



Tattva

SEC greenlights U.S.'s first
sustainability- focused

**STOCK
EXCHANGE**



INTRODUCTION

The 52nd edition of Tattva underscores pivotal shifts in sustainable finance, green technology, and regulatory evolution. The U.S. Securities and Exchange Commission (SEC) has approved the launch of the Green Impact Exchange (GIX), the nation's first sustainability-focused stock exchange, enabling dual listings for companies aligned with stringent environmental standards. In a parallel push for clean mobility, Aramco and BYD have joined forces to co-develop low-emission vehicle technologies, reinforcing their commitment to powertrain innovation and carbon reduction. In corporate leadership, Mitsubishi UFJ Financial Group, Inc. (MUFG) has appointed Stephen Jennings as its Chief Sustainability Officer for the EMEA region, strengthening sustainability strategies across Europe, the Middle East, and Africa. On the digital disclosure front, ESG Book has launched LEO, an AI-driven platform co-developed with Boston Consulting Group (BCG) and Google Cloud to streamline and standardize sustainability reporting and help firms comply with evolving global regulations.

Luxury group Kering has revealed its 2050 Water-Positive Strategy, targeting improvements in water quality and accessibility across ten critical basins, including Arno in Italy. The initiative promotes the use of recycled materials and supply chain collaboration through dedicated Water Resilience Labs. Meanwhile, the Australian Securities and Investments Commission (ASIC) has released Regulatory Guide 280 (RG 280), providing detailed expectations on climate disclosures, Scope 3 emissions, and sustainability thresholds under new mandatory reporting laws. However, the momentum faced a major setback with the US government freezing Equinor's USD5bn Empire Wind project, citing regulatory flaws. The move has raised concerns over investor confidence and the viability of offshore wind, jeopardizing New York's clean energy goals and a broader pipeline of over 60 GW of planned capacity.



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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 across industries, from government mandates to revolutionary initiatives, in this section.

EU urges EFRAG to expedite simplified reporting standards under CSRD



The European Commission (EC) has asked the European Financial Reporting Advisory Group (EFRAG) to fast-track simplified sustainability reporting standards under the Corporate Sustainability Reporting

Directive (CSRD), aiming to reduce data requirements and regulatory burdens. With a deadline of October 31, 2025, the initiative prioritizes clarity, interoperability, and materiality, aligning with the European Green Deal's objectives while easing compliance for companies.

► Source: ESG Today

CSA pauses mandatory climate disclosure rules

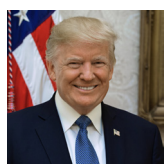


The Canadian Securities Administrators (CSA) has paused plans to implement mandatory climate and diversity disclosure rules, citing economic

and geopolitical uncertainties. While existing diversity disclosure requirements remain in place, climate reporting will continue under voluntary Canadian Sustainability Standards Board (CSSB) standards. The CSA will monitor developments and revisit mandatory rules in the coming years.

► Source: ESG News

Trump targets state climate laws in new administrative order



President Donald Trump issued an administrative order to block state-level climate change policies, targeting laws that limit fossil fuel use and promote clean energy. The order directs federal action against states such as New York and

California, which has sparked backlash from Democratic governors and garnered praise from the oil & gas industry.

► Source: Reuters

ISSB proposes changes to ease Scope 3 emissions reporting requirements



The International Sustainability Standards Board (ISSB) has proposed changes to its International Financial Reporting Standards (IFRS) S2 framework to ease Scope 3 emissions reporting for

companies, particularly in the financial sector. The revisions target derivatives, financed transactions, and insurance activities, offering flexibility in measurement methods and global warming potential values. The draft is open for public comment until June 27, 2025, with final revisions expected by year-end.

► Source: ESG Dive

SEC greenlights U.S.'s first sustainability-focused stock exchange



The Securities and Exchange Commission (SEC) has approved the Green Impact Exchange (GIX), marking the launch of the first platform of its kind in the US focused on sustainability-driven trading. Set to launch in 2026, the GIX will allow

dual listings for companies meeting its sustainability standards, aiming to serve climate-conscious investors and businesses while promoting market-driven approaches to sustainable finance.

