



Tattva

CHINA INTRODUCES NEW CARBON
MARKET RULES TO SPEED UP
decarbonization
efforts



INTRODUCTION

In this 56th edition of Tattva, ESG developments reflect a global mix of innovation, regulatory reform, and rising political tension. In the EU, the European Financial Reporting Advisory Group (EFRAG) released revised draft sustainability standards, slashing data points by 68% and enhancing alignment with International Financial Reporting Standards (IFRS) to ease compliance under the Corporate Sustainability Reporting Directive (CSRD). Rolls-Royce partnered with clean-fuel startup INERATEC to decarbonize data center backup power using CO₂-neutral e-fuels. Meanwhile, GreenCo launched a free ESG Action Toolkit+ AI App, offering practical tools for climate disclosure and readiness without subscription barriers. In venture funding, 500 Global, with backing from the Shell Foundation and the UK Government, launched a Sustainable Innovation Program in Nairobi to scale climate solutions in the global south.

Elsewhere, ESG politics continue to heat up. The Philippines is preparing a national carbon credit policy to attract private investment and support its clean energy transition. The World Economic Forum appointed BlackRock CEO Larry Fink and Roche's André Hoffmann as interim Co-chairs following a governance review, signaling leadership change. In the US, Florida's Attorney General launched a probe into the Climate Disclosure Project (CDP) and the Science Based Targets initiative (SBTi), alleging antitrust violations and deceptive practices—part of a growing anti-ESG movement under renewed Republican influence. These contrasting developments highlight the evolving tension between accelerating sustainability action and intensifying political resistance.



INDEX

Market Trends	04
Collaboration	06
People movements	08
Fintech	10
Products & services	12
Laws, policies, & regulations	14
Controversies	16



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.

EFrag sets out streamlined EU sustainability reporting standards



EFrag has released a revised draft of European Sustainability Reporting Standards (ESRS),

cutting datapoints by 68% and eliminating voluntary disclosures to ease compliance under the EU's CSRD. The update simplifies double materiality assessments, enhances interoperability with IFRS, and improves clarity. A 60-day consultation is open until September 29, 2025.

► Source: ESG Today

DOE announces USD500mn grants to boost battery recycling efforts



The US Department of Energy (DOE) will make up to USD500mn available to boost lithium-ion battery recycling as part of nearly USD1bn in funding for critical minerals supply chains. Grants will support domestic

processing, manufacturing, and recycling, with cost-sharing requirements, to reduce reliance on foreign sources and strengthen energy security.

► Source: GIE Media, Inc.

FCA reports progress, ongoing challenges in sustainability-linked loans



The UK's Financial Conduct Authority (FCA) reports significant progress in the sustainability-linked loan (SLL)

market, with stronger governance, ambitious targets, and improved integrity since 2023. However, challenges persist, particularly for small and medium enterprises (SMEs) facing high costs and loan thresholds. The FCA emphasizes scaling SLLs with credibility to support the UK's transition finance goals.

► Source: ESG News

Singapore delays climate reporting rules for smaller firms



Singapore has postponed mandatory climate reporting for smaller companies by up to five years, easing their transition to International Sustainability Standards Board (ISSB) standards. Larger listed

companies remain on track, with Scope 1 and 2 reporting required from FY2025 and Scope 3 for top-tier firms by FY2026. Regulators cite capacity gaps, urging phased progress and capability building.

► Source: OneStop ESG

23 US states caution SBTi and financial institutions on net zero commitments



A coalition of 23 US state attorneys general has warned the SBTi and financial firms through a letter that net zero commitments could violate

antitrust and consumer protection laws. The letter targets SBTi's new Financial Institutions Net-Zero (FINZ) Standard, alleging it pressures banks and insurers to cut off fossil fuel financing.

► 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:

Rolls-Royce, INERATEC partner to power data centers with e-fuels



Rolls-Royce has partnered with clean-fuels startup INERATEC to decarbonize backup power for data centers by replacing fossil diesel with climate-neutral e-fuels. INERATEC, founded in 2016, produces sustainable fuels from renewable electricity and captured CO₂. Rolls-Royce will integrate these e-fuels into its emergency generators, offering cost-effective, CO₂-neutral solutions for critical infrastructure. The initiative will start with German data centers near INERATEC's Frankfurt facility before expanding globally. Backed by USD129mn in Series B funding, INERATEC aims to scale production for hard-to-abate industries.

