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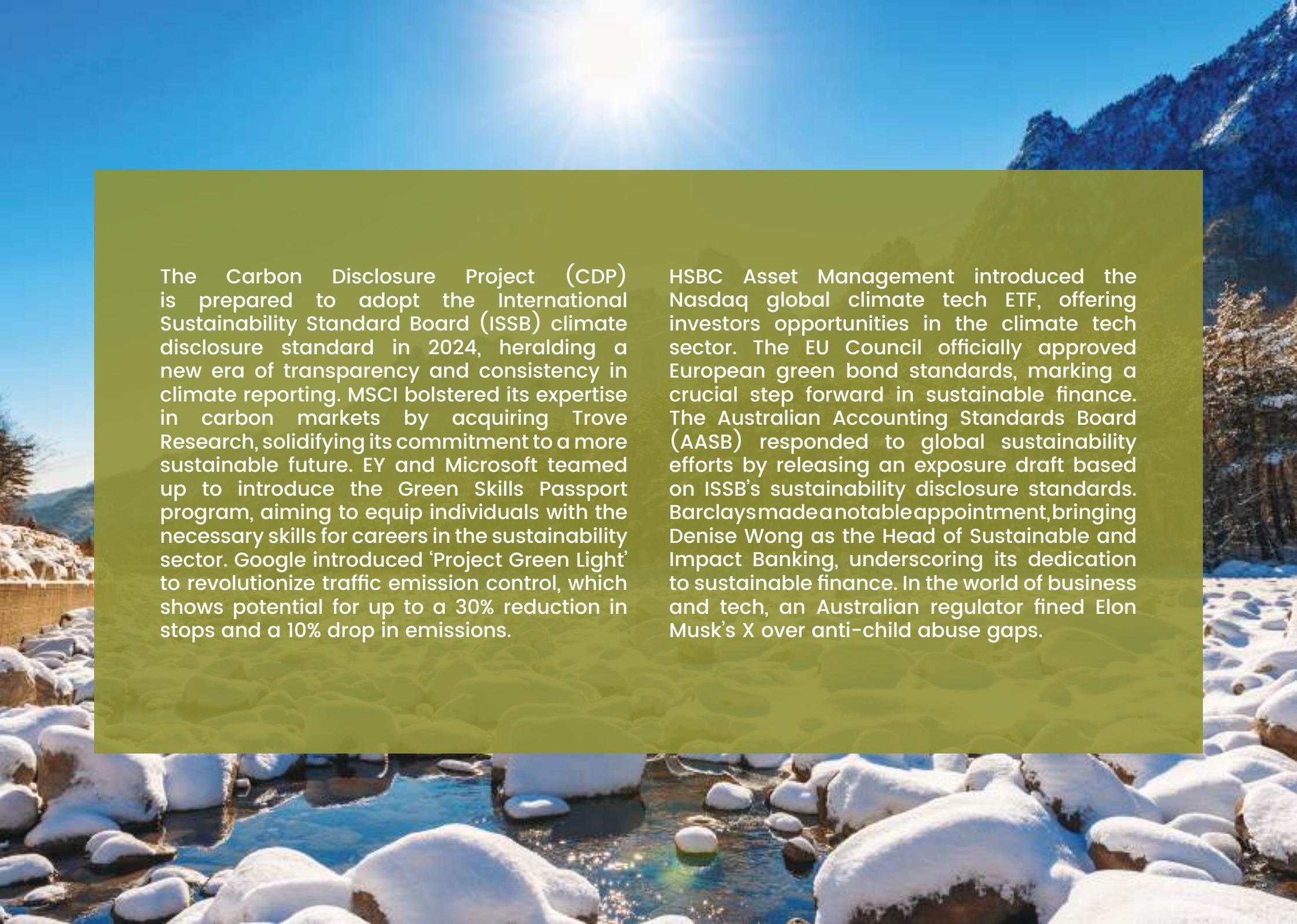
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# TATTVA

## ESG Newsletter

2023 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.





