



Corporate Sustainability Legislation: A Global Snapshot

**Key trends around the world &
implications for Global Mobility**

June 2025



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Executive Summary

Despite claims of a decline in ESG (environmental, social, governance) legislation, sustainability requirements continue spreading globally. In Europe, the Corporate Sustainability Reporting Directive (CSRD) and Corporate Sustainability Due Diligence Directive (CSDDD) will require about 50,000 companies to report detailed sustainability-related information by 2027. While a 2025 simplification package delays reporting deadlines, the focus on transparency and standardisation remains strong. In the US, momentum has slowed dramatically at federal level, but state-level initiatives and international rules still impact American companies. Canada remains in a preparatory phase, with flexible frameworks hinting at mandatory rules down the line.

Elsewhere, major economies are transitioning to mandatory sustainability reporting by 2027, often aligned with international standards. Japan, China, India, Brazil, and South Africa are leading efforts, while Gulf countries are also planning climate-related disclosures by 2026.

Outlook

Future trends include:

- **Mandatory reporting** could expand to around 100,000 companies globally by 2030.
- **Standards** will likely align with international frameworks to reduce overlap.
- Companies will need **clear transition plans** for climate change, supported by external reviews.
- **Supply chains** will face tighter checks for emissions and ethical practices.

Implications for Global Mobility Providers

Global mobility service providers, whatever their size or scope of activity, must prepare for increasing client and regulatory demands for emissions data and ethical practices. Investment in carbon accounting, low-emission logistics, and verified reporting standards is essential for competitiveness and future compliance.

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Introduction: Are we witnessing a turning point in global corporate sustainability?

In early 2025, a noticeable backlash against ESG (Environmental, Social, Governance) efforts has taken hold. In the US under the Trump administration, high-profile rollbacks, such as the Environmental Protection Agency (EPA) moving to undo key air-pollution rules, have fuelled a narrative that “ESG is dead” in America. Meanwhile, in Europe, a recently proposed “Omnibus simplification” package aims to delay and dilute elements of the Corporate Sustainability Reporting Directive (CSRD) and the forthcoming Corporate Sustainability Due Diligence Directive (CSDDD). Critics warn that this package waters down the EU’s sustainability ambitions by postponing reporting deadlines, reducing the number of required data points, and exempting smaller companies from certain obligations. **Together, these developments have created a sense of uncertainty and scepticism about the future of corporate sustainability globally.**

However, beneath this turbulence lies an important reality: **ESG is merely evolving, not disappearing.** While some noisy controversies highlight political disagreements over terminology and near-term costs, the underlying drivers (rising investor scrutiny, consumer demand, and long-term risk management) remain as strong as ever. **In fact, the legislative and market trends we see globally suggest that mandatory sustainability reporting and responsible business conduct are on the rise, not in retreat.**

This report provides a clear, accessible overview of how corporate sustainability legislation currently stands in different regions of the world, and outlines what to expect in the coming years. We also highlight how major corporations continue to advance their sustainability strategies (even if they speak of them more quietly), and why smaller players in the global mobility industry should use this apparent “pause” to build robust, data-driven sustainability programmes, rather than ignore these issues.

Understanding TCFD and ISSB reporting frameworks

International sustainability reporting has become crowded with overlapping frameworks and standards, but two initiatives—TCFD and ISSB—have emerged as the leading references for legislators and regulators around the world:

TCFD (Task Force on Climate-related Financial Disclosures)

The TCFD was established in 2015 by the FSB, the international body that oversees global financial regulation, **to create a standardised framework** for companies to disclose how climate-related risks and opportunities affect their business.

It organises recommendations under **four pillars: governance, strategy, risk management, and metrics & targets.**

Although originally introduced on a voluntary basis, **many jurisdictions have now incorporated TCFD into law.** For example, the UK, Japan, Singapore and New Zealand require TCFD-aligned disclosures for large companies and financial institutions.

In this report, references to TCFD indicate jurisdictions or companies using its four-pillar approach as the basis for their climate reporting requirements.

ISSB (International Sustainability Standards Board)

Launched by the IFRS Foundation in 2021, the ISSB develops a unified, **global set of sustainability reporting standards**, covering both general ESG matters and climate-specific disclosures.

The ISSB standards build upon frameworks like TCFD and integrate them into a coherent reporting approach alongside broader environmental and social topics.

While the ISSB began as a voluntary baseline, **several countries are moving rapidly to mandate its use:** Brazil and Mexico will require ISSB-aligned reports from 2026, Canada plans to adopt them by 2026–27, and other jurisdictions are consulting on similar mandates.