► Source: ESG Dive

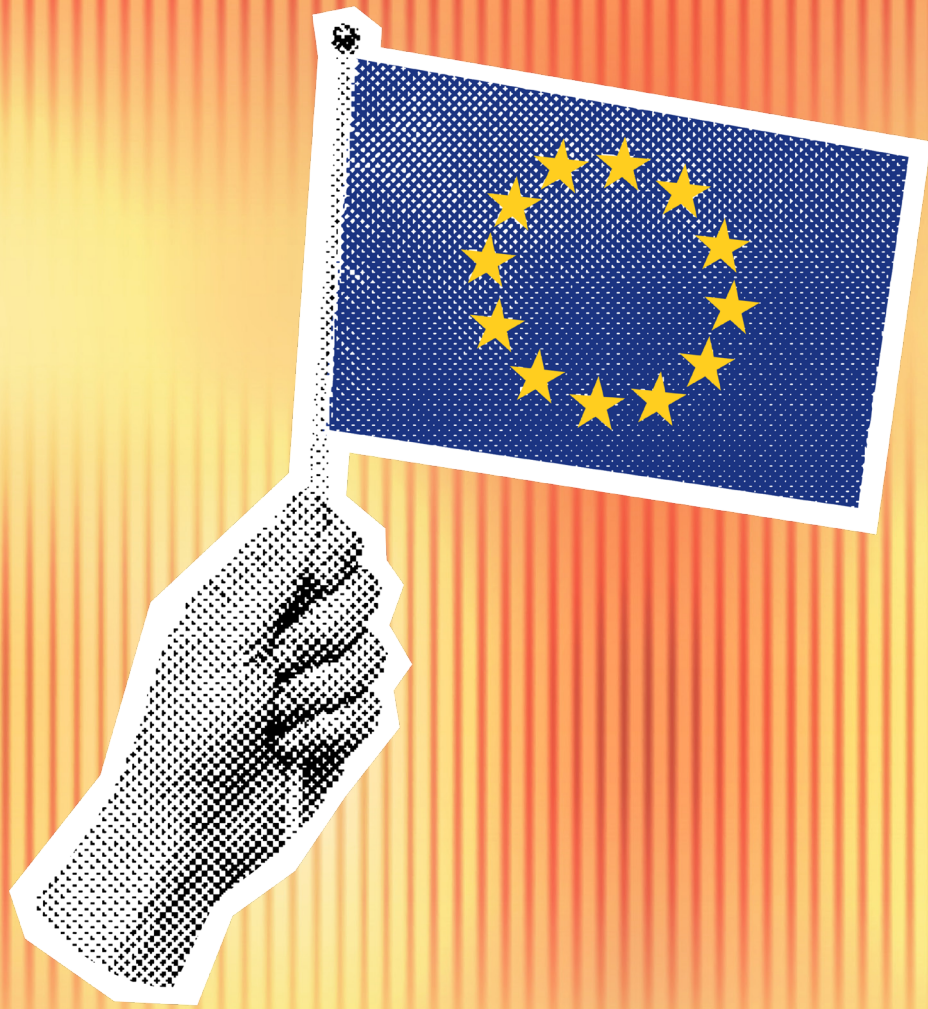
NZBA revokes 1.5°C financing alignment requirement



The Net-Zero Banking Alliance (NZBA) has removed the mandatory requirement for banks to align their financing with the 1.5°C climate

target. This shift, driven by political pressures, particularly in the US, follows significant departures from major banks. The revised framework offers more flexibility, focusing on decarbonizing the real economy while supporting individual climate strategies.

