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TATTVA

ESG Newsletter

2022 began with key framework providers for sustainability disclosure upgrading their frameworks to enable better ESG disclosure and many securities commissions making watertight norms to avoid greenwashing. The Science Based Targets initiative (SBTi) has developed scope 3 target setting while EU's expert advisors openly opposed the inclusion of gas and nuclear energy into the EU Taxonomy guidelines.



In a bid to promote energy efficiency and conservation, India has announced an export ban on carbon credits until it meets its climate goals. California has been making waves in the ESG space by targeting to achieve 25,000 megawatts of offshore wind capacity by 2045 and announcing an end to the sale of gas-powered cars by 2035. Deloitte has launched five sustainability solutions viz. ESG Strategy, Performance & Reporting, Climate & Decarbonization, Sustainable Supply Chains, and Financing Sustainability. Visa has launched a suite of sustainability-focused features for its cardholders in the Asia-Pacific region to help them understand the carbon footprint of their spending.

Equinor, Shell, and TotalEnergies have collaborated with Yara to transport and store up to 1.5 million tons of CO₂, as part of a newly launched project 'Northern Lights'. Credit Suisse has named James Purcell, an expert in thematic and impact investment, as its Head of Sustainability Frameworks. The Federal Court of Malaysia has found their former Prime Minister guilty and issued a 12-year jail sentence on corruption charges in the 1MDB case.

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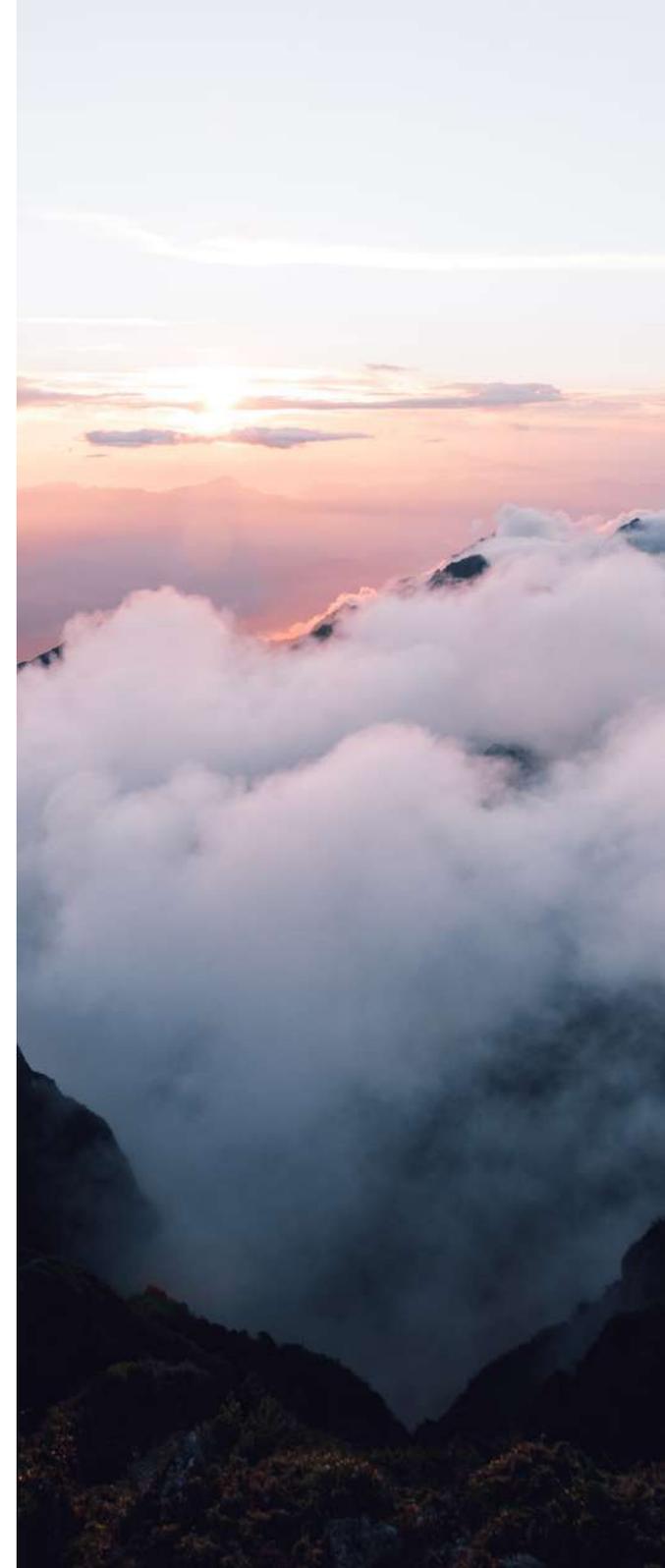
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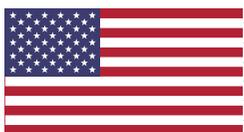


