ESG View

February 2025

19 February 2025

Welcome to the February ESG View!

As we enter the Lunar Year of the Snake, a symbol of transformation and renewal, the global landscape on sustainability policy is poised for change.

A key development to watch will be the EU's proposed Omnibus package aimed at streamlining sustainability-related reporting obligations under key EU regulations such as the EU Taxonomy, Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD). However, given the time and resource already invested in agreeing and adopting these regulations, there are concerns on the merits of re-opening these legal texts for renegotiation as highlighted in an open letter to the European Commission signed by companies such as Nestlé and Unilever.

Across the Atlantic, President Trump's proposed tariffs on Canada, Mexico, and China could have far-reaching economic impacts, particularly on clean energy industries such as electric vehicles, solar, batteries and wind not least as all three countries are key producers of essential grid components needed for clean energy expansion. The tariffs coupled with a move to end EV subsidies has sent ripples through the manufacturing industry who expect this will result in mass layoffs and higher prices for US consumers.

On the international stage, most countries missed the 10 February UN deadline for submitting carbon emissions reduction targets for 2035, a cornerstone of the Paris Agreement. Despite this setback, the UN climate chief remains optimistic urging nations to prioritise the quality of their plans over the timeliness of their submissions, with the next deadline being set for September this year. The few nationally determined contributions submitted so far present a mixed picture, highlighting the need for continued focus and commitment to achieving global climate goals.

This edition of ESG View features new global standards for sustainability reporting and assurance, with significant contributions from the International Auditing and Assurance Standards Board (IAASB) and the International Ethics Standards Board for Accountants (IESBA). Whereas our 'ESG Disputes Round-up' underscores the growing anti-ESG sentiment in the US, contrasted with proactive regulatory actions against greenwashing in Europe.

And as a special treat, we invite you to tune in to the final episode of our 'Seas of Opportunity: Navigating the Blue Economy' podcast series. Created in close collaboration with the Marine Conservation Society, this podcast series brings together key ocean influencers–including leaders, scientists, investors, and changemakers–to explore the critical challenges facing our seas and their sustainable future.

Best wishes,

Sonali Siriwardena
Partner, Global Head of ESG
T +44 20 7825 4595
E Sonali.Siriwardena@simmons-simmons.com

simmons + simmons

GLOBAL DEVELOPMENTS

1. New IAASB and IESBA standards to strengthen sustainability reporting and assurance (multi-sector)

What: On 27 January, the International Auditing and Assurance Standards Board (IAASB) and the International Ethics Standards Board for Accountants (IESBA) have closely coordinated to develop fit for purpose and interoperable global baseline standards (ISSA 5000 and IESSA) to improve sustainability reporting and assurance.

Key details: Taken together, the standards are intended to establish clear expectations for ethical behaviour in sustainability reporting and assurance and provide detailed expectations for practitioners and firms to adopt with respect to sustainability data in assurance engagements. Helpfully, the standards can be applied to sustainability information prepared under any suitable sustainability reporting framework and can be applied globally across frameworks that may apply in each region or jurisdiction.

Next steps: Both ISSA 5000 and IESSA become effective for periods starting on or after 15 December 2026, with early adoption permitted and encouraged.

EUROPEAN DEVELOPMENTS

1. EU Commission's 2025 work programme (multi-sector)

What: Following much anticipation, on 12 February, the EU Commission published the European Commission's Work Programme 2025, clarifying areas of legislative focus for the rest of this year, and the timing of key planned proposals.

Key details: Among some of the notable mentions we note:

- The first two Omnibus proposals are due in Q1 2025: the first to be published on 26 February (though we expect this may be delayed until March) and focuses on simplifying sustainability reporting (including proposals to amend the EU Taxonomy, SFDR, CSDDD and CSRD), the second, due in Q1 addresses investment simplification. The third Omnibus proposal, due in Q3, will introduce a definition of small mid-cap companies;
- Amendments to the Sustainable Finance Disclosure Regulation (SFDR) to simplify the rules and among other things, address product classification. The Commission's head of finance noted in November last year that the current product categories have to date been used as a "pseudo labelling regime," creating a greenwashing risk; and
- The EU carbon border adjustment mechanism (EU CBAM) requirements might be eased, to the benefit of smaller importers and SMEs. Recommendations have been made for the European Council and Parliament to fast track the package.