► Source: ESG Today



COLLABORATIONS

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 multifold in current times. Investor groups and corporates are increasingly collaborating to address such issues and drive sustainability. The following are major coalitions in the ESG space:

IFRS and TNFD partner to promote nature-related financial reporting standards



The International Financial Reporting Standards (IFRS) Foundation and the Taskforce on Nature-related Financial Disclosures (TNFD) have signed a Memorandum of

Understanding (MoU) to align efforts in integrating nature-related information into capital markets. The International Sustainability Standards Board (ISSB) will consider TNFD's recommendations, including inputs to its Biodiversity, Ecosystems and Ecosystem Services (BEES) project. The partnership involves knowledge-sharing, technical collaboration, and market engagement to enhance biodiversity-related standards and support global investors in assessing nature-related risks and opportunities through improved data and guidance.

► Source: ESG News

Microsoft commits to record-breaking carbon removal deal for long-term climate impact



Microsoft has signed the world's largest permanent carbon removal agreement,

with a commitment to remove 6.75 million metric tons of engineered carbon over 15 years from AtmosClear's upcoming Bioenergy with Carbon Capture and Storage (BECCS) facility in Louisiana. The plant is expected to be operational by 2029 and will use sustainable biomass to generate energy and capture CO₂ for storage or synthetic fuel use. The project, backed by Fidelis, will create major investment and employment opportunities in the region.

► Source: ESG Today

Frontier inks agreement to eliminate carbon emissions from waste incineration



Frontier has arranged the purchase of 100,000 tons of carbon removal from Hafslund

Celsio's waste-to-energy plant in Oslo, marking the first retrofit of such a facility for carbon removal. The deal, spanning 2029–2030, involves USD31.6mn from companies such as Google, Stripe, and JPMorgan. The project will capture biogenic CO₂ for permanent storage via Northern Lights and could become a model for scaling waste-to-energy carbon removal across Europe.

► Source: ESG Today

MVGX and BDO introduce AI tool to halve ESG reporting time



MVGX and BDO Indonesia have introduced an AI-driven platform for ESG reporting, designed to assist Indonesian businesses in meeting sustainability regulations more effectively. The tool

automates data collection and assessment, cutting reporting time by 50% and reducing costs. Building on MVGX and BDO Indonesia's 2023 decarbonization partnership, the new platform supports adherence to local and global standards such as GRI and ISSB, using AI and a regional emissions database to streamline sustainability reporting.

► Source: Know ESG

Google secures first offshore wind energy agreement in Asia-Pacific



Google has signed its first offshore wind energy deal in Asia-Pacific with Copenhagen Infrastructure Partners

to power its Taiwan operations by 2027. This deal expands Google's regional clean energy portfolio, which recently added geothermal and solar energy. The move supports Google's 2030 goal of 24/7 carbon-free operations. Google is also investing in smart energy tech and carbon removal solutions, having committed over USD100mn to carbon offset alternatives in 2024.

► Source: ESG Dive

Aramco and BYD ink agreement to advance new energy vehicle technologies



Aramco and BYD have signed a joint development agreement to advance low-carbon vehicle technologies, focusing on powertrain efficiency and emissions reduction. The partnership leverages both companies' R&D strengths to support green mobility

and climate action. The deal aligns with Aramco's broader climate goals, including its recent launch of a direct air capture unit and plans for a large-scale carbon capture hub, supporting its ambition of going net-zero by 2050.

► Source: ESG Times



PEOPLE MOVEMENTS

Thought leadership through key hires

Companies worldwide 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.

GM welcomes Cassandra Garber as its new Chief Sustainability Officer



Cassandra Garber has teamed up with General Motors (GM) as its Chief Sustainability Officer. She holds extensive expertise in building sustainability programs and demonstrating sustainability leadership. In the new role she will be responsible for integrating sustainability into the company's core business strategies. Her appointment is expected to boost the company's initiatives toward achieving its sustainability vision.

► Source: ESG Today

Wendy Berman appointed as CSSB Permanent Chairperson

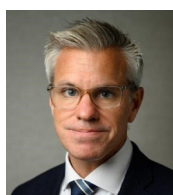


Wendy Berman has been appointed as the Permanent Chairperson of the Canadian Sustainability Standards Board (CSSB). This appointment establishes her leadership in guiding the development and implementation of sustainability reporting standards across Canada.

