

TIMELINE OF ANTICIPATED ESG DEVELOPMENTS IN 2025



HORIZON SCANNING
Governance & Sustainability

Sustainability practitioners will be well aware that ESG is a fast-moving, and ever changing area, making keeping on top of developments a significant challenge. We have sought to set out key ESG developments expected in 2025 in this timeline, covering the UK and, at a high level, the EU, to support with horizon scanning efforts.

Please note, however, that this timeline is a summary and is necessarily not comprehensive. Please speak to your usual contact at Slaughter and May for more information on ESG horizon scanning, including information tailored to your business and/or sector. For more information on developments in the UK energy and infrastructure sector, please refer to our recent publication [here](#).

KEY

- Environmental
- Social
- Governance and Reporting
- Sustainable Finance

Note: We appreciate that some of these areas can overlap.

1 JANUARY 2025



The 2024 UK Corporate Governance Code applies to financial years beginning on or after this date (other than Provision 29 which applies to financial years beginning on or after 1 January 2026).

14 JANUARY 2025

Deadline for comments on draft legislation bringing ESG ratings providers within FCA regulation.

21 JANUARY 2025

The Joint Committee on Human Rights announced a new inquiry to examine the UK's legal and voluntary frameworks underpinning the UK's response to forced labour in international supply chains, whether they are effective, and whether changes are required. The deadline for written submissions is Thursday 13 February.

1 JANUARY 2025



(EU) CSRD begins to apply to large companies who will need to report in 2026. (Footnote 1)

2 JANUARY 2025

(EU) Regulation on ESG rating activities entered into force and will apply from 2 July 2026.

21 JANUARY 2025



The FRC published a thematic review of mandatory climate-related disclosures reporting by AIM-listed and large private companies.

22 JANUARY 2025

(EU) Regulation on packaging and packaging waste was published in the EU's Official Journal and will enter into force on 11 February 2025. It will start to apply from 12 August 2026.

23 JANUARY 2025

The TNFD released sector guidance to support with TNFD reporting for four additional sectors, and released draft guidance for consultation covering an additional three sectors. (Footnote 2)

24 JANUARY 2025

Regulations implementing a drinks containers Deposit Return Scheme for England and Northern Ireland came into force. The Scheme will commence on 1 October 2027.

1 FEBRUARY 2025

Deadline for feedback on the TNFD's discussion paper on nature transition plans.

18 FEBRUARY 2025

Deadline for feedback on Department for Transport consultation on phasing out sales of new petrol and diesel cars from 2030.

26 FEBRUARY 2025

(EU) Expected announcements in relation to the EU's omnibus package. (Footnote 4)

26 FEBRUARY 2025

Deadline for feedback on UK government consultation on reforms to the Energy Performance of Buildings regime, including potential updates to Energy Performance Certificate requirements.

Q1 2025

The UK government is expected to consult on exposure drafts of the UK SRS, which will be based on the ISSB sustainability reporting standards. Following the consultation, the UK government will take a decision on whether or not to endorse the UK SRS for use in the UK, and will publish the final UK SRS if so (this may slip to Q2 2025).

EARLY 2025

ESG ratings providers expected to be brought within the scope of the FSMA perimeter. (Footnote 5)

23 JANUARY 2025

Two consultations on expanding the UK's ETS, covering the maritime sector and the non-pipeline transport of carbon dioxide, closed, following a two-month consultation period. (Footnote 3)

28 JANUARY 2025

(EU) Interinstitutional negotiations began on the final text of the EU Green Claims Directive.

6 FEBRUARY 2025

Deadline for feedback on HM Treasury consultation on a UK Green Taxonomy.

19 FEBRUARY 2025

Deadline for feedback on the FRC's consultation on proposed revisions to the UK Stewardship Code.