Our view: The roll out of the proposed packages will certainly be one to watch for 2025, particularly given their potential impact across a range of key regulations not least the CSDDD and CSDR. We will keep you updated on the progress of the Omnibus developments as they are released.

2. EU Platform on Sustainable Finance report on simplifying the EU Taxonomy (multi-sector)

What: On 5 February, the EU Platform of Sustainable Finance (the Platform) published a report, "Simplifying the EU Taxonomy to Foster Sustainable Finance", setting out four proposals. The Platform estimates that, together, these would help reduce the reporting burden on by over a third.

Key details: The proposals include:

- Reducing the corporate reporting burden by more than one-third by making the Operational expenditure (OpEx) key performance indicator (KPI) a voluntary disclosure, introducing a materiality threshold for calculating KPIs in all non-financial company reporting, and simplifying reporting templates;
- Introducing a simplified Green Asset Ratio (GAR) that encourages green and transition lending by simplifying retail exposure reporting, which focuses on substantial contribution;
- Allowing estimates and proxies in reporting, in conjunction with safe harbours to protect against greenwashing allegations;

- Adopting a practical approach to Do No Significant Harm (DNSH) criteria by way of a lighter compliance assessment; and
- Helping small and medium-sized enterprises (SMEs) access sustainable finance by adopting a streamlined, voluntary approach for banks and investors' exposures to unlisted SMEs and a simplified approach to the Taxonomy for listed SMEs.

Read more on this update in our latest briefing note.

3. EU Platform on Sustainable Finance proposal on assessing corporate transition plans (multi-sector)

What: On 23 January, the Platform on Sustainable Finance issued a report, serving as a valuable resource for firms looking to evaluate their transition plans.

Key details: Key findings highlight that:

- Firms can assess corporate transition plans using four core elements aligned with EU requirements: i) science-based, time-bound targets, ii) key actions to achieve these targets, iii) financial planning (investments and funding), and iv) governance and oversight;
- EU legislative disclosures, including the EU Taxonomy are vital for assessing the robustness of transition plans; and
- A holistic approach that combines climate mitigation with broader environmental and social objectives is essential for effective transition plans.

Our view: Monitoring these resources will assist firms with evaluating corporate transition plans and more effectively identify potential risks and opportunities linked to the transition. It will also enable firms to understand the evolving landscape of regulation and policy, an essential component for transition plan stress testing.

4. EIOPA speech on gender & inclusion (financial services)

What: On 24 January, Petra Hielkema the European Insurance and Occupational Pensions Authority (EIOPA) chair, delivered a speech on gender and inclusion in financial services urging regulators, industry leaders and stakeholders to prioritise these issues. The keynote will be of relevance for all financial market participants and demonstrates the EU regulatory authorities continued focus on gender equality related issues.

Key details: Three key measures were highlighted as being capable of reducing gender disparity in the financial services sector:

- Financial institutions treating diversity as a core governance issue – i.e., setting clear targets, measuring progress and holding leadership accountable for results;
- Businesses need to upskill and reskill in light of the digitisation of the financial services sectors. It is essential to ensure that this digital transition does not compound issues of gender disparity; and
- Incorporating diverse perspectives in product design and risk assessment will lead to better outcomes for all customers.

UK DEVELOPMENTS

1. FCA and PRA publish climate adaptation report 2025 (financial services)

What: On 28 January, the Financial Conduct Authority (FCA) published its 2025 Adaptation Report which focuses on the climate change challenges faced by financial firms and the adjustments needed to manage climate risk. Key areas of concern include modifications to insurance, loan underwriting, and investment due diligence practices.