It marks a crucial step toward maintaining a consistent framework for Canadian businesses to disclose their ESG performance, enhancing transparency and accountability in Canada's national sustainability landscape.

► Source: ESG News

Stephen Jennings joins MUFG as its Chief Sustainability Officer for EMEA



Stephen Jennings has been appointed as Mitsubishi UFJ Financial Group, Inc. (MUFG)'s Chief Sustainability Officer for the EMEA region. He brings extensive experience in mapping and implementing sustainability strategies across Europe, the Middle East, and Africa. The appointment highlights MUFG's growing commitment to environmental and social responsibilities in its EMEA operations.

► Source: ESG Today

Klaus Schwab ends 55-year WEF leadership role



After 55 years at the helm of the World Economic Forum (WEF), Klaus Schwab has stepped down, marking a pivotal moment in the organization's history. His departure brings an end to a distinguished tenure that greatly influenced global discussions and cooperation.

After Schwab's resignation, WEF appointed Peter Brabeck-Letmathe as Chairman ad interim, and a search committee has been formed to identify a permanent successor for this crucial position.

► Source: ESG News

EcoVadis appoints Dexter Galvin as its Climate Ambassador



EcoVadis welcomed Dexter Galvin as its Climate Ambassador. In his new role, Mr. Galvin will be responsible for guiding EcoVadis' climate strategies. His guidance will also be instrumental in enhancing EcoVadis' impact on corporate climate performance. His appointment is anticipated to accelerate supply chain decarbonization and reflects EcoVadis' increasing focus on climate action.

► Source: ESG Today



FINTECH

Innovation in sustainable investing

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

LEO launch for smarter sustainability disclosure



In partnership with Boston Consulting Group (BCG) and Google Cloud, ESG Book has introduced LEO, a solution aimed at streamlining sustainability disclosures. It helps corporates and financial institutions meet regulatory requirements, reduce costs, and

improve data sourcing, with smart pre-fill capabilities and support for global reporting standards.

► Source: ESG Book

Zevero introduces AI-driven ESG reporting solution



Zevero, a carbon accounting start-up, launched an AI-powered ESG disclosure reporting solution to help companies meet sustainability reporting requirements across frameworks such as B Corp, CDP, and CSRD. The tool automates data extraction from impact reports and policies, streamlining the disclosure reporting process. Zevero strives to improve compliance and minimize the need for manual reporting.

► Source: ESG Today

EcoVadis launches Worker Voice survey for human rights data



EcoVadis introduced the Worker Voice survey, a tool designed to provide companies with real-time insights into labor and human rights risks in their supply chains. It allows workers to share feedback anonymously via multiple channels, helping organizations improve working conditions and comply with regulations such as modern slavery laws and human rights due diligence.

► Source: ESG Today

Novata unveils ESG due diligence solution for streamlining investment workflow



Novata introduced an ESG due diligence solution that streamlines investment workflows by centralizing data collection, review, and analysis in a secure environment. It enables teams to assess risks, compare data with benchmarks, and seamlessly connect due diligence to post-deal monitoring for ongoing sustainability performance tracking.

► Source: businesswire

OneStream launches ESG reporting & planning solution



OneStream introduced an ESG reporting & planning solution designed to assist CFOs in handling sustainability reporting. The platform supports Scope 1, 2, and 3 emissions data collection & reporting, ESG data collection, forecasting, and renewable energy contract management. It integrates ESG and financial data for streamlined reporting, planning, and scenario modeling.

► Source: ESG Today



PRODUCTS AND 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.

Franklin Templeton launches ESG-screened ETFs



Franklin Templeton has launched two ESG-focused ETFs, namely, the Franklin S&P 500 Screened UCITS ETF (SP5S) and the Franklin S&P World Screened UCITS ETF (SPWS).

These funds track S&P indices that apply ESG screening, excluding companies involved in controversial sectors, to provide investors with sustainable investment options.