In this report, any mention of ISSB adoption signals that a regulatory regime or company is aligning its sustainability disclosures to these emerging global benchmarks.

Europe: Enduring compliance pressure despite simplification buzz

The EU, generally regarded as a leading force in sustainability legislation, has introduced two major rules to make companies more transparent about their environmental and social impacts:

- **Corporate Sustainability Reporting Directive (CSRD):**

- › **What it is:** A rule requiring large companies to publish detailed information on their sustainability efforts alongside their annual financial reports.
- › **Who it covers:** By 2030, around 50,000 companies in the EU (as well as companies outside the EU with net turnover of over €150 million in the EU) must follow CSRD. This includes large public-interest entities and some smaller listed companies.
- › **What companies report:** Data on greenhouse gas emissions (from their own operations and energy use), water consumption, waste, workforce diversity, human rights practices, and other environmental, social, and governance (ESG) topics. The goal is to give investors, customers, and regulators a clear, comparable picture of a company's overall impact.
- › **Timeline:** The largest companies started reporting in 2025 (using 2024 data). Other large firms follow in 2026, with listed small and mid-sized companies set out to join in 2027.

- **Corporate Sustainability Due Diligence Directive (CSDDD):**

- › **What it is:** A forthcoming rule requiring large companies to check and address any harmful environmental or human rights issues in their own operations and across their supply chains.
- › **Who it covers:** Very large EU firms and **non-EU companies** meeting similar thresholds to those of the CSRD, especially in high-risk sectors, with plans to expand scope over time.
- › **What companies must do:** Identify potential risks (e.g., pollution by a supplier factory or unfair labour practices); take steps to prevent or stop them (such as changing suppliers or improving working conditions); and have a clear plan for how they manage these risks.
- › **Timeline:** Finalised in July 2024, with European Member States required to transpose it by 26 July 2026 and companies to comply from 26 July 2027, with full compliance required by 2027.

Although these directives may sound technical, **they share a simple purpose: to ensure that companies no longer focus solely on profits but also on how they affect people and the planet.** CSRD makes companies share detailed data on their sustainability performance, while the CSDDD forces them to keep a close eye on conditions in their supply chains.

Omnibus simplification package and criticisms

In February 2025, the European Commission introduced an Omnibus simplification package with the aim to ease compliance burdens and simplify reporting rules for smaller businesses. Critics, however, argue it weakens core disclosure rules and delays timelines, potentially undermining the EU's Green Deal goals. Despite adjustments, the CSRD's core requirements and goals, such as transparency, standardised reporting, and supply-chain due diligence, remain intact, with compliance timelines only slightly deferred. In other words, **this “simplification” does not fundamentally derail the EU's sustainability agenda and compliance pressure is merely deferred, not removed.**

Despite the Omnibus adjustments, **companies in Europe, regardless of size or location, will still feel the tightening compliance environment:**

1. **Expanded scope of CSRD:** By 2030, approximately 50,000 EU-based firms (and around 3,000 non-EU firms with significant EU turnover) must report detailed sustainability data. Small and mid-sized suppliers to these firms will be pressured to provide information (e.g. Scope 3 emissions (i.e. indirect carbon emissions which occur in a company's value chain) and labour practices) to enable their larger clients to comply.
2. **EU sustainable finance rules** remain in force, steering capital toward “green” activities and compelling investors to consider sustainability when allocating funds. Even if Omnibus relaxes some reporting lines, investors will still require comparable ESG data.
3. **EU Packaging and Packaging Waste Regulation (PPWR)** (in force from 1 January 2025): requires packaging placed on the EU market to meet strict recyclability and recycled-content targets, reduce single-use plastics, and ensure materials can be collected and recycled. This pushes companies to switch to more sustainable, reusable, or fully recyclable packaging solutions.
4. **Carbon border adjustment mechanism (CBAM)**, phasing in until payments start in 2026, will tax carbon-intensive imports (e.g. steel, cement) at EU borders. This incentivises both EU firms and non-EU exporters to lower their carbon footprints.

As a result, **the broader push for corporate transparency and impact persists**, meaning suppliers of all sizes will come under greater scrutiny from partners, financiers, and regulators. Many experts compare the rise of

EU sustainability rules to the GDPR's emergence in data privacy, suggesting that CSRD and CSDDD will become the global benchmark for corporate sustainability regulation due to the "Brussels effect". In short, **the Omnibus only postpones some compliance obligations temporarily.**

United Kingdom: Full steam ahead

The UK has introduced a range of corporate sustainability requirements including SECR (Streamlined Energy and Carbon Reporting) since 2019 and ESOS (Energy Savings Opportunity Scheme) compliance phases running through 2027. Public procurement now mandates sustainability criteria, requiring suppliers to demonstrate climate, waste, and social-value commitments. The UK Sustainability Reporting Standards (UK SRS), set for implementation in 2025, will align general and climate-related disclosures with global ISSB benchmarks. **From late 2025, most large companies and financial firms will be required to publish mandatory ESG and climate disclosures, including details on climate governance, risks, and Scope 3 emissions.**

These rules compel UK businesses to enhance transparency on energy use, emissions, and social value, positioning the UK as a regulatory leader whose standards often influence global best practice.