Key details: The FCA identified three main issues affecting climate change adaptation in the financial services industry:

- Data and Modelling: The lack of accurate local hazard data and a clear framework for adaptation standards hampers firms' ability to assess and price climate-related risks;
- Insurance Underwriting and Capital Allocation: External factors, like government investments in flood defences, impact firms' ability to offer financial products related to climate risks, highlighting the need for collaboration across industries; and
- Funding Adaptation: The high costs of adaptation, especially for small businesses and individuals, pose a challenge to making climate-resilient investments accessible.

In the same vein, the Prudential Regulation Authority (PRA) also released its 2025 climate adaptation report which addresses physical and transition climate risks as a key area of impact for firms, underlining the increasing supervisory focus on how firms are managing these risks.

Our view: Whilst firms must update risk assessments to account for climate impacts, these reports suggest that firms must also focus on broader economic adaptation to continue fulfilling their roles effectively, including funding the transition.

AMERICAS DEVELOPMENT

1. ESG and DEI in the spotlight under a new US administration (multi-sector)

What: On 20 January, the US welcomed the new Trump Administration, heralding a federal policy shift on ESG issues particularly around DEI initiatives.

Key details: Prior to the inauguration, companies including the likes of Meta and McDonalds had already announced rolling back on their DEI policies, referencing shifting legal and regulatory frameworks for the change. On his first day in office, President Trump signed executive orders terminating DEI programs across the federal government and ordering the government to only recognise two sexes. There has since been a warning for banks from ten Attorney Generals that certain DEI and ESG commitments could lead to enforcement actions if they are found to violate state or federal law following a review. We've seen similar warnings in the past (see December 2024 ESG View), however they had not included explicit mention of DEI.

Despite these recent developments, some companies continue to support DEI efforts. For example, Apple's board of directors recommended that its shareholders reject a proposal to reconsider their DEI initiatives, and a number of CEOs voiced their continued support at the World Economic Forum in Davos in January (see here).

Alongside the anti-DEI actions, President Trump has signed executive orders halting the leasing of federal waters for offshore wind farms, opening more land to oil and gas drilling and withdrawing the US from the Paris Agreement. However, nearly half of US state governors reaffirming their commitment to the Paris Agreement and Bloomberg Philanthropies, along with other US climate funders have pledged to cover the funding gap left by the US exit.

For more on what the new Trump administration could mean for global business tune in to our recent webinar series.

2. New York State introduces Climate Disclosure rules (multi-sector)

What: On 27 January, Senate Bill S3456 (the Bill) was introduced in the New York Senate, introducing additional disclosure and reporting requirements for firms 'doing business' in New York.

Key details: The measures introduced include:

- Reporting scope 1, 2 and 3 GHG emissions from 2027. By January 2028, and every two years thereafter, in scope entities would be required to prepare a climate-related financial risk report outlining its climate-related financial risks in accordance with the Task Force on Climate-Related Financial Disclosures (TCFD) (or equivalent) and measures adopted to reduce and adapt to the disclosed risk;
- Emissions must be measured and reported using the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard and be assured by an independent third-party assurance provider; and
- Failure to comply with the requirements could result in civil penalties of up to $100,000 per day (capped at $500,000 per year).

Our view: The introduction of new reporting requirements will enable market participants to better understand the emissions of its investments and related climate related financial risks, though we continue to see a pendulum swing between ESG measures being adopted at state level and those at federal level. The recent statement from the acting chairman of the SEC for example, has signalled a pause in support for climate related disclosures proposed in the controversial disclosure rule (see 'Best of the Rest' below).

MIDDLE EAST AND AFRICA DEVELOPMENTS

1. Egypt FRA establishes advisory group for voluntary carbon market oversight (financial institutions)

What: Egypt's Financial Regulatory Authority (FRA) has established a new advisory group to support the Oversight and Supervision Committee for Carbon Emission Reduction Units (the Committee). This development follows the FRA's launch of Africa's first regulated voluntary carbon market in August 2024, allowing companies to issue and trade carbon credits.

Key details: The group has been established to provide the Committee with expert technical advice on its work, assisting with the development of rules around issuing carbon credits and establishing benchmarks for the selection of verification and validation bodies for emission reduction projects.