► Source: ETF Stream

SEBI enhances BRSR with green credit disclosures



The Securities and Exchange Board of India (SEBI) updated its Business Responsibility and Sustainability Reporting (BRSR) framework to include voluntary green credit disclosures from FY 2024–25, encouraging

environmental initiatives such as afforestation. It also eased norms by allowing flexibility in ESG disclosure assessments and deferring mandatory value chain reporting to FY 2026–27.

► Source: ESG Broadcast

Kering introduces Water-Positive Strategy for 2050



Kering has unveiled its Water-Positive Strategy, aiming for a net water-positive impact by 2050 and

measurable improvements in key regions by 2035. The plan focuses on 10 priority water basins, including Tuscany's Arno basin, and includes initiatives such as sourcing recycled materials, reducing pollution, collaborating with suppliers, and establishing Water Resilience Labs to enhance water quality and accessibility.

► Source: ESG News

USGBC launches LEED v5 with focus on decarbonization



The U.S. Green Building Council (USGBC) has introduced LEED v5. This new iteration emphasizes decarbonization, accounting for half of the certification points, and integrates climate resilience assessments

for all projects. Developed with inputs from over 7,000 global professionals, the new Leadership in Energy and Environmental Design (LEED) system aims to address modern sustainability challenges and enhance building performance across the entire life cycle.

► Source: ESG Today

China issues first sovereign green bonds on London Exchange



China has released its first-ever sovereign green bond, raising approx. USD824mn on the London Stock Exchange. The offering is not just China's first sovereign green

bond, but also its first-ever sovereign bond issued overseas. The funds will support projects in clean transportation, marine conservation, and recycling, aligning with China's environmental objectives.

► 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 a mandate. 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.

France introduces high-integrity carbon credit charter



France introduced a new Charter for Paris-aligned and high-integrity use of carbon credits, creating a pledge for companies to follow in using carbon credits to

achieve climate goals. The charter aims to create a more transparent and credible international carbon market, addressing issues such as inconsistent data and ensuring the integrity of carbon credits. Seventeen companies signed the charter.

► Source: ESG Today

UK launches consultation for carbon and nature credits



The UK government launched a consultation on integrity principles for carbon and nature credits to promote

voluntary markets. The consultation aims to address challenges in the growing market, such as inconsistent data and high-quality projects. The principles include suppliers ensuring that credits deliver environmental benefits, buyers measuring sustainability, and promoting cooperation.

► Source: ESG Today

DEC proposes mandatory greenhouse gas emissions reporting rule



Department of Environmental Conservation

The New York State Department of Environmental Conservation (DEC) is considering a

mandatory reporting rule for certain greenhouse gas emission sources. The rule will target facilities emitting 10,000 or more metric tons of CO₂e per year, fuel suppliers, waste haulers, electric power entities, agricultural lime & fertilizer suppliers, and facilities storing liquid waste. It will also require annual emissions data from 2026 to 2027, with the DEC developing an online platform and a GHG estimator tool.

► Source: Sidley

Germany to scrap national supply chain law, adopt EU directive



Germany's coalition government announced immediately eliminating the country's Human Rights and Environmental Supply Chain Due Diligence

Law (LkSG) and replacing it with the EU's Corporate Sustainability Due Diligence Directive (CS3D). The LkSG, which required large German companies to assess human rights and environmental impact, faced criticism for its costs and operational challenges.

► Source: AUQUAN

ASIC releases guidance for mandatory sustainability reporting



The Australian Securities and Investments Commission (ASIC) released Regulatory Guide 280

(RG 280), providing guidelines to clarify compliance requirements under mandatory reporting law. The guide aims to promote transparency and align investment strategies with sustainability goals. ASIC has updated the guide, including climate scenario analysis, Scope 3 greenhouse gas emissions disclosure, and sustainability reporting thresholds.