United States: Managing uncertainty amid flipped priorities

Prior to January 2025, corporate sustainability in the United States was characterised by a complex mix of federal proposals (some still pending), state-level mandates, and robust market pressures. Key elements include:

- **SEC climate disclosure rule:**

Under this rule proposed under the Biden administration, publicly traded companies would have to report greenhouse gas emissions (Scopes 1, 2, and significant Scope 3), climate-related risks, and governance practices in their Form 10-K filings. The rule faced legal challenges and was not yet in force by end-2024.

- **California climate disclosure laws:**

(SB 253 and SB 261, signed September 2022) From 2025, large companies with over \$1 billion global revenue must disclose Scopes 1 and 2 emissions and climate risk; from 2026, they must begin reporting Scope 3 if material. An estimated 10,000 companies (including many non-US multinationals) will be subject to these laws.

- **Federal forced labour import ban:**

(Uyghur Forced Labor Prevention Act, effective June 2022) Any products from Xinjiang or linked to forced labour are prohibited, pushing firms to prove supply-chain transparency.

- **Inflation Reduction Act (IRA) of 2022:**

Although primarily a spending and tax credit package for clean energy, it drove massive corporate green investments—ranging from electric vehicle (EV) purchases to renewable energy projects—through financial incentives.

Under the Biden administration, many U.S. corporations voluntarily adopted TCFD (Task Force on Climate-related Financial Disclosures) frameworks or prepared to meet proposed SEC rules, anticipating that mandatory disclosure would soon arrive. State regulators in New York and Massachusetts also signalled potential climate disclosure requirements, contributing to a patchwork of state-level ESG rules. At the same time, investors such as BlackRock, Vanguard and state pension funds, were actively pushing issuers for robust climate and governance disclosures, believing strong ESG practices correlated with long-term value.

With the inauguration of President Trump in January 2025, the federal landscape shifted dramatically:

1. **SEC climate rule frozen: The SEC moved to pause its pending climate disclosure rule**, stating it would reconsider whether mandatory climate reporting was appropriate. This created uncertainty for U.S. headquartered companies that had been preparing for compliance, as well as for non-US multinationals with U.S. listings, which now face unclear federal guidance on climate reporting.
2. **Department of Labour (DOL) rescinds ESG rule:** In May 2025, the DOL formally withdrew a 2022 rule that had required retirement plan fiduciaries to consider ESG factors when financially sensible. This move weakened the trend of integrating ESG into investor-decision frameworks, signalling a less favourable environment for ESG in pension and retirement plans.
3. **EPA rollbacks:** The new EPA leadership began rescinding key clean-air and clean-power regulations (e.g. emission standards for power plants and vehicles), which were projected to save tens of thousands of lives annually and billions in health costs. This rollback positioned the U.S. more like “climate outlier” among developed economies.
4. **Corporate backtracking under pressure:** Several high-profile companies (e.g. BlackRock) publicly scaled back their ESG-focused investment commitments. Some corporations softened or even shelved ESG programmes altogether to avoid political risks.

This federal retrenchment has created a dilemma for U.S. companies with global operations. On one hand, their domestic obligations may appear to lighten (e.g. no immediate SEC mandate), but on the other hand, European and Asian clients and regulators continue to tighten ESG rules. In effect, **U.S. headquartered companies cannot “opt out” of sustainability simply by focusing on U.S. rules; they must navigate a patchwork of global regulations.**

While federal momentum has stalled, state actions remain robust. California continues enforcing SB 253/261, meaning any company doing business there must report emissions. New York’s Department of Financial Services proposed stronger climate risk rules for insurers and banks, while certain other states (Florida, Texas) have enacted anti-ESG investment doctrines forbidding state pension funds from using ESG factors. Thus, **U.S. companies often face contradictory signals: some states push deeper ESG compliance, while federal regulators retreat.** This inconsistent state of affairs heightens the complexity for multinationals and their suppliers.

Canada: A cautious pause but momentum building

For much of 2023 and 2024, **the Canadian Securities Administrators (CSA, Canada’s securities regulators) were working on rules requiring publicly listed companies to disclose climate-related information.** Based on ISSB and TCFD frameworks, these rules aimed to cover governance, risks, metrics, and targets, with reporting expected to start in 2025.