MARKET TRENDS

Trends driving positive environmental and social change

Businesses, financial institutions, and regulatory bodies have realized the significance of addressing ESG risks and capitalizing on the underlying opportunities to adopt sustainability. Catch the latest developments in industries from government mandates to revolutionary initiatives in this section.

US Prez Biden signs climate, health bill into law to modernize and reduce dependency on fossil fuels



US President Biden has signed the Inflation Reduction Act with an aim to reduce greenhouse gas (GHG) emissions by about 40% below 2005 levels by 2030. The bill, called by Biden "the biggest step forward on climate ever," will invest USD370bn in expenditure

and tax credits for clean energy to reduce dependencies on fossil fuels and combat climate change. The Act includes lowering prescription drug prices for senior citizens and extending federal subsidies for health insurance, among other provisions.

► Source: Indian Express

India announces export ban on carbon credits until it meets climate goals



India's Power, New & Renewable Energy minister, Raj Kumar Singh, has announced a ban on companies from exporting carbon credits. He added that credits must be generated by domestic companies and bought only by domestic companies, until India meets its climate goals. India is preparing to increase its share of clean energy in the electricity mix to 50%

from 42% by 2030 and seeks to become a net exporter of energy by utilizing its clean energy potential.

► Source: Bloomberg

Australia's climate risk survey indicates financial institutions still at early stages of integrating climate risks



The Australian Prudential Regulation Authority (APRA) has announced the results of a climate risk survey carried out across Australia's banking, insurance, and superannuation industries. The survey results indicated that 23% of financial institutions lack any metrics to measure and monitor climate risks and

have yet to integrate climate risk across their risk management framework.

► Source: ESG Today

Biden aims at reducing GHG emissions in federal buildings through public-private partnerships



The Biden administration has launched the 'Climate Smart Buildings Initiative' to modernize federal buildings through public-private partnerships and reduce GHG emissions from the government's existing building stock. The initiative will catalyze

USD8bn of private sector investment to reduce 2.8 million metric tons of GHG emissions annually by 2030. The US federal government portfolio has 300,000 buildings. The government aims to achieve a net zero building portfolio by 2045.

► Source: ESG Telegraph

Australia's financial industry body sets guidelines for investment managers, seeks to eliminate greenwashing

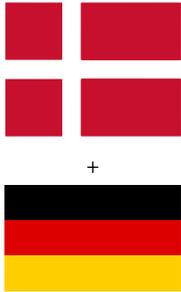


Australia's Financial Services Council (FSC) has released new climate-related guidelines for fund managers to increase transparency on climate risk disclosures and avoid greenwashing. The guideline covers topics such as setting net-zero targets for investment portfolios, with a focus on assessing portfolio emissions and reporting climate risk aligned

with the Taskforce on Climate Related Financial Disclosures (TCFD).