► Source: AUQUAN

EBA launches ESG dashboard for climate risk tracking



The European Banking Authority (EBA) launched an ESG dashboard to enhance the assessment and monitoring

of transition & physical climate-related risks across the EU/EEA banking sector. The dashboard covers climate risk from both transition and physical perspectives, showing substantial exposure to corporates from sectors contributing to climate change. The dashboard also includes indicators for exposures secured by immovable property collateral, showing limited transition risk related to immovable property collateral.

► Source: ESG Today



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 companies are being fair to their commitments or merely greenwashing. We bring you the top controversies in this section.



US EPA plans to cut staff to 1980s levels, dissolve research office

The United States Environmental Protection Agency (EPA) plans to cut USD300mn from its 2026 budget, reduce staff to 1980s levels, and eliminate its research division, aligning with Trump-era energy and deregulation goals. According to Administrator Lee Zeldin, this will streamline operations and support national energy growth. However, critics argue that it will politicize science and undermine research independence. Staff reductions may displace thousands, and core scientific roles will be absorbed into policy-focused offices, raising concerns about the EPA's objectivity.

► Source: Reuters



UBS ditches weapons exclusion from sustainable investment criteria

UBS Asset Management has removed restrictions on investing in conventional weapons manufacturers from some of its sustainability funds, joining other European firms such as Allianz and Danske Bank in reevaluating defense exclusions. This shift follows rising geopolitical tensions and the growing demand for military funding across Europe. While bans on controversial weapons remain, the policy change reflects a broader trend of supporting rearmament among investors, especially as defense stocks gain value amid increased military spending pledges.

► Source: Reuters



SEBI issues norms for withdrawing ESG ratings

India's market regulator, the Securities and Exchange Board of India (SEBI) has introduced guidelines for ESG rating withdrawal and set norms for rating agencies. Ratings can be withdrawn if a company lacks sustainability reports or after meeting certain tenure criteria. This follows SEBI's review of ESG disclosure demands, seen as burdensome by Indian industries. The move aligns with the global trend of easing ESG rules. India is currently rated high-risk on ESG factors by Moody's and seeks to streamline its approach.

► Source: Reuters



Environmental lawyers get ready to pounce on Trump's energy deregulation moves

US environmental groups are preparing for a legal battle against the Trump administration's aggressive rollback of energy regulations. Relying on executive orders, Trump has bypassed public input, fast-tracked fossil fuel projects, and suspended key environmental protections. Earthjustice and others are hiring more lawyers to challenge these actions, arguing that they violate laws such as the Administrative Procedure Act. Experts have warned that legal tests will be complex, especially when presidential powers are invoked under rarely used provisions.

► Source: Reuters



US freezes Equinor's USD5bn offshore Empire Wind project amid clean energy backlashes

The US government has halted Equinor's USD5bn Empire Wind project, citing flaws in its approval process, marking a significant reversal in energy policy. The move, following a Trump executive order reviewing offshore wind projects, threatens New York's clean energy goals and the broader offshore wind sector. Industry leaders have warned that this move may shake investor confidence, with over USD40bn already committed and more than 60 GW of future offshore wind capacity now in jeopardy.

► Source: ESG News



FCA halts plan to introduce sustainability disclosure requirements and investment labels for portfolio managers

The UK's Financial Conduct Authority (FCA) has halted its plans to extend Sustainability Disclosure Requirements (SDR) and investment labelling rules to portfolio managers, despite broad support. The decision follows industry feedback requesting more time and clarity on implementation challenges, including portfolio naming rules and alignment with other regulations. While the FCA acknowledges the importance of expanding SDR to improve consumer outcomes, it has emphasized the need to ensure that firms are adequately prepared before moving forward.