► Source: ESG Today

Epiroc, Hindustan Zinc introduce collision-avoidance tech to enhance mine safety



HINDUSTAN ZINC

Epiroc has partnered with Hindustan Zinc to deploy its digital Collision Avoidance System (CAS) across five underground mines in Rajasthan, starting with the Sindesar Khurd site. Epiroc's CAS, an OEM-agnostic system, uses sensors and cameras to detect hazards, alert operators, and automatically slow or stop vehicles, reducing collision risks. The pilot covers 30 low-profile dump trucks and 100 pedestrians, with plans of expansion across the company's operations. The initiative reinforces Hindustan Zinc's focus on safety and sustainability, paving the way for higher mining safety standards in India.

► Source: ESG Times

Amazon, Brimstone expand lower-carbon cement testing after early success



Amazon has partnered with US startup Brimstone to test and secure a supply of lower-carbon Ordinary Portland Cement (OPC) for future construction projects. Initial third-party tests showed Brimstone's OPC met Advanced Standards Transforming Markets (ASTM) C150 standards and performed comparably to conventional cement. Expanded trials in 2025–26 will evaluate durability and scalability using larger volumes from Brimstone's Oakland facility. Following successful results, Amazon signed a commercial agreement to reserve supply, aligning with its 2040 net-zero goal and supporting the construction sector's decarbonization.

► Source: ESG Times

Gentari, AWS sign 80 MW wind power deal to support net zero goals



Malaysian clean energy firm Gentari has signed a power purchase agreement with Amazon Web Services (AWS) to supply 80 MW of wind power from a project in Tamil Nadu, India, starting mid-2027. The Karur wind project will generate about 300,000 MWh of renewable electricity annually, supporting AWS's 2040 net-zero goal and expanding Gentari's regional portfolio. The deal, their first major collaboration since 2023, highlights efforts to deliver scalable clean energy solutions and accelerate Asia's low-carbon transition.

► Source: ESG Times

Crusoe, Tallgrass unveil eco-friendly AI campus



Crusoe and Tallgrass are developing a large-scale AI data center campus in southeast Wyoming, initially with 1.8 GW capacity and potential expansion to 10 GW. Powered by natural gas and future renewable energy, the project will leverage Tallgrass' CO₂ sequestration hub and infrastructure to cut emissions. Designed to meet the rising AI computing demand, it will also create high-quality jobs in energy, technology, and construction. The initiative highlights the US's efforts to advance AI leadership with sustainable energy solutions.

► Source: Know ESG



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.

BlackRock's Larry Fink appointed as WEF's interim Co-chair



BlackRock's CEO Larry Fink and Roche's Vice Chairman André Hoffmann have been appointed as interim Co-chairs of the World Economic Forum (WEF). This follows a governance review and marks a transition in leadership at the organization. An internal investigation

cleared WEF's founder Klaus Schwab and his wife of material wrongdoing, noting only minor irregularities. The appointments aim to strengthen governance and guide WEF into its next phase.

► Source: ESG News

UN Global Compact Network USA appoints Shobha Meera as Treasurer



UN Global Compact Network USA has elected Shobha Meera—Capgemini's Chief Corporate Responsibility Officer—as Treasurer of its Board of Directors. She will lead the organization's financial oversight and strategic alignment, supporting corporate engagement with

the UN Global Compact's Ten Principles on human rights, labor, environment, and anti-corruption. Her extensive background in sustainability integration, combined with technical and strategic leadership, positions her to steer the network's financial governance effectively.

► Source: ESG News

Clean Energy Council appoints new Chief Policy and Impact Officer



The Clean Energy Council has appointed William Churchill as its new Chief Policy and Impact Officer. Churchill will lead the policy and advocacy team to support fair outcomes for regional communities and ensure a competitive environment for new energy projects.