However, following the U.S. federal rollback on sustainability initiatives, and the EU’s Omnibus simplification, **the CSA announced in April 2025 that it was pausing development of mandatory climate disclosure rules and delaying plans for diversity-related reporting requirements.** The stated reason was to let Canadian markets “adapt” to evolving global landscapes.

Most experts however believe Canada’s pause is short-lived, with mandatory climate disclosure rules likely revisited by mid-2026. Even with a temporary policy pause, Canada’s trajectory aligns with the global trend: expect mandatory reporting to return, and in the meantime, voluntary frameworks and market pressures will continue pushing corporate and supply-chain resilience on climate issues.

Asia: Convergence with global standards accelerates

Asia is a region of diverse economies, but the broad trend is clear: **governments are increasingly making sustainability reporting mandatory for large companies and aligning with global ESG standards.** Key developments include:

- **Japan**

Since 2023, all companies listed on the Tokyo Stock Exchange must disclose ESG matters (climate risks, governance, diversity) in annual filings, aligned with ISSB and TCFD standards to ensure comparability. Additionally, corporate directors in Japan can face legal consequences for ignoring environmental risks. Efforts are strong to integrate climate transition plans and board-level oversight.

- **China**

From 2024–2025, major state-owned and blue-chip companies must publish sustainability reports under new guidelines that closely align with international practice (TCFD and, increasingly, ISSB). Around 460 large Chinese firms accounting for about two-thirds of the nation's corporate emissions are in scope. This step supports China's 2060 net-zero target and helps maintain access to global capital markets.

- **India**

As of financial year 2022, **the top 1,000 listed companies file a Business Responsibility and Sustainability Report (BRSR),** with nine core principles covering everything from environmental stewardship to supply-chain labour rights. This move effectively places ESG considerations on the board agenda of India's largest firms.

- **Hong Kong & Singapore**

Hong Kong will mandate climate (Scope 1 & 2) disclosures for all listed companies from 2025 and phase in Scope 3 by 2026–2027. **Singapore** already requires sustainability reports tied to global frameworks and is developing a national green taxonomy to direct capital.

- **ASEAN**

Southeast Asian nations (Malaysia, Thailand, Indonesia, Vietnam) are **introducing green finance taxonomies and ESG disclosure guides** for small to medium sized businesses, pressing smaller firms to adopt basic sustainability practices in their supply chains.

Across Asia, regulators and exchanges coordinate to ensure common baselines: rather than duplicating efforts, and many countries explicitly reference or plan to adopt ISSB's standards starting in 2025–2026. This convergence facilitates multinational companies in reporting consistently. It also means that **suppliers in Asia, even if not directly regulated today, will soon be asked for ESG data by their customers**, mirroring the supply-chain ripple effect seen elsewhere.

Latin America: Catching up with global norms

Latin America is mid-transition from voluntary ESG practices to mandatory or quasi-mandatory disclosure:

- **Brazil**

Listed companies must now include ESG information in annual reports (CVM and B3 requirements), and the ABNT PR 2030 voluntary standard combats greenwashing.

- **Mexico**

From 2026, issuers of securities must file ISSB-aligned sustainability reports, with third-party assurance phased in by 2028. This new regime, announced early 2025, represents one of the most significant mandates in Latin America.

- **Chile**

While reporting is technically voluntary, about 66% of top Chilean companies already have formal sustainability policies in place, driven by market and exchange guidelines. Mandatory rules are under discussion.

- **Other nations (Colombia, Peru, Argentina)**

Other countries across the region have issued voluntary reporting guidelines or smaller sector-specific requirements. Global investors and EU import rules (e.g. on deforestation) drive companies to adopt stronger ESG practices even before local mandates.

Multinationals in sectors like agriculture, mining, and energy in Latin America, often heavily scrutinised for deforestation or labour issues, are forging ahead with sustainability programmes to maintain market access. For mobility suppliers in these countries, **being prepared to share ESG data is increasingly critical when servicing global clients.**

Africa: regulations in their early stages

In Africa, ESG regulation is still nascent and varies widely between countries. **South Africa** is the regional leader, with the Johannesburg Stock Exchange requiring listed companies to provide an annual sustainability report aligned with the King IV Report on corporate governance. Other markets, such as **Nigeria** and **Kenya**, encourage voluntary ESG disclosures, but have yet to introduce binding rules. In **Egypt** and **Morocco**, regulators are consulting on mandatory climate-risk reporting for major banks and insurers, reflecting growing interest in financial-sector transparency. Across the continent, multinational investors and development finance institutions are guiding local firms to adopt ESG practices, particularly around renewable energy, human rights, and anti-corruption.