The Carbon Disclosure Project (CDP) is prepared to adopt the International Sustainability Standard Board (ISSB) climate disclosure standard in 2024, heralding a new era of transparency and consistency in climate reporting. MSCI bolstered its expertise in carbon markets by acquiring Trove Research, solidifying its commitment to a more sustainable future. EY and Microsoft teamed up to introduce the Green Skills Passport program, aiming to equip individuals with the necessary skills for careers in the sustainability sector. Google introduced 'Project Green Light' to revolutionize traffic emission control, which shows potential for up to a 30% reduction in stops and a 10% drop in emissions.

HSBC Asset Management introduced the Nasdaq global climate tech ETF, offering investors opportunities in the climate tech sector. The EU Council officially approved European green bond standards, marking a crucial step forward in sustainable finance. The Australian Accounting Standards Board (AASB) responded to global sustainability efforts by releasing an exposure draft based on ISSB's sustainability disclosure standards. Barclays made a notable appointment, bringing Denise Wong as the Head of Sustainable and Impact Banking, underscoring its dedication to sustainable finance. In the world of business and tech, an Australian regulator fined Elon Musk's X over anti-child abuse gaps.

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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.

## CDP set to adopt the ISSB climate disclosure standard in 2024



The Carbon Disclosure Project (CDP) will align its sustainability reporting with the International Financial Reporting Standards (IFRS) Foundation's International Sustainability Standard Board (ISSB)'s new climate disclosure standard to streamline corporate environmental reporting. The platform, crucial for investors and stakeholders, plans to integrate additional sustainability reporting standards, including the Taskforce on Nature-related Financial Disclosures (TNFD) and the Securities and Exchange Commission (SEC)'s upcoming climate disclosure rule, to enhance environmental reporting.

► Source: ESG Today

## EU initiates probe into subsidized EVs imported from China



The European Commission (EC) initiated an inquiry into Chinese battery electric vehicle (BEV) imports to determine if unlawful subsidies negatively affect European BEV manufacturers. The investigation will also assess its potential consequences for importers, users, and European Union (EU) consumers of BEVs. If deemed necessary, anti-subsidy tariffs could be enforced within nine months, with definitive measures within thirteen months from the commencement of the investigation.

► Source: European Commission

## EU secures accord to curtail highly potent greenhouse gases



The EU agreed to completely phase out hydrofluorocarbons (HFCs) by 2050 in refrigeration and air conditioning to combat climate change. The agreement bans sales of products containing HFCs with varying timelines. It awaits formal approval but aligns with the EU goals of reducing CO2 emissions and ensuring environmental protection.

► Source: Reuters



## European lawmakers seek to simplify sustainability reporting regulations

Over 40 European Parliament lawmakers propose a resolution to replace the European Sustainability Reporting Standards (ESRS) with simpler and less burdensome sustainability disclosure rules for companies. The ESRS, a component of the Corporate Sustainable Reporting Directive (CSRD), is deemed complex and potentially burdensome, particularly for smaller companies. The lawmakers seek a new, less complex delegated act with a longer implementation period.

► Source: ESG Today

## TPT unveils a comprehensive climate disclosure framework



The UK's Transition Plan Taskforce (TPT) introduced a disclosure framework for companies to develop climate transition plans. The framework emphasizes ambition, action, and accountability, comprising five disclosure elements. It aligns with the International Sustainability Standards Board (ISSB) and the Glasgow Financial Alliance for Net Zero (GFANZ) framework. TPT also intends to provide industry-specific guidance in November 2023.

► Source: Green Central Banking

## New York Governor reveals unprecedented state investment in renewable energy



New York Governor Kathy Hochul unveiled the largest US state investment in renewables, featuring three offshore wind and 22 land-based projects with a combined capacity of 6.4 gigawatts. This initiative is projected to generate 8,300 jobs and stimulate USD20bn in economic development. Additionally, it will advance New York's goal of achieving 70% renewable electricity by 2030 and 9 gigawatts of offshore wind by 2035 to address climate objectives.

► Source: NEW YORK STATE

## IEA forecasts 'peak oil' by 2030



The International Energy Agency (IEA) predicts the global oil demand will peak this decade due to electric vehicle adoption and China's economic slowdown, followed by a prolonged plateau. In the base-case scenario, oil demand will reach 102 million barrels per day by the late 2020s, decreasing to 97 million barrels per day by mid-century. The IEA's more optimistic scenarios show steeper declines if global climate goals are achieved.