► Source: ESG Today





SGA BLOGS

"ESG Data Utilization: Future Trends" [Read More...](#)

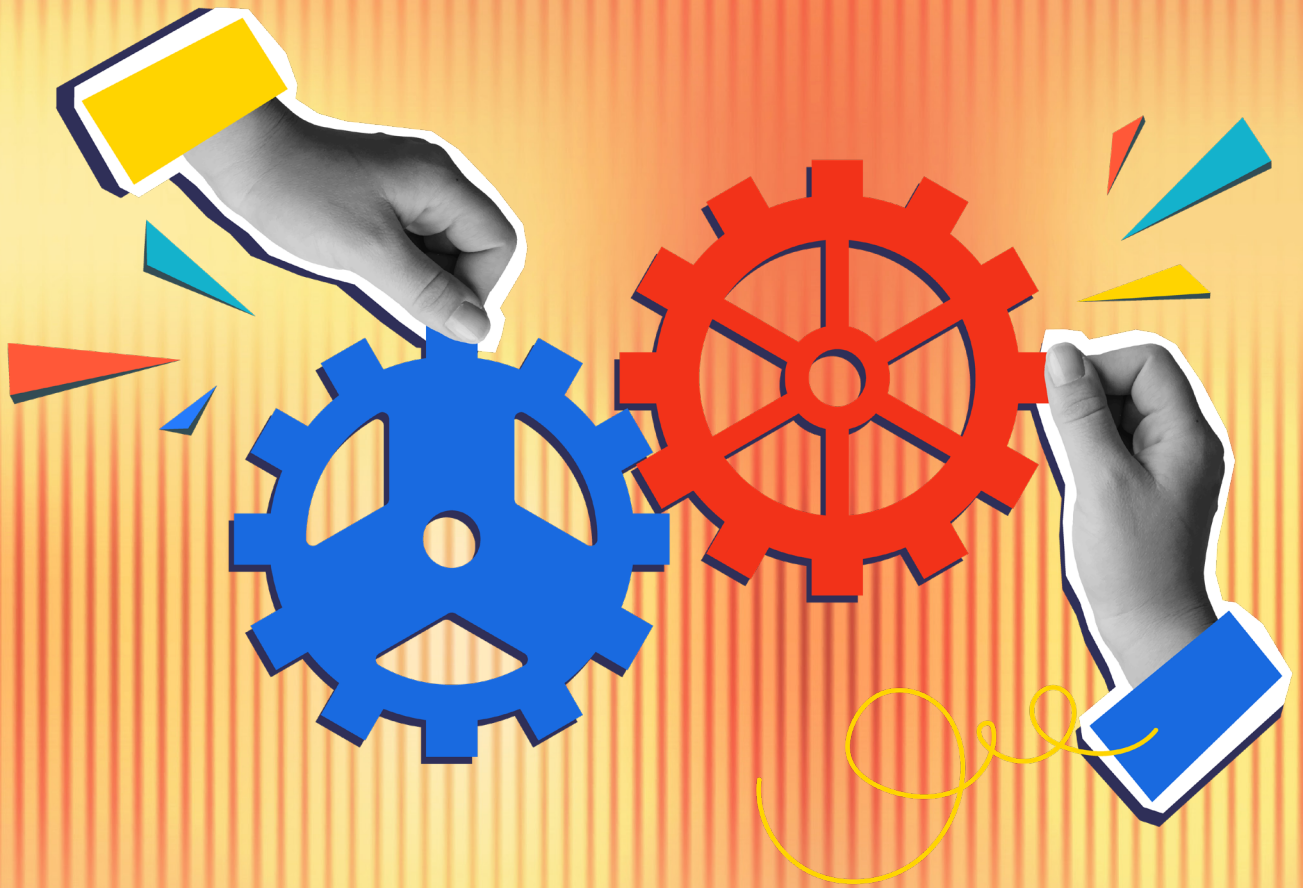
"Leveraging ESG Data in Investment Decision-making" [Read More...](#)