► Source: Clean Energy Council

Westpac appoints Michael Chen as Deputy Chief Sustainability Officer



Westpac has introduced Michael Chen as Deputy Chief Sustainability Officer. With over 20 years of experience in finance and sustainability, Chen will lead the bank's ESG strategy. Additionally, he has played an important part in Westpac's sustainable finance efforts.

► Source: ESG News

Global Energy Alliance appoints Carol Koech as Vice President for Africa



The Global Energy Alliance for People and Planet (GEAPP) appointed Carol Koech as its new Vice President for Africa to expand its presence in blended finance for clean energy. With over 20 years of experience, she previously held leadership roles at Schneider Electric, General Electric, and Unilever.

► Source: Impact Investor



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.

ICE unveils climate data and analytics solution for private companies



Intercontinental Exchange (ICE) has expanded its climate risk platform to include physical and transition data for over five million private companies globally. This enhancement integrates ICE's geospatial intelligence and climate models into Dun & Bradstreet's private company data, using the DUNS® Number for standardized linkage. The unified platform now enables investors to assess climate risks consistently across public and private companies, sovereigns, municipal bonds, and mortgage-backed securities.

► Source: ESG Today

Assent launches new EU deforestation regulation compliance solution



Assent has launched a new compliance solution for the EU Deforestation Regulation (EUDR), helping manufacturers meet due diligence requirements by December 2025. The solution enables geolocation tracking, supplier engagement in multiple languages, and automated generation of valid due diligence statements. It also supports transparent, audit-ready supply chains to mitigate operational, legal, and reputational risks.

► Source: ESG Today

Allectrify launches FASTPACE.com to streamline C-PACE financing nationwide



Allectrify launched FASTPACE.com, a nationwide platform designed to streamline Commercial Property Assessed Clean Energy (C-PACE) financing by uniting property owners, developers, and over 40 capital providers. The platform enables instant eligibility checks, quick quotes, and senior lender consent—all free. It offers 100% financing for hard and soft costs with terms up to 30 years. Optimized for all project sizes, especially middle-market deals under USD10mn, it can close transactions in as few as 23 days.

► Source: ESG news

GreenCo launches free ESG app to help companies accelerate climate disclosure



GreenCo, a Hong Kong-based ESG consulting firm, has launched the ESG Action Toolkit+ AI App, a free mobile tool that combines AI, checklists, and educational content for ESG and climate disclosure. The app includes an AI ESG agent, a carbon footprint calculator, sustainability gap checklists aligned with IFRS S2, and a video-based knowledge hub. Moreover, it helps organizations assess ESG readiness, measure impacts, and plan compliance without registration or subscription.

► Source: ESG news



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.

Trane Technologies launches BrainBox AI lab



BrainBox AI Lab is a new initiative launched by Trane Technologies to advance AI and Heating, Ventilation, and Air Conditioning (HVAC) technologies. This lab will focus on research & development of autonomous control systems, predictive models, and algorithms to improve building energy management and sustainability. It aims to reduce emissions and operational costs by applying AI to optimize energy use and accelerate decarbonization, building on Trane's acquisition of BrainBox AI. The team will collaborate with universities and follow ethical principles to create responsible and impactful AI solutions.

► Source: ESG Today

Achmea unveils new private equity fund



Investment Management

Achmea Investment Management has launched 'Achmea IM PE Partnership Fund – Healthy People & Planet 2025', a new private equity fund, targeting EUR250mn (USD292.8mn). The fund will be invested in companies focusing on climate, biodiversity, healthy nutrition, and good health, aiming for both market-rate returns and positive social and environmental impact. It is designed for Dutch institutional investors and has already secured EUR225mn (USD263.59mn) in commitments, with initial investments planned for late 2025.

► Source: ESG Today

J.P. Morgan launches new sustainable global equity fund



J.P. Morgan's Mansart has introduced the J.P. Morgan Mansart iCubed Global Equity Select Fund. The fund tracks the Solactive iCubed Global Sustainability Index and aims to provide exposure to developed market equities while significantly enhancing sustainability metrics. The index targets substantial reductions in carbon emissions, water consumption, and waste generation, alongside improved alignment with UN sustainable development goals (SDGs) and stronger governance. It is designed to minimize tracking error and concentration risk often found in climate-focused benchmarks.