► Source: Fortune Media IP Limited



# 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.

## Walmart and General Mills unite for a regenerative agriculture endeavor



Walmart and General Mills initiated a vast 600,000-acre partnership for regenerative agriculture, aiming to promote sustainable farming practices and environmental conservation. The partnership aims to make a significant commitment to improving agricultural sustainability.

► Source: Supply Chain Dive

## Brookfield acquires Banks Renewables



Brookfield, a global asset management company, acquired one of the UK's largest renewable energy developers, Bank Renewables. The estimated deal of USD1bn aims to expand Brookfield's presence in the renewable energy sector and further its commitment to sustainable energy solutions.

► Source: Power Technology

## EY and Microsoft introduce the Green Skills Passport



EY and Microsoft partnered to introduce a green economy job training program called the Green Skills Passport. This initiative aims to provide skills and opportunities in the sustainability sector, promoting workforce development in environmentally focused careers. The 10-hour virtual course enables flexible learning on subjects like sustainability, entrepreneurship, and employability skills. This initiative aligns with Microsoft's commitment to creating a more inclusive, sustainable, and equitable future.

► Source: ERP Today

## MSCI acquires Trove Research to strengthen expertise in carbon markets



MSCI, a prominent financial services company, acquired Trove Research, a leading carbon markets advisory firm. This move reinforces MSCI's capabilities in offering expertise and insights related to carbon markets, aligning with the growing focus on sustainable finance and ESG considerations.

► Source: ESG News

## EasyJet and Airbus collaborate on DAC carbon capture technology



EasyJet and Airbus signed an agreement to offset flight emissions using Direct Air Capture (DAC) carbon capture technology. This partnership addresses environmental concerns in the aviation industry by reducing the carbon footprint of flights.

► Source: ESG Today

## Alcumus acquires Planet Mark to strengthen sustainability focus



Alcumus, a prominent risk management and compliance solutions provider, acquired sustainability certification provider Planet Mark. This acquisition underscores Alcumus' commitment to bolstering sustainability and environmental responsibility within its services and offerings.

► Source: ESG Today



# 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.

## Barclays welcomes Denise Wong as the Head of Sustainable and Impact Banking



Barclays hired Denise Wong as the Head of Sustainable and Impact Banking. She will advise corporate and institutional clients on leveraging opportunities to meet sustainability objectives. She will report to Vanessa Koo, the Head of Investment Banking of Asia Pacific.

► Source: ESG Clarity

## Fidelity hires Phil Cliff and Aaron Hay as Sustainable Directors



Fidelity International appointed Phil Cliff and Aaron Hay as directors in London to its sustainable investing team. Phil Cliff will develop Fidelity's climate strategy and transition plan and its commitment to halve emissions across investment portfolios by 2030 and reach net zero by 2050, along with the firm's climate reporting. Aaron Hay will

lead the development and execution of the sustainable investing strategy for Fidelity's private credit capabilities and stewardship and engagement activities in private credit.

► Source: ESG Clarity

## Chronos Sustainability appoints Pins Brown as the leading human rights expert



The sustainability advisory firm Chronos Sustainability appointed Pins Brown as the leading human rights expert. She will provide technical support to the firm's human rights programs, using her human rights lens to work on sustainability issues, such as biodiversity and climate change. Previously, she was the Director of Human Rights at Natura & Co.

► Source: ESG Clarity

## Aviva welcomes Ramoutar as the Environmental Sustainability Director



Aviva hired Leah Ramoutar as its Environmental Sustainability Director. Ramoutar has worked at Phoenix Group for over 14 years. She will head the Climate Centre of Excellence and Environment Hub and will be instrumental in delivering the firm's ambitious climate agenda to be net zero by 2040.

► Source: ESG Clarity

## WTW hires Peter Carter as the Head of Climate Practice



WTW appointed Peter Carter as a leader for the refocused climate practice. Carter has been with WTW since 2015, most recently serving as the Global Head of Captive & Insurance Management Solutions.