Our view: This development shows support for Egypt's broader commitment to sustainable development as laid out in its Vision 2030 agenda and aligns with the commitments made at COP27 to establish a domestic voluntary carbon market. However, effective regulatory oversight by the FRA will be essential to maintain the market's integrity in light of the criticisms voluntary carbon markets have received for lacking transparency and effective quality controls.

simmons + simmons

APAC DEVELOPMENTS

1. Shanghai Stock Exchange (SSE) releases Sustainability Reporting Guidance for ESG reporting by listed companies (multi-sector)

What: On 17 January, the SSE announced the release of Guide No. 4 for Self-Regulatory Supervision on Listed Companies of the SSE – Compilation of Sustainable Development Reports and Guide No.13 for Self-Regulatory Supervision on Listed Companies of the SSE STAR Market– Compilation of Sustainable Development Reports (collectively, the Guidance).

Key details: The Guidance aims to facilitate understanding and application of Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies – Sustainability Report (Trial) (Guidance No. 14). In particular, the Guidance currently contains two specific attachments: No.1: General Requirements and Disclosure Framework and No.2: Response to Climate Change. Notably, the Guidance does not introduce mandatory templates or additional disclosure obligations beyond those already stipulated in Guidelines No.14.

Our view: In addition to the SSE, the Shenzhen Stock Exchange and the Beijing Stock Exchange also released their respective "Guidance" on the same day. Previously, these two exchanges, along with the SSE, had simultaneously issued their versions of "Guidelines No. 14," which share similar core principles and content frameworks. These documents, together with the Sustainability Disclosure Standards for Business Enterprises – Basic Standards (Trial) published jointly by the Ministry of Finance and other departments, highlight the proactive steps China has taken in recent years to establish its ESG disclosure system.

2. Japan establishes transition advisory group and updates guidelines (financial institutions)

What: The GX (Green Transformation) Acceleration Agency in Japan has recently formed an advisory group to provide support on initiatives related to Japan's green transition strategy and on 31 January, the agency published new guidelines for green and sustainability bonds.

Key details: The advisory group will provide expert advice to ensure that Japan's transition to a greener economy is aligned with its carbon neutrality goals and broader environmental objectives for reducing emissions and implementing sustainable practices. The newly released guidelines provide clarity on what qualifies as a green or sustainable investments and contain useful case studies for the industry to ensure transparency, credibility, and accountability in the green bond market by outlining clear criteria on project selection, impact assessment, and reporting standards.

Our view: The push for green bonds aligns with Japan's Net Zero by 2050 goal and its broader efforts to tackle climate change, making the guidelines an important step in ensuring financial support for clean energy, infrastructure, and environmental projects. The UK FCA and Japanese FSA also released a joint statement whereby Japan reiterated its commitment to Net Zero and highlighted recent progress on sustainability disclosure and assurance regulations, and its support for alignment outcomes with ISSB standards.

BEST OF THE REST

A round-up of key ESG regulatory and policy updates from around the globe worthy of a mention in this edition:

- Global: The IFRS Foundation has published a new guide, Applying IFRS S1 when reporting only climate-related disclosures in accordance with IFRS S2, which aims to help companies understand how to report only climate-related information when applicable using International Sustainability Standards Board (ISSB) Standards.
- Global: UNEP FI publishes human rights toolkit
- Global: The International Council on Mining and Metals (along with UNEP and PRI) have founded the - The Global Tailings Management Institute (GTMI)
- Sweden: Sweden's Financial Supervisory Authority has published FI's supervisory priorities, which include product greenwashing.
- Poland: Government publishes its Roadmap for Sustainable Finance Development
- Italy: The *Commissione Nazionale per le Società e la Borsa* (CONSOB) issued a Call for to address areas for improvements and to remind fund managers about the requirements and principles behind European sustainable finance initiatives - including the disclosure requirements under the SFDR - with the aim of enhancing the current approach to product level transparency.
- UK: The FCA has updated its website to confirm it is still considering responses to its consultation paper (CP24/8) on extending the sustainability disclosure requirements (SDR) and investment labelling regime to portfolio managers, announcing it no longer intends to publish a policy statement to CP24/8 in Q2 2025.
- UK: The City of London Law Society (CLLS) published its response to HM Treasury's November 2024 consultation on the UK green taxonomy, which is not in support of a UK Taxonomy.
- UK: Climate and Nature Bill is shelved by MPs.
- UK: The UK Government published a Policy Paper on its 2035 Nationally Determined Contribution (NDC) emissions reduction target with aims to reduce the nation's greenhouse gas emissions, dial down fossil fuels, power up clean energy, and reform food and land use.
- India: SEBI has relaxed regulatory requirements around how soon ESG ratings providers will need to update their products following the release of company sustainability reports.
- Australia: The Auditing and Assurance Standards Board (AUASB) have approved the adoption of international standard ISSA 5000 General Requirements for Sustainability Assurance Engagements in Australia.
- US: The acting chairman of the SEC has announced that it has requested the Court to pause scheduling the case for argument in favour of the Enhancement and Standardization of Climate-Related Disclosures for Investors rule, to allow time for the Commission to deliberate and determine the appropriate next steps in light of objections to the rule.