► Source: ESG Today

500 Global introduces the Sustainable Innovation Program



500 Global, a venture capital firm, has launched its Sustainable Innovation Program, supported by the Shell Foundation and the UK Government. The initiative aims to support founders finding commercially viable solutions to sustainability challenges in the global south, focusing on agriculture, energy, and mobility. The program's first phase is an 8-week seed accelerator in Nairobi, providing African startups with mentorship and access to capital and a global network to drive long-term economic and environmental impact.

► Source: ESG News Corp



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.

EU launches consultation for circular economy act



The European Commission launched a consultation and call for evidence regarding its Circular Economy Act, aiming to accelerate the transition to a circular economy and double the EU's

circularity rate by 2030. The aim is to address issues such as dependence on imports, resource efficiency, and environmental externalities. The consultation will run until November 6, 2025.

► Source: ESG today

UK aims to lead global transition finance with new guidelines



The UK released draft Transition Finance Guidelines for public consultation, aiming to increase investment for the green transition of high-emission industries.

The initiative, supported by the Transition Finance Council, aims to provide transparent criteria for credible decarbonization pathways. The final version is expected in 2026, enhancing the UK's global position in transition finance standards.

► Source: Seneca ESG

China unifies green taxonomy to boost net-zero ambitions



China updated its green taxonomy to strengthen its net-zero transition ambitions and reduce fragmentation.

The catalogue of green finance endorsed projects would replace two separate green lists used for bond and loan markets but will not cover Chinese equities. The updated catalogue expands on green economic activities, including passenger rail, and includes green trade and consumption.

► Source: Green Central Banking

China introduces new carbon market rules to speed up decarbonization efforts



China plans to introduce absolute emissions caps in some industries starting in 2027, aiming to establish a nationwide carbon market by 2030. The market will replace eight pilot markets and include free and paid carbon emissions allowances (CEAs). The expansion will encompass major carbon-emitting industries, including chemicals, petrochemicals, paper manufacturing, and aviation.

► Source: ESG News

Philippines set to introduce a policy to drive clean energy transition



The Philippines is prepared to introduce a Carbon Credit Policy to strengthen its role in carbon markets and drive a clean energy transition. The policy aims to attract

private sector investment in renewables and emissions-reduction projects, aligning with international cooperation, including a 2024 carbon credit pact with Singapore.