26 FEBRUARY 2025

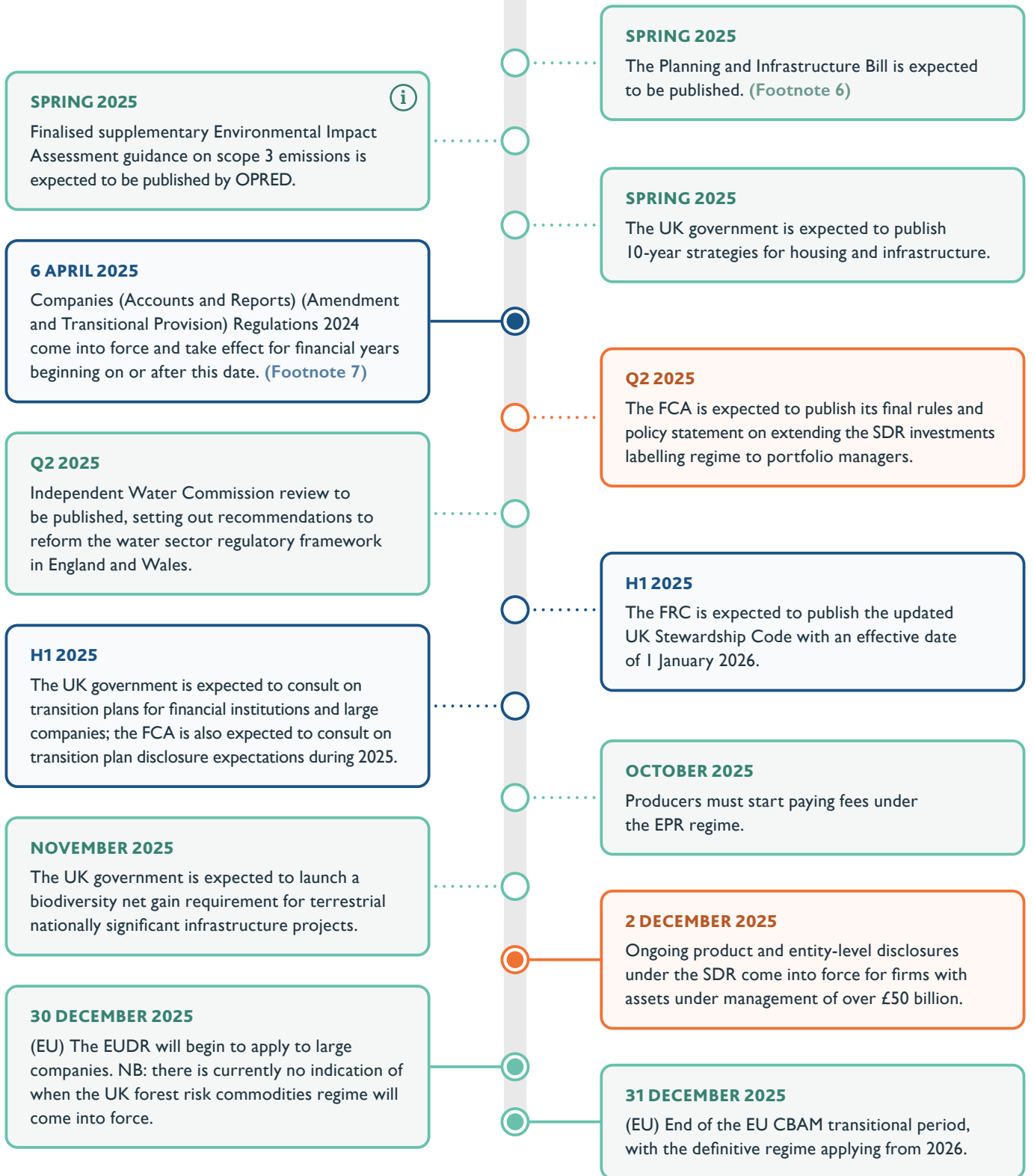
Climate Change Committee to publish its advice to the UK government on the level of its Seventh Carbon Budget, the legal limit for the UK's net emissions of greenhouse gases over the years 2038-2042.