► Source: ESG Today

## Charles Stanley appoints Paris Jordan as the Head of Responsible Investing



Paris Jordan has left her role at Waverton to become the Head of Responsible Investing at Charles Stanley. She will report to Charles Stanley's CIO Patrick Farrell. She will join the 18-strong responsible investment research team and oversee investing integration and analysis, which will inform investment strategy and decisions that reflect the firm's clients' preferences.

► Source: ESG Clarity

**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.

## Google introduces 'Project Green Light' to revolutionize traffic emission control



Google unveiled 'Project Green Light', a revolutionary AI-based initiative targeting transportation and energy emissions. It addresses traffic emissions at traffic lights, which can be 29 times higher than

on open roads. The project employs AI and Google Maps data to optimize traffic light plans, delivering results "in as little as five minutes using existing infrastructure." Currently operational in 70 intersections across 12 cities globally, it shows potential for up to a 30% reduction in stops and a 10% drop in emissions.

► Source: Cities Today

## Infosys and Economist Impact launch VCN for emission reduction



Infosys and Economist Impact developed the Value Chain Navigator (VCN), a digital platform to aid businesses in comprehending and mitigating Scope 3 value chain emissions. The VCN provides interactive tracking, tools, and customized recommendations. It will be integrated into The Sustainability Project, a community and content platform established by

Economist Impact and developed by Infosys, fostering sustainability solutions and business impact through a B2B model.

► Source: Infosys

## Clarity AI unveils SFDR-aligned ETFs and indexes



Clarity AI introduced a new Sustainable Index and ETF methodology to assist index and ETF providers in developing and promoting products

compliant with the EU's Sustainable Finance Disclosure Regulation (SFDR). This methodology aligns with SFDR's definition of sustainable investment. Additionally, it allows financial market participants to assess companies based on various criteria, such as UN Sustainable Development Goals (SDGs), EU Taxonomy contribution, and SFDR Principle Adverse Impact indicators (PAIs), in line with regulatory standards.

► Source: ESG Today

## Position Green introduces AI Analyst for ESG analytics and insights



Position Green unveiled its AI Analyst feature, a generative AI solution for ESG analytics. Given the complexity of emissions accounting and variations in Greenhouse Gas Protocol Scopes, the AI Analyst

provides real-time insights to help companies make informed decisions. The AI Analyst detects patterns, anomalies, and critical insights, seamlessly integrating them into Position Green's Sustainability Management Suite.

► Source: FinTech Global



## EY and SAP join forces to enhance climate and sustainability solutions

EY and SAP extended their partnership to offer climate and sustainability solutions, focusing on streamlined reporting, operational efficiency, and regulatory compliance. Together, they will aid clients in aligning carbon footprint and financial data, adapting to evolving regulations, and enhancing emissions accounting for more accurate carbon footprinting. EY will also supply real-time legal and regulatory updates for SAP's Responsible Design and Production solution.

► Source: ESG Today

## Greenly partners with Xero to streamline carbon accounting for businesses worldwide



Greenly has now become a Xero App Partner, expanding its carbon accounting capabilities. The integration with Xero, a global small business

platform, simplifies the carbon accounting process for businesses. Greenly's platform empowers businesses "to measure, analyze, and reduce their carbon footprint effectively." This integration streamlines the process by interfacing with Xero accounts, allowing users to effortlessly source accounting data and integrate it with various business tools through a user-friendly interface.

► Source: ESG NEWS





# **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.



## ESG Book and FII jointly inaugurate an inclusive ESG tool

The Future Investment Initiative (FII) Institute, in collaboration with ESG Book, introduced an “Inclusive ESG Tool” and “Inclusive ESG Score” to aid emerging market companies and global investors in accessing and evaluating ESG performance. The tool aims to bridge the USD5.4tn ESG investment gap in emerging markets.

► Source: ESG News

## HSBC AM unveils Nasdaq global climate tech ETF

### HSBC AM unveils Nasdaq global climate tech ETF

HSBC Asset Management (AM) introduced a global climate technology strategy ETF, the HSBC NASDAQ Global Climate Tech UCITS ETF (HNCT). Listed on the London Stock Exchange, the ETF tracks the Nasdaq CTA Global Climate Technology index, selecting stocks based on the Consumer Technology Association’s three classifications: enablers, engagers, and enhancers.