SGA ESG DATA INSIGHTS REPORT

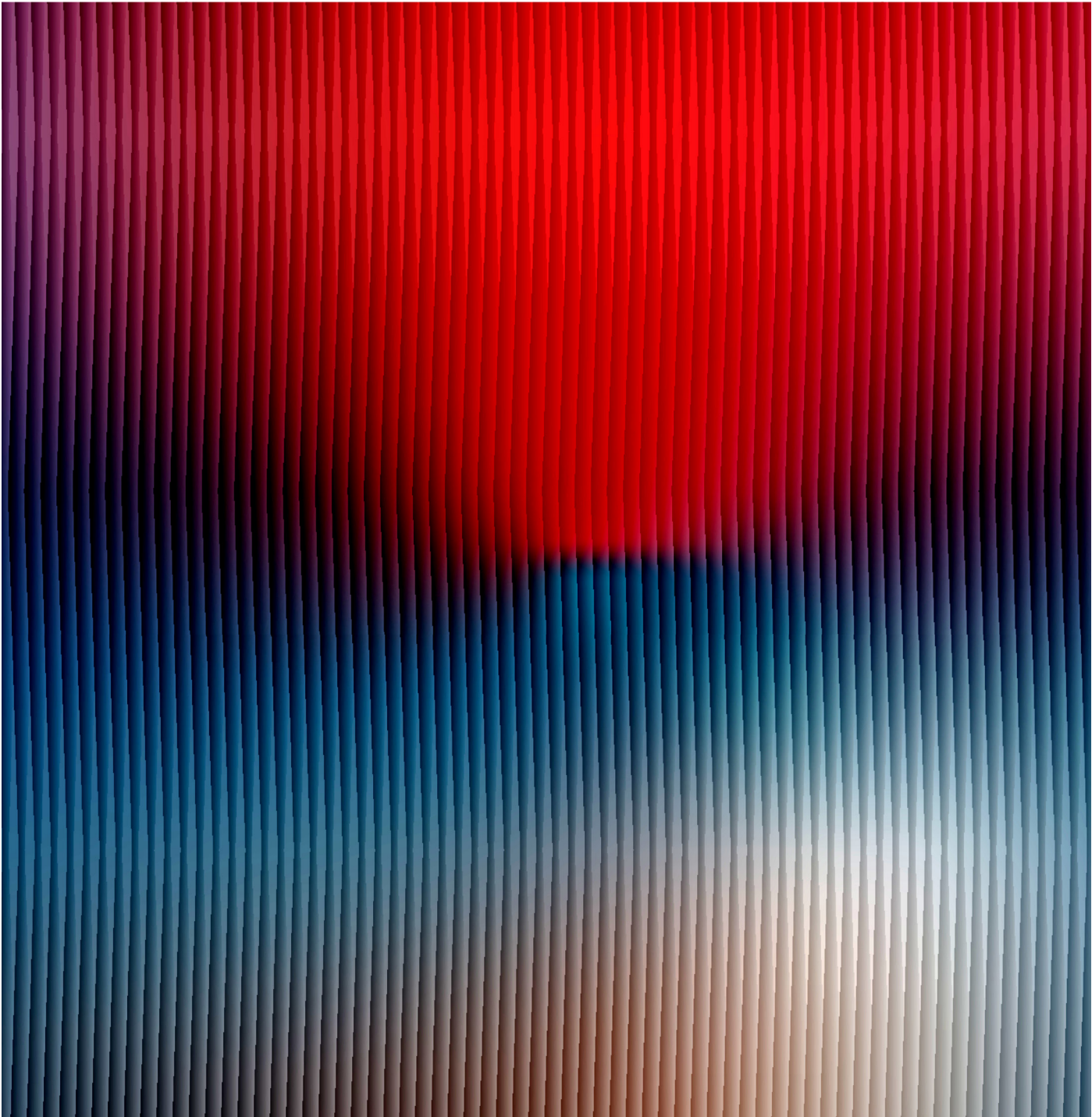
How are top financial institutions leveraging ESG data to make smarter investments and stay ahead of evolving regulations? In this special **52nd edition of Tattva**, we're excited to unveil our latest report, **"Bridging ESG and Finance | ESG Data Insights Report."** It explores cutting-edge trends in AI-driven ESG analytics, risk assessment strategies, and regulatory shifts shaping the future of sustainable finance.

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