ESG DISPUTES ROUND-UP

ESG Disputes on either side of the Atlantic is fast becoming a tale of two cities. In the US, the anti-ESG sentiment is growing in influence under the new administration. By contrast, in the EU, regulators and NGOs are continuing to seek to hold companies to account on both their ESG statements, and the impact of their activities on the climate. A couple of notable mentions include:

- The Dutch NGO Milieudefensie has had a busy couple of months:
  - On 16 January, it sent ING a final letter before legal action, urging the company to address its role in the climate crisis by changing its financing practices. If a satisfactory response is not received, the NGO has said it will start legal proceedings; and
  - On 11 February, Milieudefensie announced that it was taking its seminal case against Shell to the Dutch Supreme Court. The NGO hopes to obtain a ruling which requires Shell to make a firm percentage reduction in CO_2 emissions in its supply chain. A ruling by the Supreme Court is not expected until 2026, so watch this space!
- The Hamm Higher Regional Court in Germany has also confirmed a date for the trial (17 and 19 March) in the case brought by Saúl Luciano Lliuya, a Peruvian farmer who alleges he has suffered damage as a result of the effects of climate change, against RWE. The case is notable for many reasons, including that it is the first of its kind to test whether carbon emitters can be proportionately liable for the effects of climate change. We will update you once the result is known.

Before we dive into our disputes round-up this month, here are some additional notable mentions:

- The Italian Competition Authority has issued an €8 million fine to GLS Group for unfair commercial practices relating to its “Climate Protect” environmental sustainability initiative;
- In a recent complaint, Procter & Gamble is accused of 'greenwashing' and deceiving customers in relation to sourcing of Charmin toilet paper; and
- Australian advertising standards investigate Gina Rinehart’s mining company Hancock Prospecting for alleged greenwashing about the cleanliness of methane gas.

Remember, you can keep up to date with contentious ESG news as and when it happens by signing up to our ESG Disputes Radar.

1. Anti-ESG sentiment grows in US disputes (multi-sector)

What: The anti-ESG sentiment continues to grow as a trend of US ESG disputes. We see this happening across the spectrum of ESG-related claims, including greenwashing.

- The New York State Supreme Court dismissed the New York City lawsuit against Exxon, BP and Shell over alleged greenwashing of their products and their commitment to renewable energy and fighting climate change;
- In Texas, a federal judge ruled that American Airlines violated federal law by basing investment decisions for its employee retirement plan on environmental, social and other non-financial factors. The Court ruled that American Airlines had breached its legal duty to make investment decisions based solely on the financial interests of its pension beneficiaries by allowing its asset manager and a major shareholder, to focus on ESG factors;

- In a similar vein, BlackRock has recently reached a settlement with the Tennessee Attorney General regarding the AG's claim which alleged that BlackRock did not adequately disclose its use of ESG factors and that it overstated their financial benefits. BlackRock did not admit to wrongdoing or pay fines as part of the settlement.

Our view: As the new administration distances itself from ESG policies, it is likely that further actions against corporates that continue to pursue ESG initiatives in the US will continue.