► Source: ESG News

EU proposes simpler sustainability reporting

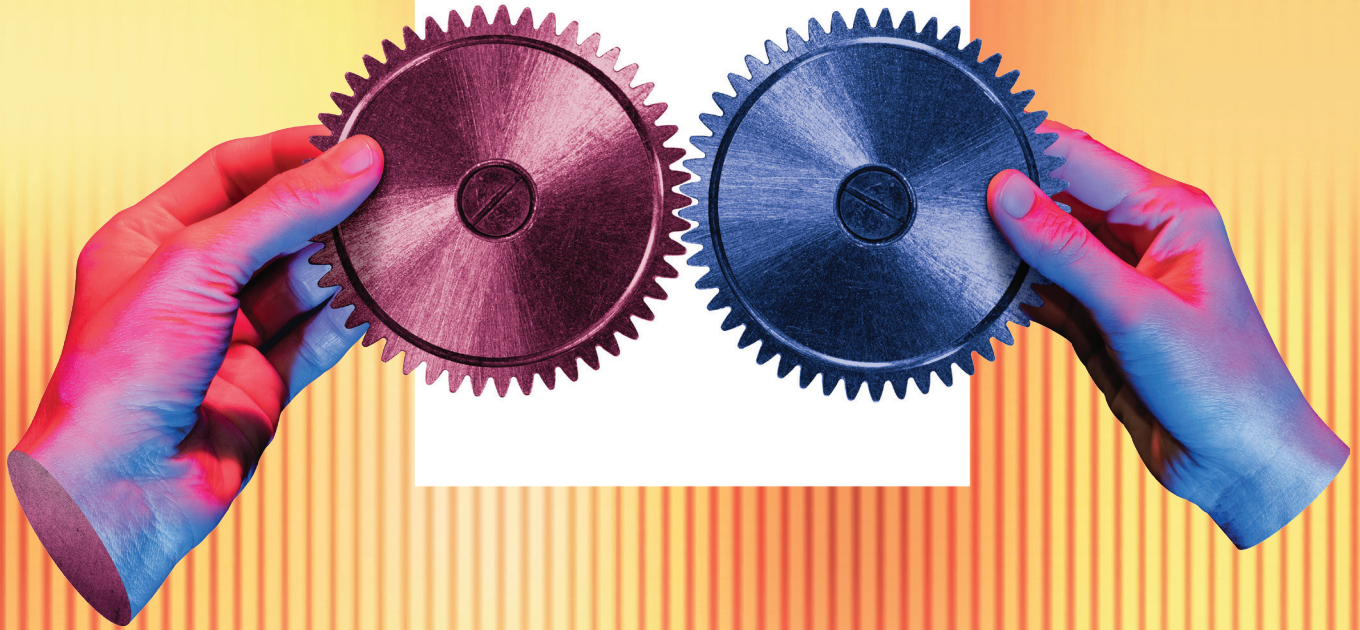


European Financial Reporting Advisory Group

The European Financial Reporting Advisory Group

(EFRAG) has released draft standards to simplify sustainability reporting for companies. The proposed changes, now open for public consultation, aim to reduce burdens and streamline disclosures by cutting over 50% of mandatory data points while keeping key metrics. The final standards are expected in 2026.

► Source: Watershed



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.



Net-Zero Banking Alliance halts amid member exoduses

The UN-backed Net-Zero Banking Alliance has paused operations after major banks, including JPMorgan and UBS, exited under political pressure. A vote will determine its future. Despite departures, the group urges continued climate efforts as the financial sector faces increasing challenges to ESG commitments under shifting political landscapes.

► Source: WSJ



EU weighs climate goals against auto industry pressure

The EU faces a dilemma: uphold 2035 zero-emission car targets or protect its auto industry. Automakers warn of overreliance on China, cost challenges, and US tariffs. The European Commission is reviewing its plans early amid growing industry pressure to ease or revise the electric vehicle transition rules.

► Source: Forbes



Florida AG probes climate groups CDP and SBTi over antitrust concerns

Florida Attorney General James Uthmeier has launched an investigation into the CDP and the SBTi, alleging deceptive practices and potential antitrust violations. He accuses them of forming a 'climate cartel', coercing companies into paid disclosures and validations. The probe questions whether the collaboration of CDP and SBTi distorts markets and misleads consumers. This action is part of Florida's broader anti-ESG campaign, intensifying under Republican leadership following Donald Trump's return to political prominence.

► Source: ESG today



Shein fined EUR1mn in Italy for misleading green claims

Italy's Competition Authority (AGCM) fined Shein EUR1mn (USD1.17mn) for greenwashing, citing vague or deceptive environmental claims on its website. The investigation found misleading statements about recyclability, sustainable materials, and emissions goals. Shein's 'evoluSHEIN by Design' line was criticized for implying broad sustainability benefits despite being a minor product share. This follows a EUR40mn (USD46.86mn) fine in France and highlights increasing scrutiny on the fashion industry's environmental marketing and transparency practices.

► Source: ESG today



China's mega-dam sparks India's water security fears

China's plan to build the world's largest dam in Tibet has alarmed India, which fears reduced water flow in the Brahmaputra River. In response, India is fast-tracking its own dam project in Arunachal Pradesh, despite local opposition and escalating geopolitical tensions over shared water resources.