► Source: ETF Stream



## TMF Group introduces its newly developed ESG administration services

TMF Group launched ESG administration services to help companies and fund managers create accurate ESG reports. This service offers expertise, efficiency, cost savings, data accuracy, scalability, and risk management, allowing companies to focus on their core activities while meeting the growing demand for ESG reporting.

► Source: ESG News



## Coca-Cola India debuts PET bottles made from recycled materials

Coca-Cola India expanded its sustainability efforts by introducing 100% recycled PET (rPET) bottles of 250 ml and 750 ml. These bottles are produced in collaboration with bottling companies Moon Beverages Ltd. and SLMG Beverages Ltd. This initiative aligns with Coca-Cola’s global “World Without Waste” goal, which aims to manufacture bottles using 50% recycled content by 2030.

► Source: ESG Broadcast



### Bloomberg inaugurates indicators to assess physical climate risk

Bloomberg, in collaboration with Riskthinking.AI, launched science-based physical risk indicators that enable companies and investors to assess and comprehend their exposure to climate-related risks, such as floods, droughts, and wildfires. These indicators are the first to consider all climate scenarios approved by the Intergovernmental Panel on Climate Change (IPCC).

► Source: ESG Today

### Apple and Nike initiate CEBI



Clean Energy Buyers Institute (CEBI), initiated by Apple and Nike, includes Amazon, Meta, PepsiCo, and REI Co-op as founders. Through CEBI, these companies launched the Clean Energy Procurement Academy to equip supply chain companies with skills and knowledge to adopt clean energy solutions and

address emissions. The initiative aims to accelerate the adoption of clean energy in supply chains through shared training and resources.

► Source: Business Wire



### DHL, Neste, and ISCC introduce a system to monitor aviation emissions reductions

DHL, Neste, and ISCC collaborated on a new system to track and report emissions reductions in air travel using sustainable aviation fuel (SAF). The pilot system, utilizing the ISCC Credit Transfer System, offers transparency and traceability for SAF transactions and related sustainability benefits, allowing companies and airlines to claim emission reductions credibly and transparently.

► Source: ESG Today

# **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.



## The EU Council approves a new regulation for European green bonds

The EU Council officially adopted a regulation setting standards for European green bonds (EuGB), which promotes uniformity in the green bond market. These bonds finance green projects that adhere to the EU's taxonomy and prevent greenwashing. The regulation also establishes a supervisory framework for external reviewers and voluntary disclosure requirements for other sustainable bonds in the EU. All EuGB proceeds must align with the EU's sustainable activities taxonomy, with flexibility for uncovered sectors. The regulation will come into force 12 months after its publication.

► Source: ESG Broadcast

## Brazil mandates climate disclosures from 2026



Brazil's Securities and Exchange Commission (CVM) and the Ministry of Finance announced that public companies should provide annual sustainability and climate-related disclosures from 2026. The new reporting requirements, part of Brazil's Ecological Transformation Plan, are aimed to drive the transition to a green economy.

► Source: ESG Today



## AASB proposes new climate impact reporting guidelines

The Australian Accounting Standards Board (AASB) released a new Exposure Draft (ED SR1) based on sustainability disclosure standards by the International Sustainability Standards Board (ISSB). The exposure draft outlines the proposed guidelines for companies to report climate impact information, starting from 2024 for large businesses and gradually phasing in smaller entities over three years. The ED SR1 includes three drafts of Australian Sustainability Reporting Standards (ASRS Standards): a draft of ASRS 1, a draft of ASRS 2, and a draft of ASRS 101.

► Source: ESG Broadcast

## China relaunches its voluntary carbon market via CCER



The China Certified Emission Reduction (CCER) scheme is to be relaunched with significant changes, expanding carbon trading and incentivizing sustainable and climate mitigation projects. CCER started accepting applications for registrations and has passed comprehensive regulatory frameworks. The proposed amendments will strengthen

the scheme's credibility, thus benefiting the renewables, forestry, and methane reduction sectors.

► Source: Asia House



### FDF's new regulations to ensure the accuracy of ESG labels

Switzerland's Federal Department of Finance (FDF) planned to propose regulations that address greenwashing in the financial sector and ensure the accuracy of labels like 'sustainable' or 'ESG'. The Swiss Federal Council's measures include aligning labeled financial products with sustainability goals and transparent reporting. The FDF committed to submit a consultation draft by August 2024.