While a unified Pan-African ESG framework does not exist, **the African Securities Exchanges Association (ASEA) is working on regional best-practice recommendations, suggesting that more formalised requirements could emerge in the next two to three years.**

Middle East & Gulf region: Aligning with global trends

In the Middle East and Gulf, ESG regulation is still emerging, led by wealthier states seeking to attract global capital and meet climate commitments. In the **United Arab Emirates**, the Dubai Financial Market and Abu Dhabi Securities Exchange now encourage listed companies to publish ESG reports, with plans to introduce mandatory climate disclosures by 2026. **Saudi Arabia**'s Tadawul Exchange requires large firms to include sustainability information in annual reports, aligned loosely with GRI standards, while the country's Vision 2030 agenda has spurred ESG guidelines for investors and state-owned enterprises. **Qatar** has proposed climate-risk disclosure rules for financial institutions, and **Bahrain** is working on a national sustainability framework for its banking sector. Across the Gulf, voluntary green bonds markets are developing (Dubai issued the region's first sovereign green bond in 2023), and multilateral institutions (such as the Abu Dhabi Global Market's ESG regulations) are pushing local firms to adopt best practices. **Although a unified regional ESG standard does not yet exist, these initiatives signal a clear shift toward formalised sustainability rules over the next two to three years.**

The evolving nature of ESG: Optics vs. substance

Across regions, critics have proclaimed a retreat from ESG, but the reality is more nuanced. In the United States, companies are “greenhushing” - pulling back on public ESG messaging to avoid political backlash - while continuing sustainability work internally. A 2025 survey found 52% of executives rebranded “ESG” language, avoiding controversial buzzwords to focus on terms like “sustainability” or “resilience”. Similarly, the EU’s Omnibus saga is often portrayed as rolling back the Green Deal, but underlying CSRD, CBAM, and EU taxonomy rules remain, ensuring continued corporate focus on sustainability.

Experts agree that today’s controversies over terminology and timing are a surface phenomenon; the underlying business model shift (integrating environmental and social considerations into strategy and operations) remains strong. Major companies continue to invest in energy efficiency, renewable procurement, diversity initiatives, and transparent governance structures. As some analysts note, the term ESG may be under fire, but the principles underpinning it are as fundamental to long-term risk management as financial accounting standards. Indeed, a 2025 survey by Workiva, a cloud platform for integrated reporting, found that 85% of executives who were intending to disclose greenhouse gas emissions will move forward with disclosures irrespective of any political developments within their country.

What is changing is the shift from voluntary, PR-driven efforts to mandatory, data-driven accountability. Companies no longer issue broad statements of intent; instead, they must collect quantitative data (e.g. tonnes of CO₂, water usage, injury rates, diversity ratios), set concrete targets, and demonstrate year-on-year improvement. This represents a maturation of sustainability from a marketing exercise to a core component of corporate risk management and value creation.

Furthermore, **regulatory regimes now include clear enforcement and liability mechanisms.** Under the CSRD and CSDDD, companies can incur administrative fines for late or inaccurate disclosures, face civil or shareholder litigation if they fail to identify and remediate supply-chain harms, and even be subject to exclusion from public contracts for non-compliance. California’s SB 253/261 carries financial penalties for missed emission filings, while federal agencies like the U.S. Department of Justice and Federal Trade Commission have initiated investigations and enforcement actions against companies accused of greenwashing. These developments make it clear that ESG regulations are no longer mere reporting exercises but carry significant legal and reputational risks for corporations.

Outlook: The next five years of sustainability regulation

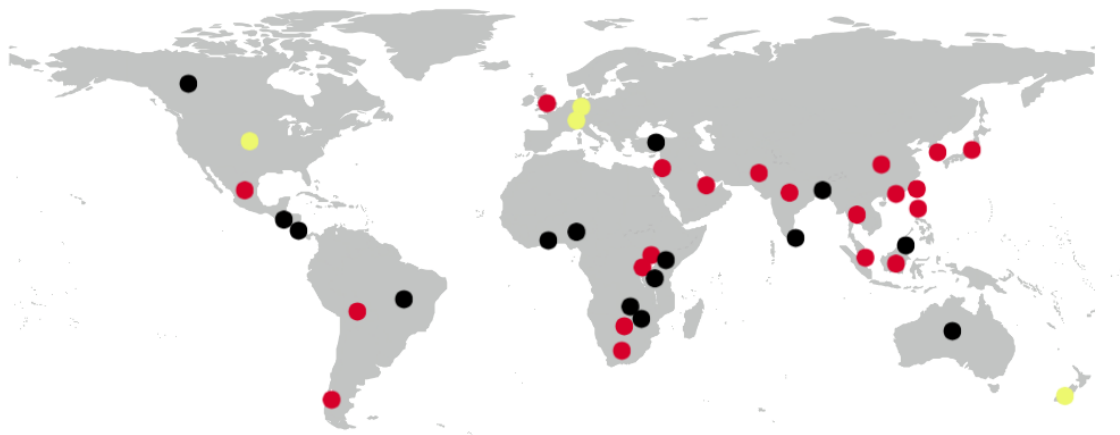
Despite perceived rollercoaster politics, **regulatory momentum continues globally**. Based on expert predictions, this is what can be expected in the short- to medium term:

1. Expanded scope of mandatory reporting:

By 2030, about 100,000 companies worldwide will be subject to some form of mandatory sustainability disclosure (CSRD, CSDDD in the EU; state-level climate rules in the U.S.; ISSB adoption in Asia, Latin America, Canada). Based on sources like S&P Global, the World Economic Forum and KPMG, over 30 jurisdictions plan to adopt ISSB standards by 2026.

Which jurisdictions have adopted or plan to adopt ISSB-based standards?

● Adopted ● Plans to adopt ● Other jurisdictions with related disclosure standards



Source: S&P Global, “March 2025 - Where does the world stand on ISSB adoption?”, <https://www.spglobal.com/esg/insights/march-2025-where-does-the-world-stand-on-issb-adoption>

2. Standardisation of reporting:

Companies will gradually move toward a “single source of truth” for sustainability reporting, reducing duplication and ensuring comparability. The EU, along with Asian markets like Japan, Hong Kong, and Singapore, and countries such as Canada and Brazil, is aligning sustainability reporting standards with ISSB frameworks to streamline global disclosures. By 2027, a large multinational with operations in Tokyo, São Paulo, and Toronto may submit nearly identical sustainability statements, thereby streamlining compliance.

3. Shift from disclosure to real impact:

Regulators will begin tying reporting to action. The EU is discussing requiring companies to publish climate transition plans with interim targets; similar proposals are emerging in Canada (linked to net-zero legislation) and Australia. **Greenwashing prosecutions are expected to rise.** Meanwhile, **investors will demand evidence of progress**, not just promises. The 2025 Workiva global survey reported that 96 percent of large investors believe rigorous ESG reporting strengthens financial performance.

4. Mandatory assurance on ESG data:

By 2028, third-party assurance of sustainability reports will be commonplace. Europe's CSRD already requires limited assurance from FY 2025. Mexico mandates third-party checks by 2027–2028. This will elevate ESG reporting to a level similar to financial audits, making robust internal controls and data governance essential.

5. Supply-chain scrutiny and Scope 3 demands:

As large companies fall under stricter reporting rules, they will force suppliers of all sizes and geographies to provide Scope 3 emissions data, human rights due diligence evidence, and environmental impact metrics. In the global mobility sector, this means relocation providers will have to quantify emissions from e.g. transportation of household goods, temporary housing, business travel, etc., and verify that partner agents adhere to ethical labour and environmental practices. Early adopters of carbon accounting strategies and supplier codes of conduct will gain a competitive edge.

This trajectory underscores that **we are in a “transition phase”**: the current **complexity of multiple frameworks, shifting deadlines, overlapping rules, is the growing-pain stage of a system that will eventually stabilise around a core set of global standards, outcome-focused regulations, and robust data assurance.** Five years from now, companies will find sustainability reporting as routine as financial reporting today: business-as-usual, not a contentious political debate.

What major corporations are doing

Leading companies are pursuing ambitious sustainability goals. Apple for example targets carbon neutrality by 2030, with 75% of suppliers using renewable energy by 2025. Microsoft aims to be water positive by 2030 and net-negative carbon by 2050. Unilever is working toward net zero across its value chain by 2039, while Toyota plans carbon neutrality by 2050. Walmart seeks to cut 1 billion tonnes of greenhouse gas emissions by 2030 through renewable energy and electric vehicles.

According to PwC's 2024 Global CEO Survey, 75 percent of CEOs say sustainability is central to their company's growth strategy, up from 63 percent in 2023. This underscores a broader trend: leading corporations increasingly view sustainability not as a regulatory burden but as a key driver of innovation, resilience and long-term value creation. Moreover, the WEF Global Risks Report 2025 ranks environmental risks, such as climate action failure and extreme weather events, as the top long-term threats to businesses and societies, reinforcing why large corporations keep sustainability at the heart of their strategies.

