JUNE 2026 | ISSUE 66

Tattva

NEW ZEALAND PROPOSES ADOPTING IFRS S2 AS NEW **climate reporting standard**

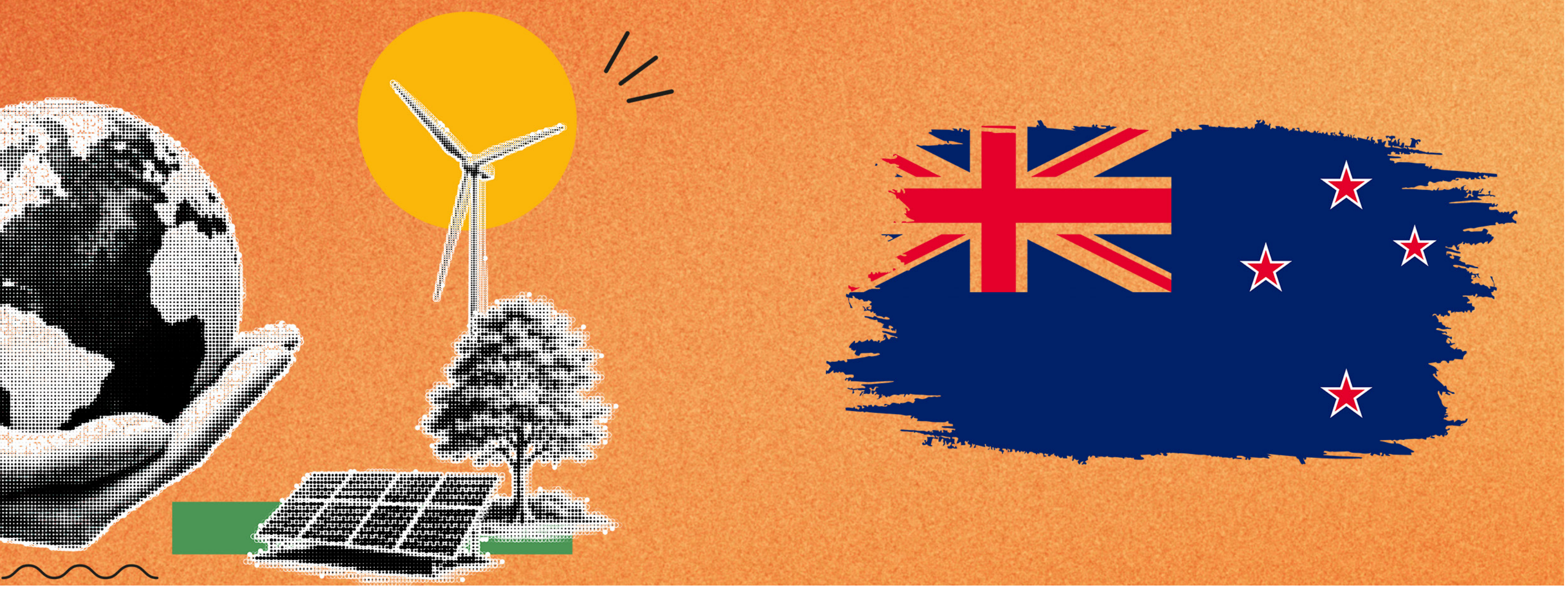
www.sganalytics.com

INTRODUCTION

The 66th edition of Tattva highlights key developments shaping the evolving Environmental, Social, and Governance (ESG) landscape. In market trends, China's 15th Five-Year Energy Plan reinforced its long-term clean energy ambitions by targeting 50% electricity generation from non-fossil fuels by 2030, while maintaining investments in conventional energy to support energy security. Under Collaborations, Nestlé's partnership with Wildfarmed to source regeneratively farmed wheat for KitKat production highlighted the growing adoption of sustainable agricultural practices across global supply chains. In People Movements, McDonald's appointment of Suheily Natal Davis as Chief Sustainability, Social Impact, and Inclusion Officer reflected the increasing strategic importance of embedding sustainability and social impact into corporate leadership.

In Fintech, Clarity AI introduced an Artificial Intelligence (AI)-driven climate risk assessment solution, enabling financial institutions to strengthen climate risk analysis and regulatory reporting. Under Products & Services, Bloomberg launched its Climate Portfolio Analytics Suite, equipping investors with enhanced tools for emissions tracking, climate scenario analysis, and portfolio alignment with net-zero objectives. On the regulatory front, Laws & Regulations featured the International Organization for Standardization's (ISO) draft Net Zero Standard, which aims to establish a globally consistent framework for credible net-zero target setting, transition planning, and emissions reporting.