2. Action to combat greenwashing continues (multi-sector)

What: Outside of the US, regulators and NGOs continue to combat greenwashing, with further examples of companies facing legal action for alleged overstating of the environmental impact of their activities.

- For example, in Denmark, the Consumer Ombudsman has reported KLM to the police for misleading statements made about sustainability. Amongst other things, the Ombudsman alleges that KLM's statements that flying with the airline was taking "*a big step towards traveling a little more sustainably*" was misleading on the basis that KLM adds only 1 percent sustainable aviation fuel to its flights.
- Adfree Cities and the New Weather Institute have also filed a complaint with the UK branch of the OECD against UK advertising firm WPP alleging that the firm is in breach of its international guidelines on corporate responsibility. The NGOs allege that WPP's work for clients including Shell, BP, British Airways, HSBC, Ford and Coca Cola "*directly increases demand for carbon-intensive products and undermines global efforts to reduce greenhouse gas emissions*". The NGOs ask that WPP disclose the environmental impacts of its work, failing which they will ask for the OECD to find the firm in breach of its guidelines.
- The Italian competition authority fined logistics company GLS €8 million for alleged unfair commercial practices in its environmental sustainability program, which the regulator said was "*organised, financed and communicated without the transparency, rigor, and diligence*" due in a high-polluting sector such as goods shipping and delivery.

Our view: Outside of the US, the risk of legal action and penalties for inaccurately promoting a company's environmental impact or policies are still present. Regulators in Europe and further afield are arming themselves with new methods to identify and penalise greenwashing, including under competition and consumer protection regulation.

3. Greenpeace wins against Dutch government to expedite nitrogen policy (multi-sector)

What: The District Court of the Hague found that the government of the Netherlands was acting unlawfully by failing to promptly halt the deterioration of nitrogen-sensitive nature in Natura 2000 areas and by not meeting the legal nitrogen targets for 2025 and very likely not for 2030. The Netherlands has 162 Natura 2000 areas designated based on two European directives: the European Birds Directive and the Habitats Directive. These directives impose an obligation on EU member states to maintain the nature in the Natura 2000 areas and to prevent any deterioration.

The Court ordered the government to adhere to its nitrogen target for 2030, which means that the State must bring 50 percent of the nitrogen-sensitive nature area below the threshold value by 31 December 2030 at the latest. If the government fails to meet this target, it must pay a penalty of €10 million.

Our view: Although it is possible that the Dutch government will appeal this decision, the Court's order is effective immediately. Whilst the potential penalty is small in relative terms, this is an important signal from the Dutch judiciary that it will hold the government to account on climate issues. This case is also similar to other NGO-driven litigation against the Dutch Government, including the *Urgenda Foundation* case which related to GHG emissions, and represents a growing trend of such cases.

ESG CONSULTATION ROUND-UP

Some notable ESG policy consultations in flight across the globe that are currently open for comment. Engagement is a great opportunity to influence the direction of travel for ESG matters.

1. EC consults on Net-Zero Industry Act (NZIA) draft implementing legislation (multi-sector)

What: On 27 January, the European Commission published a call for feedback on four pieces of draft secondary legislation aimed at implementing the NZIA's strategic objectives. The NZIA, which came into force in July 2024 aims to ensure that the EU's regulatory framework can facilitate the quick deployment and up-scaling of net-zero technologies and to boost sector competition in the EU.

Timing: The consultation period closed on 20 February 2025 (21 February 2025 for the Implementing Act on non-price criteria), after which time the final drafts of the secondary legislation will be finalised and adopted in accordance with relevant legislative procedures.

2. UK ETS Consultation on extending UK ETS beyond 2030 (multi-sector)

What: On 12 February, the UK Emissions Trading Scheme (UK ETS) Authority published a consultation on its proposal to extend the UK ETS beyond 2030.