Implications for the global mobility industry

Service providers in the global mobility space often serve large multinationals from various industries. Although many suppliers are small or mid-sized companies and not directly within the scope of laws like CSRD or CSDDD, **they will experience significant indirect pressure** through their clients' or bookers' requirements. They should take into account some key considerations:

- 1. Scope 3 emissions:** Corporate clients will increasingly demand emissions report from their suppliers, and more granular data for employee relocations. Providers should start measuring their company's emissions, starting with Scope 1, Scope 2 and "easy" Scope 3 emissions.
- 2. Supply chain due diligence:** Global mobility firms will have to implement processes to check that local partners cause no human rights or environmental harms, using codes of conduct and periodic checks.
- 3. Competitive edge:** Demonstrating sustainable practices (like low-emission vehicles and recyclable packing) helps win business, as clients increasingly score suppliers on sustainability.
- 4. Align with standards:** Adopting internationally recognised metrics and standards now ensures readiness for future client and legal requirements.
- 5. Certifications and partnerships:** Pursuing industry partnerships and recognised certifications can provide marketing benefits and align with corporate expectations. However, given the multitude of available certifications, it is essential to conduct a detailed evaluation before making a commitment.

In essence, **relocation businesses should view the current “pause”** in some legislative pressures not as an excuse to stand still, but **as an opportunity to build the internal capacity and data systems** that will soon be an expectation, if not a legal requirement. Embracing sustainability demonstrates risk awareness, anticipates client demands, and **often leads to operational efficiencies** (e.g. route optimisation, fuel savings, waste reduction), ultimately benefiting the bottom line.

Conclusion: Plan for sustainability now

Though headlines occasionally trumpet the “end” of ESG, **the fundamentals of corporate sustainability are far from dead**. Instead, we observe an **evolution from voluntary, rhetoric-oriented ESG efforts toward a mandatory, data-driven, impact-focused model**. Even as rules are delayed, scaled back, or rebranded, the broader pressure from investors, customers and employees continues to mount. Between 2025 and 2030, **mandatory sustainability reporting will affect tens of thousands of companies** across Europe, North America, Asia, and Latin America. **In parallel, the emphasis will shift from collecting data to demonstrating real outcomes**, like annual emission reductions, verified labour standards in supply chains, water stewardship, and clear governance processes.

For large corporations, this transition means sustainability strategies remain front and centre, albeit sometimes under less politically charged language. For smaller and mid-sized supplier companies, **the message is clear: you cannot ignore sustainability**. Your corporate clients will apply sustainability criteria. The present regulatory complexity is a transitional pain point that will hopefully give way to greater clarity and streamlined standards by 2030. Companies that use this period to build strong data systems, define clear targets, and integrate sustainability into operations will not only satisfy future compliance requirements but will also carve out a competitive advantage.

Ultimately, sustainability is not a fad nor a passing trend. It is being woven into the fabric of modern business. The current political and regulatory ebbs and flows do not alter the direction of travel. The train is bound for impact-driven, transparent corporate conduct, and those who jump on now will reap the rewards of being ahead of the curve.

Annex 1: List of acronyms used in this report

ABNT PR 2030 – Associação Brasileira de Normas Técnicas Prazo de Referência 2030: A Brazilian voluntary standard that provides metrics and guidance to prevent greenwashing and align corporate disclosures with environmental and social best practices.

ASEA – African Securities Exchanges Association: A pan-African organisation of stock exchanges working to develop regional best-practice recommendations for ESG and financial market transparency.

BRSR – Business Responsibility and Sustainability Report: India's mandatory annual report format for the top 1 000 listed companies, covering nine core ESG principles (e.g. environmental stewardship, social responsibility, governance).

CBAM – Carbon Border Adjustment Mechanism: A European Union (EU) levy on carbon-intensive imports (such as steel or cement) to ensure imported goods face equivalent carbon costs as those produced under EU rules.

CSDDD – Corporate Sustainability Due Diligence Directive: An EU rule (finalised July 2024, compliance from July 2027 pending final vote) requiring large firms to identify, prevent, and mitigate human rights and environmental harms in their operations and supply chains.

CSDS – Canadian Sustainability Disclosure Standards: Voluntary standards (finalised December 2024) from Canada's Sustainability Standards Board that mirror ISSB requirements for climate and general sustainability disclosures.

CSRD – Corporate Sustainability Reporting Directive: An EU directive (phase-in 2025–2027) obliging roughly 50 000 companies to publish detailed ESG data (emissions, water, waste, human rights, etc.) alongside financial reports.