► Source: ESG Today

Denmark, Germany to build offshore wind island to supply electricity to European homes



Denmark and Germany have confirmed plans to complete the Bronholm Energy Island that will supply green electricity to about 4.5 million Danish and German houses from 2030. The energy island, which has a 3GW offshore wind capacity, will be a joined project between the two countries, with cost and benefits distributed in a fair and balanced manner. The green electricity generated will help reduce carbon emissions in Germany by 3.5mn tons annually from 2030.

► Source: State of Green

California announces ban on sale of new gas-powered cars by 2035



The California Air Resources Board (CARB) approved a rule that requires all new cars, pickup trucks, and SUVs in the state of California to be zero-emission vehicles (ZEVs) by 2035. The sales of gas-powered vehicles will be banned by 2035 and the production of clean vehicles will be enforced from 2026. California, the country's most populous state, is considered the center of US car culture, and hence other states are likely to follow suit.

► Source: CNBC



COLLABORATION



Companies joining forces to shape sustainable solutions

ESG issues continue to grow in relevance, be it employee health & safety or climate change. The impact is multi-fold in current times. Investor groups and corporates are increasingly collaborating to address such issues and drive sustainability. Following are the major coalitions in the ESG space.

UBS, Climeworks, neustark collaborate to remove 40 tons of CO2 from the atmosphere



UBS has signed a 13-year collaboration with two carbon removal solutions companies, Climeworks and neustark, to remove 39,500 tons of CO2 from the atmosphere. UBS aims to fulfil its net-zero goals across scope 1 and 2 by 2025 and all scopes by 2050. Climeworks is a leader in Direct Air Capture (DAC) technology, which extracts CO2 directly from the atmosphere, and neustark removes CO2 from the atmosphere and permanently stores it in recycled concrete.

► Source: ESG Today

TradeSun, Coriolis partner to help banks assess the ESG performance of trade transactions



TradeSun and Coriolis Technology have collaborated to launch an ESG tracker for banks to measure their ESG performance across trade transactions. The partnership will aid TradeSun's customers to use Coriolis's ESG tracker. It is a ratings' providing platform developed with over 50 financial institutions to score, monitor, and verify trades against the UN's Sustainable Development Goals (SDGs).

► Source: FinTech

PulseESg collaborates with CD&R to advance ESG measurement, reporting for portfolio companies



PulseESG, an ESG SaaS platform, is launching a pilot program with private investment firm Clayton, Dubilier & Rice (CD&R) to advance the ESG measurement for its portfolio companies. The program will design, test, configure, and improve large quantities of ESG data, thus

enabling ESG-related validation and benchmarking by management and stakeholders.

► Source: Business Wire

Equinor, Wintershall Dea partner to develop inter-country carbon capture and storage value chain



wintershall dea

Energy firms, Equinor and Wintershall Dea, have partnered to develop an extensive carbon capture and storage (CCS) value chain, which connects European CO2 emitters to offshore storage sites on the Norwegian Continental Shelf, in a bid to reduce European emissions. The 'Norwegian-German CCS (NOR-GE)' project has a capacity of 20-40 million tons of CO2/year.

► Source: Equinor

Equinor, Shell, TotalEnergies sign on Yara in first-ever cross-border CO2 transport and storage agreement



Equinor, Shell, and TotalEnergies have signed an agreement with Yara to transport and store CO2 as part of a newly launched project 'Northern Lights'. The project aims to inject and store up to 1.5 million tons of CO2 and will be operational in 2024. A total of 800,000 tons of CO2 will be captured from Yara's ammonia manufacturing plant in the Netherlands.

► Source: Business Wire



PEOPLE MOVEMENTS

Thought leadership through key hires

Companies across the globe are demanding analysts, strategists, and knowledgeable professionals to understand and drive their ESG data, strategies, and solutions for a range of stakeholders. This section brings you the latest movements of such highly skilled professionals in the ESG sector.

