help

EASTON ROW CONSULTING provides independent, conflict-free advisory in social compliance and supply chain due diligence. We have no affiliations with audit bodies or platforms — every recommendation we make serves your interests alone.

CSDD Gap Assessment

An independent review of your current due diligence position against CSDD requirements — identifying priority gaps and a clear remediation roadmap.

Policy Development

Custom policy frameworks and supplier codes aligned to CSDD obligations, your customers' requirements, and applicable regulatory standards.

Supply Chain Risk Assessment

Structured risk mapping across your supply tiers, prioritised by severity and likelihood — with practical mitigation strategies and monitoring frameworks.

Audit Preparation

Preparation for SMETA, RBA, RJC, SCAN and customer-specific audits, grounded in direct knowledge of how all major audit bodies apply their standards.

Training & Capacity Building

Board-level awareness workshops through to operational training for procurement, QA, and supplier-facing teams.

Grievance Mechanism Design

Design and implementation of worker-accessible grievance mechanisms that meet CSDD requirements and survive practical scrutiny.

"No affiliations. No conflicts. Every recommendation serves your interests alone."

Ready to begin your CSDD readiness assessment?

Get in touch for a confidential, no-obligation conversation.

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