Key details: The consultation:

- Proposes extending the UK ETS from 1 January 2031 onwards. The UK ETS Phase I runs from 2021 to 2030, which matches the length of Phase IV of the EU Emissions Trading System (EU ETS);
- Considers three options for the length of the post-2030 Phase II. These periods are 2031 to 2037 (to align with the government's sixth carbon budget), 2031 to 2040 (to continue with ten-year phases) or 2031 to 2042 (to align with the seventh carbon budget); and
- Considers whether to allow banking of emissions allowances (UKAs) in Phase I that can be used in Phase II.

Timing: The consultation closes on 9 April 2025 and the Authority aims to provide a consultation response by the end of 2025.

3. UN alliance consultation on investment vehicles for carbon dioxide removal (asset management)

What: On 28 January the Net-Zero Asset Owner Alliance published a Request for Information (RfI), inviting asset managers to share insights on investment vehicles for carbon dioxide removal (CDR) and addressing the obstacles that stand in the way of CDR investments.

Key details: The RfI includes general questions that are intended for asset managers who are currently investing or seeking to invest in CDR, while the second one is vehicle-specific questions, meant for asset managers with an investment vehicle that meets the requirements outlined in the survey.

Timing: Asset managers with investment vehicles and/or expertise in the CDR technologies or climate solutions, should consider responding to the RFI by 7 March 2025.

4. EC consults on Greendata4All Directive (multi-sector)

What: On 5 February, the European Commission launched a public consultation on a future Directive laying down updated rules on environmental spatial data and access to environmental information (Greendata4All).

Key details: The Greendata4All initiative is part of the European strategy for data, which was adopted by the Commission on 19 February 2020. Data spaces are digital environments that data providers, intermediaries and users can access to share data, an example of which is the Common European Green Deal Data Space, which aims to unlock the potential of data in support of the Green Deal's objectives. Against this background, the GreenData4All initiative will update and further develop existing rules under the INSPIRE Directive (2007/2/EC) on the sharing of environmental geospatial data and on public access to environmental information. The consultation is open for feedback until April 2025.

5. TNFD new sector guidance open for feedback (multi-sector)

What: On 23 January, the Taskforce on Nature-related Financial Disclosures (TNFD) released draft guidance for consultation covering additional sectors.

Key details: The additional sectors open for consultation are:

- Fishing
- Marine transportation & cruise lines
- Water utilities & services

Timing: Firms have until to 4 April to provide feedback on the draft guidance, following which, the taskforce plans to issue final sector in June 2025. The call for feedback follows the recent publication of its final sector guidance for Apparel, textiles & footwear; Beverages; Construction materials and Engineering, construction & real estate.

LATEST SIMMONS ESG INSIGHTS

Recent podcasts

- Webinar Grid access, Federal Network Agency and Data Centres (Germany) (18 February)
- ESG and Sustainability Trends 2025 (10 February)
- Seas of opportunity: navigating the Blue Economy - Ep.17 - Closing the Loop: Investors and the Future of the Blue Economy (4 February)
- The new US Administration's impact on global business (23 January 2025)

Recent Publications

- ESG: Simplifying the EU taxonomy – the Platform reports (6 February 2025)
- In a recent exciting development, Simmons & Simmons assisted A2A S.p.A. in the placement of the inaugural European Green Bond of Euro 500 million with a maturity of 10 years, the very first on the market for this new instrument! Read more on this here.

CONTACT US

Simmons & Simmons is a leading international law firm with over 320+ partners and 2,500 employees throughout our network of 22 offices in Europe, Asia, the Middle East and the US*.

Our ESG approach is not to have an ESG practice but to adopt an integrated, holistic, cross-discipline approach so that we can combine ESG experts and deep technical knowledge with product/business line expertise.

If you need help understanding the current and upcoming ESG legislative and regulatory landscape or your supply chain obligations or supply chain best practice, or you would like assistance in mitigating your supply chain risk, we can help.

Sonali Siriwardena
Partner, Global Head of ESG
T +44 20 7825 4595
E Sonali.Siriwardena@simmons-simmons.com

ESG Team
T +352 26 21 16 23
E esg@simmons-simmons.com

NOT YET A RECIPIENT OF OUR ESG VIEW?

If you would like to receive our ESG View in your inbox on a monthly basis, please subscribe here.

** representative office not practising US law.*

simmons-simmons.com