McDonald's appoints Jon Banner as Global Chief Impact Officer



Jon Banner has joined multinational fast-food chain, McDonald's, as Executive Vice President and Chief Impact Officer. In his new role, he will focus on supervising the company's overall ESG strategy as well as government relations, corporate philanthropy, sustainability, and other areas.

► Source: ESG Investing

Credit Suisse names James Purcell as Head of Sustainability Frameworks



Credit Suisse has appointed James Purcell as Head of Sustainability Frameworks. In his new role, Purcell will oversee another round of development of the Sustainable Investment Framework across the four global divisions. He will also play a key role in the company's sustainability-related external engagement and make sure that the sustainable strategy is accessible to clients, employees, and more.

► Source: ESG Today

Standard Chartered hires Kerry Constable to head net zero, sustainability strategy teams



Standard Chartered has appointed Kerry Constable to head its net zero and sustainability strategy teams. Kerry will focus on the bank's global sustainability strategy, including managing key strategic sustainability initiatives, setting net-zero targets, overseeing the delivery of these commitments, and the bank's ESG reporting and disclosures.

► Source: Standard Chartered

Ahold Delhaize appoints Jan Ernst de Groot as Chief Sustainability Officer



Ahold Delhaize has appointed Jan Ernst de Groot as its Chief Sustainability Officer (CSO). He will be responsible for the company's vision, strategy, and goals with respect to environmental sustainability, healthy eating, social impact, ethics, human rights, and governance.

► Source: Ahold Delhaize

Deloitte Africa recruits' sustainability reporting leaders Jayne Mammatt, Jyoti Vallabh



Deloitte Africa has appointed Jayne Mammatt and Jyoti Vallabh in the Audit & Assurance division. Both women will aid Deloitte's effort to assist clients to develop, execute, and report on their ESG initiatives.

► Source: Deloitte

FINTECH



Innovation in sustainable investing

The fintech section captures various innovations in the data analytics, software solutioning, and technology space that benefit both investors and data providers. Learn about the most groundbreaking technologies leading their way to ESG.

Deloitte launches 5 ESG solutions using SAP

Deloitte.

Deloitte has launched five sustainability solutions and a roadmap built on SAP technology, namely ESG Strategy, Performance & Reporting, Climate & Decarbonization, Sustainable Supply Chains, and Financing Sustainability.

These solutions are for clients to manage their sustainability and climate challenges and assist them throughout their sustainability journey.

► Source: Deloitte

Clarity AI, BlackRock develop quantitative sustainability assessment for private companies



Clarity AI with the help of BlackRock's alternative investment management platform, eFront, has developed a platform for assessing quantitative sustainability data of private market investors. The solution will generate analytics and benchmarking at the company-, fund-, and portfolio-level along key sustainability

metrics.

► Source: Private Equity Wire

United Rentals launches emissions tracker for visibility into equipment emissions



United Rentals has launched 'Total Control Emissions Tracking', a new data-driven solution, which is designed to help customers measure and report the environmental footprint of their rental equipment. Among other things, this pioneering capability enables tracking engine hours and fleet utilization.

► Source: Business Wire

Turkish Airlines announces new feature for passenger emissions offsets



Turkish Airlines, the world's largest mainline carrier by the number of countries served, has announced the launch of 'Co2mission', a program to offset the carbon emissions caused by flights. This allows

passengers to calculate the carbon offset amount due to their flight travel, which the airline then utilizes for various sustainability projects in Turkey and worldwide.

► Source: Business Traveller

o9 launches suite of sustainable supply chain solutions



Texas-based AI software platform provider o9 has launched a suite of sustainability solutions, aimed at helping organizations track their environmental and social KPIs (key performance indicators) pertaining to global supply chains. This includes net-zero progress tracking, ESG risk detection, and circular operational planning.

► Source: AI TechPark



PRODUCTS & SERVICES

Industry demands met with sustainable investment products and ESG data & services

As businesses work toward getting ESG-compliant and investors channel their funds into ESG products, the market is gearing up to facilitate all forms of products and services. In this section, you will find news on key products and services including the launch of climate change-targeted funds as well as ESG data and services.