DOL – Department of Labor: The U.S. federal agency that, in May 2025, rescinded a 2022 rule requiring fiduciaries to consider ESG factors in retirement plans.

DSP – Destination Service Provider: A service provider in the relocation industry that assists relocating employees with settling into a new location, offering services such as visa and immigration support, home and school search, and orientation to the local area.

ESG – Environmental, Social, Governance: A broad set of criteria used by investors and regulators to assess a company's impact on the environment (E), social factors (S), and corporate governance (G).

ESOS – Energy Savings Opportunity Scheme: A UK programme requiring large organisations to conduct energy audits and report energy-efficiency measures, with compliance phases extending through 2027.

ESRS – European Sustainability Reporting Standards: Detailed technical standards under CSRD that specify exactly which ESG metrics (e.g., Scope 1–3 emissions, diversity ratios, water usage) EU companies must report.

GHG – Greenhouse Gases: Gases (such as CO₂, CH₄) that trap heat in the atmosphere; major ESG laws require companies to measure and report GHG emissions.

GRI – Global Reporting Initiative: An international voluntary framework for sustainability reporting; many companies use GRI guidelines to prepare ESG disclosures, especially where local laws are not yet mandatory.

IFRS – International Financial Reporting Standards: Global accounting standards; the IFRS Foundation oversees the ISSB and recently published a prototype for voluntary sustainability assurance, signalling convergence of financial and ESG reporting.

IRA – Inflation Reduction Act: A 2022 U.S. law that, among other things, provides substantial tax credits and incentives for clean energy, EV purchases, and decarbonisation projects, indirectly driving corporate sustainability investments.

ISSB – International Sustainability Standards Board: A body established by the IFRS Foundation in 2023 to create global baseline standards (including climate-specific requirements) for sustainability disclosures, expected to be adopted by 30+ jurisdictions by 2026.

JSE – Johannesburg Stock Exchange: South Africa's primary stock exchange, which requires listed companies to publish annual sustainability reports aligned with the King IV corporate governance code.

OSFI – Office of the Superintendent of Financial Institutions: Canada's federal regulator for banks and insurers; its Guideline B-15 requires systemically important financial institutions to produce TCFD-aligned climate risk disclosures.

PPN 06/21 – Procurement Policy Note 06/2: A UK rule (2021) requiring central government contracts to meet environmental and social criteria—covering climate, waste, and social value—whenever public funds are spent.

PPWR – Packaging and Packaging Waste Regulation: An EU regulation (fully in force January 2025) mandating that all packaging be recyclable and contain minimum recycled content, forcing companies (including relocation services) to switch to sustainable materials.

RMC – Relocation Management Company: Multi-national or large global mobility service providers that coordinate employee moves; they are often directly subject to ESG expectations from corporate clients (e.g. CSRD, California SB 253).

SB 253 / SB 261 – Senate Bills 253 and 26: California laws (signed September 2022) requiring large companies (>\$1 billion revenue) to disclose Scopes 1 & 2 emissions (from 2025) and Scope 3 (from 2026) in state filings.

SDR – Sustainability Disclosure Requirements: A forthcoming UK regime (late 2025) under which most large companies and financial institutions must publish mandatory ESG and climate-related disclosures, including governance, risks, and Scope 3 emissions.

SECR – Streamlined Energy and Carbon Reporting: A UK requirement (since 2019) that large UK-registered companies report their energy use and GHG emissions in their annual reports, with compliance ongoing through 2027.

SME – Small and Medium-sized Enterprise: Businesses below certain employee and revenue thresholds; while often outside direct scope of laws like CSRD or SECR, SMEs face cascading ESG demands from larger clients (Scope 3 data, due diligence checks).

TCFD – Task Force on Climate-related Financial Disclosures: A voluntary framework (2020) that guides companies to report on climate governance, risk management, strategy, and metrics; forms the foundation for many mandatory rules (e.g. Canadian CSDS, state-level U.S. proposals).

TSE – Tokyo Stock Exchange: Japan’s main bourse, which since 2023 requires all listed companies to disclose ESG matters (climate risk, diversity, governance) in annual securities filings aligned with ISSB/TCFD.

UK SRS – UK Sustainability Reporting Standards: A set of standards planned for implementation in 2025 requiring UK companies to report general and climate ESG disclosures in line with ISSB benchmarks.

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About FIDI Global Alliance

FIDI Global Alliance is the largest global network of international moving and relocation companies. It sets quality standards for the industry through its FAIM certification and provides members with resources to improve their business practices, including their sustainability efforts.

If you have any questions or need support in your sustainability efforts, please contact the FIDI Sustainability team at sustainability@fidi.org or visit our website at www.fidi.org



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