► Source: Reuters





SGA ESG DATA INSIGHTS REPORT

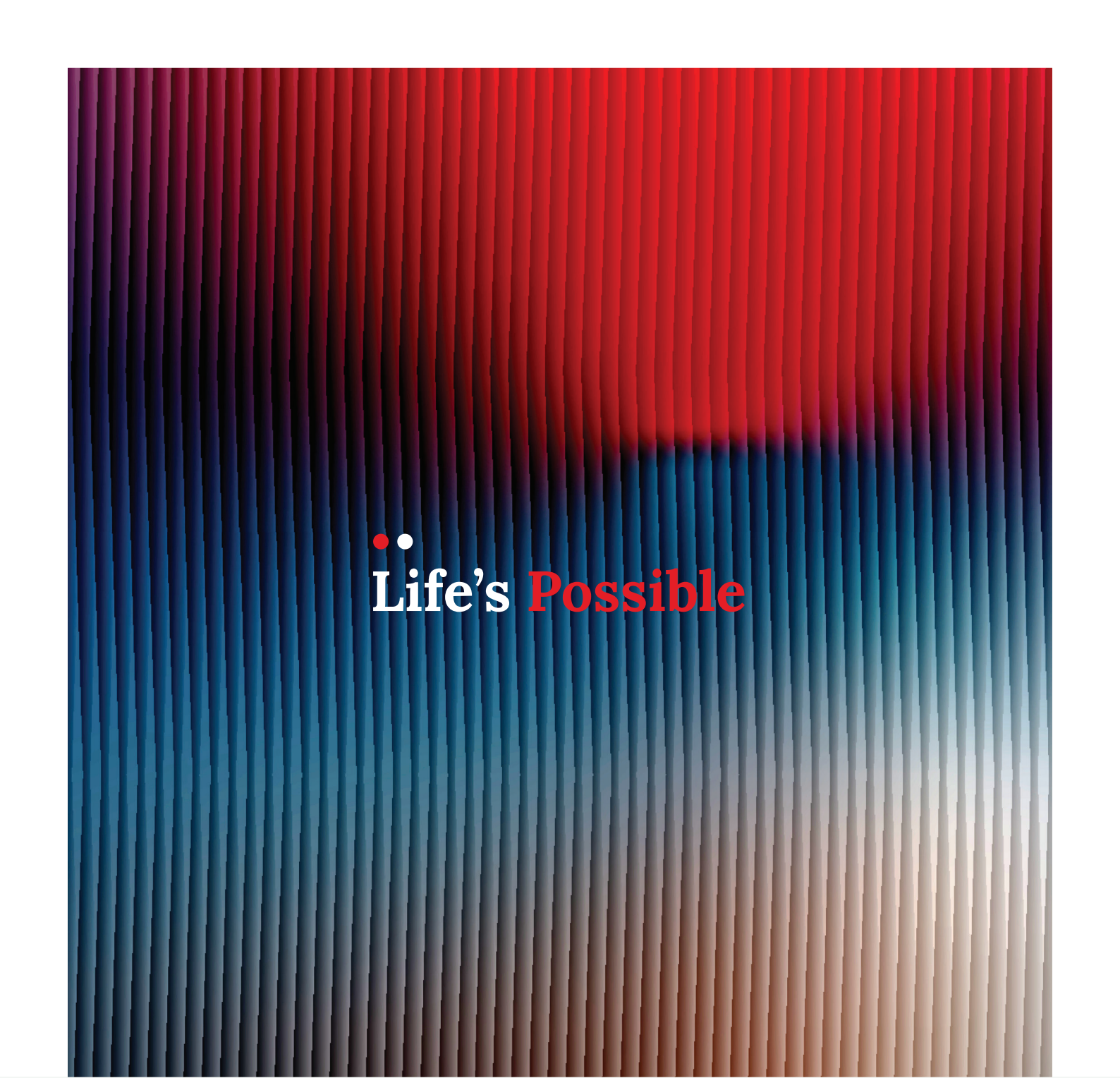
How are top financial institutions leveraging ESG data to make smarter investments and stay ahead of evolving regulations? In this special **56th edition of Tattva**, we're excited to unveil our latest report, **"Bridging ESG and Finance | ESG Data Insights Report."** It explores cutting-edge trends in AI-driven ESG analytics, risk assessment strategies, and regulatory shifts shaping the future of sustainable finance.

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