Visa launches sustainable solutions for Asia Pacific cardholders



Visa has launched 'Visa Eco Benefits', a suite of sustainability-focused solutions, in the Asia-Pacific region for its cardholders. It will help customers to calculate the carbon footprint of their Visa transactions. According to a survey, 66% of consumers expect eco-friendly options from their banks, while 52% are willing to switch banks to access eco-friendly solutions.

► Source: Electronic Payments International

BMW launches initiatives to improve sustainable packaging to reduce emissions in supply chain



The BMW Group has announced several projects aimed at improving sustainable packaging. It targets to reduce around 20% of CO2 emissions in the supply chain. The percentage of recycled material in reusable packaging for BMW has increased from 20% to 30%. The newly developed expanded polypropylene packaging (EPP) contains 25% recycled material which will allow the company to save 280 tons of CO2 per year.

► Source: BMW Group

Amundi US launches ESG strategy to outperform S&P 500



Amundi has launched a new range of actively managed strategies called Amundi US Equity ESG Improvers SMA. The strategy will take a forward-looking approach and identify companies with promising ESG trajectories and invest in early-stage entities with encouraging futures. Amundi already invests in companies currently leading in their sectors to outperform S&P 500.

► Source: ESG Today

ICE plans to launch UK carbon allowance options



Intercontinental Exchange (ICE) has announced that it intends to launch options on UK Carbon Emission Allowances (UKA Options) on October 10, 2022. The Options will allow ICE customers to manage price risk for carbon emission in an effective manner. The move follows the successful launch of the UK carbon allowance futures in May 2021.

► Source: Business Wire

Renault Trucks inaugurates 'disassembly plant' to boost circular economy initiatives



Volvo Group's Renault Trucks has started a used parts factory. Its disassembly plant focuses on recycling trucks and re-using the parts and raw materials. This initiative marks the initial steps toward a circular economy approach led by the company. The components identified for re-use will be checked, removed, and cleaned and sold under the 'Used Parts by Renault Trucks' label.

► Source: ESG Today

Coca-Cola Europacific Partners, Rabobank Launch 'sustainability-linked supply chain' finance program



Coca-Cola Europacific Partners (CCEP) has collaborated with Netherlands-based Rabobank to launch a new 'sustainability-linked supply chain' finance program that rewards suppliers for improving their ESG performance. The new program will incentivize and reward suppliers for improving their ESG performance and aids CCEP's target for net-zero and reduction in GHG emissions.

► Source: ESG Today

Pandora launches jewelry with lab-created diamonds and 100% recycled gold, silver

PANDORA Pandora has launched a collection of lab-created diamonds in the US and Canada. It is the first Pandora collection to be made with 100% recycled silver and gold. This initiative is in line with the company's policy to move away from mined diamonds opting instead for lab produced. The lab grown diamonds have a 95% lower carbon footprint than their mined counterparts.

► Source: Cision PR Newswire



LAWS, POLICIES, AND REGULATIONS



Major policies that pave the way to disclosure in the industry

Policy reformation and amendments in the ESG reporting space are at an all-time high. What started as a voluntary disclosure is now making its way to becoming mandates. Be it sustainable investments standards or climate change reporting mandates and transparency in governance practices, we bring you the latest regulatory updates in this section.



EU markets authority releases assessment of ESG rating providers

The European Securities and Markets Authority (ESMA) has released its assessment of ESG rating providers. According to the assessment, the market structure is divided into a small number of large non-EU providers and many significantly smaller EU entities. The shortcomings cited by ESMA were lack of transparency, insufficient data granularity, complexity, and more.