► Source: ESG Today



### The EU Council advances aviation sustainability

The EU Council adopted the 'ReFuelEU aviation' initiative to increase the demand and supply of sustainable aviation fuels (SAF) with lower CO2 emissions. The initiative aims to align air transport with the EU's climate targets for 2030 and 2050.

► Source: Spanish Presidency



### MAS introduces climate transition guidelines for FIs

The Monetary Authority of Singapore (MAS) issued "Guidelines on Transition Planning" for financial institutions (FIs) to address climate change mitigation and adaptation. The guidelines emphasize engagement over divestment, a multi-year approach, holistic risk management, environmental considerations, and transparency and accountability. The guidelines aim to support the global transition to a net-zero economy and prepare FIs for climate-related challenges and shifts in business models.

► Source: knowesg



# 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.

## Australian regulator fines Elon Musk's X over anti-child abuse gaps



The e-Safety Commission imposed a fine of USD386,000 on X, due to its non-cooperation in an investigation concerning its practices in preventing child abuse. This poses a significant challenge to X, which has faced difficulties retaining advertisers amid allegations of sloppy content moderation.

► Source: The Hindu



## Indigenous community aims to halt Santos gas pipeline project in Australia

An indigenous group filed an emergency application to the Australian government to block pipeline construction for Santos Ltd.'s USD3.6bn Barossa gas project off northern Australia. Indigenous people of the Tiwi Islands alleged that the pipeline route would cross an area of the sea floor, causing significant damage to ancient burial grounds, aboriginal art, and other sacred ancestral sites.

► Source: The Straits Times



## BlackRock to settle SEC disclosure charges

The U.S. Securities and Exchanges Commission (SEC) fined USD2.5mn BlackRock Advisors LLC for "failing to accurately describe investments in the entertainment industry." The SEC alleged that between 2015 and 2019, BlackRock's trust invested in Aviron Group LLC, a company specializing in film advertising. However, BlackRock provided inaccurate descriptions of Aviron to investors. BlackRock did not immediately respond to requests for comment.

► Source: Yahoo@! finance

## Bayer ordered to pay \$175 million in latest Roundup cancer trial

## Bayer to pay USD175mn in cancer trial

A retired restaurant owner filed a lawsuit against Bayer, claiming his cancer was due to exposure to the company's Roundup weed killer. The jury ordered Bayer to pay USD25mn in compensatory damages and USD150mn in punitive damages to the restaurant owner. A Bayer spokesperson commented that the company disagreed with the verdict and would appeal to overturn the judgment.

► Source: Business Insurance



### India accuses Vivo of visa violations

India's financial crime agency revealed that numerous employees of the Chinese smartphone manufacturer Vivo and its Indian affiliates concealed their employment status when applying for visas. Some of these individuals also violated visa regulations by visiting the "sensitive" region of Jammu and Kashmir in the Himalayas. These allegations have emerged as tensions between India and Beijing. This has led to increased scrutiny of business activities, restrictions on incoming investments, and the ban on hundreds of Chinese apps following border clashes in 2020.

► Source: Business Standard



### CMA investigates Vodafone-CK Hutchison merger deal

The Competition and Markets Authority (CMA) announced an investigation into the proposed USD19bn merger of Vodafone and CK Hutchison and whether it would cause a significant reduction in competition.

► Source: Nasdaq



# SGA BLOGS



“Combating the Climate Crisis: How will the UK Food Sector Achieve Net Zero Emission Goals?” [Read More...](#)

“2023 Traffic Index: Most Congested Cities in the US” [Read More...](#)

“10 Most Sustainable Cities in the USA: Sustainable Outlook 2023” [Read More...](#)

“EU Sets a Global Benchmark with New “European Green Bond” Standards” [Read More...](#)

“What is a Carbon Offset, and How Does it Work?” [Read More...](#)

“The Intersection of Technology and Sustainability to Overcome the ESG Dilemma” [Read More...](#)

“Navigating the Responsible ESG Marketing Landscape” [Read More...](#)



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