31 MARCH 2025

- Separation of Waste (England) Regulations 2024 will start to apply to businesses and relevant non-domestic premises.
- The draft Separation of Waste (England) Regulations 2025 will come into force and introduce certain exemptions relating to waste collection and separation.

EARLY 2025

The UK government is expected to consult on implementing the UK's Principles for Carbon and Nature Market Integrity and increasing the use of the voluntary carbon and nature markets.



DEFINITIONS

- **CBAM:** Carbon Border Adjustment Mechanism
- **CSR:** Corporate Sustainability Reporting Directive
- **EPR:** Extended Producer Responsibility
- **ETS:** Emissions Trading Scheme
- **EUDR:** EU Regulation on Deforestation-free Products
- **FCA:** Financial Conduct Authority
- **FRC:** Financial Reporting Council
- **FSMA:** Financial Services and Markets Act 2000
- **ISSB:** International Sustainability Standards Board
- **OPRED:** Offshore Petroleum Regulator for Environment and Decommissioning
- **SDR:** Sustainability Disclosure Requirements
- **SRS:** Sustainability Reporting Standards
- **TNFD:** Taskforce on Nature-related Financial Disclosures

FOOTNOTES

- Footnote 1** The first CSRD reports required to be prepared by companies already in-scope of the CSRD will be published during 2025. Please refer to our [CSRD flowchart](#) for more detailed commentary on when CSRD obligations begin to apply. (EU)
- Footnote 2** Final sector guidance has been released for: apparel, textiles & footwear; beverages; construction materials; and engineering, construction & real estate. Draft guidance for consultation covers: fishing; marine transportation & cruise lines; and water utilities & services. The consultation will run until 4 April 2025, and the TNFD plans to finalise the guidance in June 2025.
- Footnote 3** The UK government launched consultations, on 28 November 2024, to include the maritime sector and non-pipeline transport of carbon dioxide in the ETS. Following the end of those consultations on 23 January 2025, we expect that further policy developments and legislative amendments on ETS expansion into these sectors will follow later in the year. Beyond these, the government is also expected to finalise changes to free allocation eligibility rules (to ensure accurate adjustments for UK CBAM-covered sectors), and clarify its approach to implementing the Carbon Offsetting and Reduction Scheme for International Aviation's interaction with the UK ETS, later in 2025.
- Footnote 4** The European Commission is expected to publish details relating to its omnibus simplification package by this date, which aims to streamline the sustainability reporting requirements contained in the Taxonomy Regulation, the Corporate Sustainability Reporting Directive and Corporate Sustainability Due Diligence Directive, although it's possible that other legislation will be included in the package. The omnibus legislation itself is expected to be published in 2025. (EU)
- Footnote 5** This will be done via the FSMA 2000 (Regulated Activities)(Amendment)(No.2) Order 2024.
- Footnote 6** The proposed Bill is expected to streamline the planning process to build more homes of all tenures and accelerate the delivery of major infrastructure projects.
- Footnote 7** This will lift by ~50% the turnover and balance sheet total thresholds that determine company, LLP and group size classifications for reporting requirements and remove several reporting requirements from the directors' report which are thought to be duplicative or of low value to investors.

WHO TO CONTACT



Harry Hecht
Partner

T +44(0) 20 7090 3801
E harry.hecht@slaughterandmay.com



Samantha Brady
Head of Environment and Climate Change

T +44(0) 20 7090 4279
E samantha.brady@slaughterandmay.com



Moira Thompson Oliver
Head of Business and Human Rights

T +44 (0)20 7090 3115
E moira.thompsonoliver@slaughterandmay.com



Helena Campbell
Professional Support Lawyer

T +44(0) 20 7090 4046
E helena.campbell@slaughterandmay.com