► Source: ESG today

EU agrees 'landmark' 40% quota for women on corporate boards

EU mandates 40% quota for women on corporate boards in landmark gender equality deal

The European Union (EU) has approved the mandate to set aside a 40% quota for women on corporate boards. Large corporations must guarantee that 40% of their non-executive directors are women, effective June 30, 2026. Additionally, the EU has set a goal for women to hold 33% of senior positions, including non-executive directors and directors, such as chief executive and chief operating officer.

► Source: The Guardian

BlackRock warns SEC on plans to end ESG greenwash – Industry roundup: 23 August

BlackRock warns SEC about proposed ESG rule, says it could hurt investors

BlackRock has suggested to the Securities and Exchange Commission (SEC) that the strategy details demanded from funds as per the newly issued ESG rule could lead to greenwashing, instead of avoiding it as originally intended. This may lead to confusion and may mislead investors.

► Source: CTMFILE

BlackRock warns SEC on plans to end ESG greenwash – Industry roundup: 23 August

Acra, SGX set up sustainability reporting advisory committee

The Accounting and Corporate Regulatory Authority (Acra) and the Singapore Exchange Regulation (SGX RegCo) have established a sustainability reporting advisory committee (SRAC). The committee will provide a sustainability reporting roadmap for Singapore-incorporated companies. The committee will be chaired by Esther An, Chief Sustainability Officer of City Developments.

► Source: The Business Times



Australian Securities and Investments Commission issues guidelines against greenwashing

The Australian Securities and Investments Commission (ASIC) has released a set of guidelines to prevent greenwashing. According to the guidelines, issuers of products are required to use a clear label in their disclosures and promotion.

► Source: Minerva Analytics

GRI launches new aquaculture standard

GRI introduces new aquaculture standard

The Global Reporting Initiative (GRI) has introduced a new standard GRI 13 for Agriculture, Aquaculture, and Fishing Sectors 2022. The standard includes new disclosures for the sectors on food security, land, and resource rights, living wage and income, natural ecosystem conversion, animal welfare, soil health, and pesticides and supports companies in the sectors.

► Source: The Fish Site

Strengthened Response On Climate Risk By Financial Institutions Bears Fruit, Say Regulators

Malaysia's JC3 issues guidelines for financial institutions on climate change

Malaysia's Joint Committee on Climate Change (JC3) has issued new guidelines for domestic and international financial institutions, providing recommendations on how to implement climate-related disclosures that are consistent with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. All institutions are expected to implement the basic recommendations within 24 months.

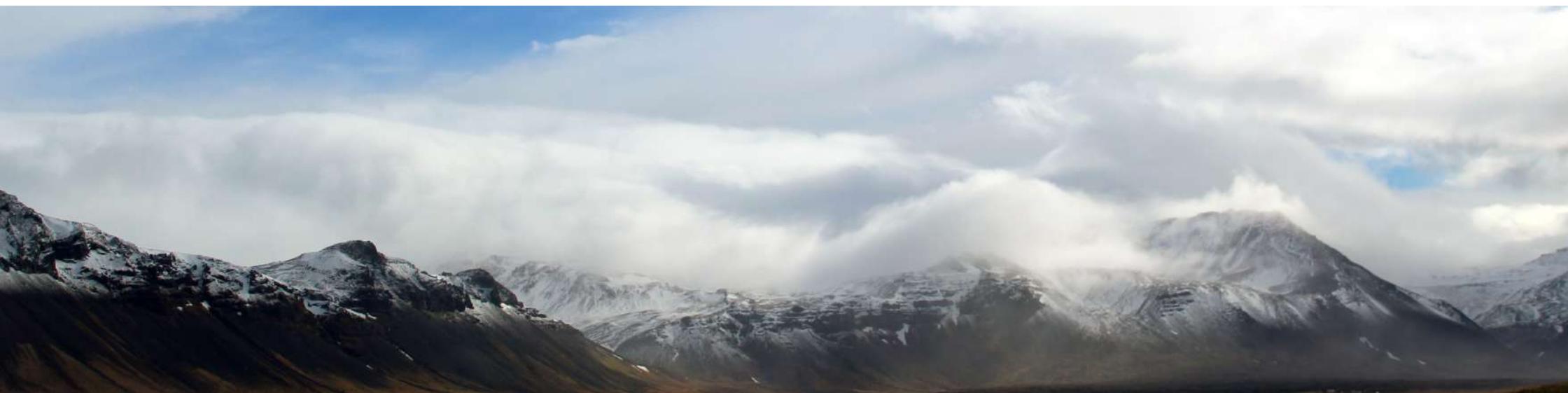
► Source: BUSINESSSTODAY

European Union: French Regulator Calls For Regulation Of Providers Of ESG Ratings And Other Services

French regulator calls for regulation of ESG ratings providers

The Autorité des marchés financiers (AMF) has reiterated stringent regulations for entities based in Europe which provide ESG ratings and other services. According to the AMF, regulation should "cover the entire range of ESG data, ratings, and services, rather than being limited to ESG ratings." "Transparency requirements for methodologies, underlying data (source and nature), and product objectives" must also be included.

► Source: Mondaq





CONTROVERSIES

Global sustainability watchdogs chasing wrongdoers

Do companies follow their ESG commitments? Tracking corporate controversies helps in investment decisions and enables stakeholders to determine whether the companies are being fair to their commitments or merely greenwashing. We bring you the top controversies in this section.



Former Malaysia PM found guilty in IMDB case

The Federal Court of Malaysia found Najib Razak, the former Prime Minister of Malaysia, guilty and issued a 12-year jail sentence on corruption charges in the IMDB case. He was found guilty of money laundering and power abuse for receiving USD4.5bn illegally from SRC International, a former unit of IMDB (IMalaysia Development Berhad).

► Source: Reuters



Philippines investigates country's major telecoms

The Philippines' antitrust agency has launched an investigation against major telecoms, PLDT and Globe Telecom, over allegations of abusing their dominant market position. The regulator said it will review the accusations made by Chinese owned DITO Telecommunity, which made a re-entry in the Philippine

market in 2021. Meanwhile, PLDT and Global Telecom claimed that they have detected 'fraudulent calls' from DITO's network to their subscribers, which DITO denied.

► Source: yahoo!finance

Ex-JPMorgan metals traders convicted of fraud, cleared of racketeering

Ex-JP Morgan traders accused of racketeering, fraud

The Department of Justice has acquitted three former traders of JP Morgan Chase of racketeering and conspiracy charges in a landmark futures manipulation trial. Two of the traders were accused and found guilty of fraud and spoofing.

► Source: New York Post



Adidas, Nike resolve patent dispute over shoe technology

Adidas and Nike have settled a series of patent disputes over athletic shoe technology. Nike had sued Adidas in the US over shoe designs infringe patents related to Nike's lightweight Flyknit technology. Adidas had also issued a countersuit thereafter. Both lawsuits were dropped.

► Source: Reuters



Philips extends recall of respiratory machines

Philips Respironics, a subsidiary of Philips, has expanded its recall of medical respiratory machines due to contamination of a plastic component with a non-compatible material. The company has not received any complaints or reports of patient harm due to the issue, so far, but decided to recall preventing future occurrences. The recall affects 1,700 devices globally.

► Source: Reuters

More than 280,000 Hyundai and Kia vehicles recalled over fire risk

Hyundai, Kia vehicles recalled over fire risk

More than 280,000 sport utility vehicles of Hyundai and Kia were recalled over fire risk. The callback affects 245,000 Hyundai Palisades and 36,000 Kia Tellurides and includes flaming and melting incidents linked to an accessory tow hitch. It is said that the fire risk exists even when the engine is turned off.

► Source: Clickcom



SGA BLOGS



“Sustainability in Tech: 3 Ways for Companies to Become More Sustainable” [Read More...](#)

“The ESG Rating Phenomenon: A Guide to Understand ESG Ratings” [Read More...](#)





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