Finally, the Controversies section highlighted SpaceX receiving MSCI's lowest ESG rating of CCC, underscoring the growing scrutiny of corporate governance and sustainability performance in capital markets. Together, these developments reflect an ESG landscape increasingly shaped by clean energy transition, technology-enabled sustainability solutions, evolving global standards, and heightened investor expectations for corporate accountability.



INDEX

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.

UK FCA seeks simpler climate reporting rules

The UK Financial Conduct Authority (FCA) has proposed replacing Taskforce on Climate-related Financial Disclosures (TCFD)-based climate reporting for investment products with simplified, investor-focused disclosures. Retail investors would receive clearer climate risk information, while institutional clients could request emissions data when needed. The regulator expects the changes to reduce compliance costs by around USD27mn annually while maintaining meaningful climate-related reporting.

- Source: ESG Today

EU backs USD26.28bn Italian renewable energy scheme

The European Commission has approved a USD26.28bn Italian State aid scheme to accelerate renewable electricity generation. The program will support onshore wind, solar, hydropower, and sewage gas projects, adding 37.15GW of renewable capacity. The initiative uses two-way Contracts for Difference to encourage investment, supporting Italy's 2030 renewable energy and decarbonization targets.

- Source: European Commission

EBA streamlines ESG reporting, expands rules to smaller banks

eba European Banking Authority

The European Banking Authority (EBA) has updated ESG disclosure rules, streamlining reporting for large banks while extending requirements to smaller institutions for the first time. The revised standards reduce ESG reporting data points by 37% for large banks and apply proportionate disclosures to smaller lenders. The draft rules now await adoption by the EU.

- Source: ESG Today

China unveils 2030 clean energy strategy

China's 15th Five-Year Energy Plan aims to source 50% of electricity from non-fossil fuels by 2030. The strategy targets 25% non-fossil energy in total consumption while expanding wind, solar, hydropower, and nuclear capacity. China will continue investing in coal, oil, and natural gas to strengthen energy security and support a stable energy transition.

- Source: S&P Global

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. Following are the major coalitions in the ESG space:

JPMorgan signs carbon removal financing deal with Charm Industrial

JPMorganChase has signed a second carbon offtake deal with Charm Industrial to purchase 61,500 tons of carbon dioxide removal credits from its bio-oil projects. The bank is also providing a USD20mn venture debt facility to help the climate tech company scale its operations.

- Source: ESG Today

Nest commits GBP200mn (USD267mn) to IFM to back climate solutions

Nest, the UK's largest workplace pension scheme, has committed GBP200mn (USD267mn) to a next-generation infrastructure credit strategy managed by IFM Investors. This partnership aims to fund international, growth-stage companies developing innovative, low-carbon technologies, supporting the global transition to a sustainable economy.

- Source: ESG Today

KitKat embraces regenerative farming

Nestlé has partnered with Wildfarmed to use regeneratively farmed British wheat for the wafers of 1.5 billion KitKat bars produced annually in York. Following successful trials, this sustainable sourcing initiative aims to restore soil health, enhance biodiversity, and reduce carbon emissions without altering the chocolate's iconic taste.

- Source: ESG Today

Tesla, Sunrun, Renew Home unite for virtual power plants

Tesla, Sunrun, and Renew Home have partnered to create a 16GW home energy network to power US data centers and ease grid strain. By linking home batteries, solar panels, and smart thermostats, this massive, distributed power plant provides fast, flexible energy to meet rising AI and cloud computing demands.

- Source: Renewablesnow

PEOPLE MOVEMENTS

Thought leadership through key hires

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

McDonald's names new sustainability leader

McDonald's has appointed Suheily Natal Davis as its new Chief Sustainability, Social Impact, and Inclusion Officer, succeeding Beth Hart. In this role, Davis will oversee the company's global sustainability, social impact, and inclusion efforts, with a focus on embedding ESG priorities more deeply into business operations and long-term strategy.

- Source: ESG Today

Procter & Gamble announces sustainability leadership transition

Virginie Helias, Procter & Gamble's inaugural Chief Sustainability Officer, has retired after a 38-year tenure with the company, including 15 years leading its sustainability initiatives. Michele Baeten, formerly Vice President of Integrated Sustainable Growth, has assumed the role and will continue advancing P&G's sustainability priorities.

- Source: ESG Today

Cisco brings Colin Seward as Chief Sustainability Officer

Cisco has appointed Colin Seward as Chief Sustainability Officer. Seward will be responsible for driving the company's sustainability agenda, including progress toward net-zero emissions, expansion of circular economy initiatives, and the development of technology-enabled sustainability solutions for customers and internal operations.

- Source: ESG Today

BlackRock strengthens sustainable investing team with new leadership

BlackRock has appointed Louise Kooy-Henckel as Global Head of Sustainable and Transition Solutions, succeeding Helen Lees-Jones. She will lead the firm's sustainable and transition investment platform, helping clients integrate sustainability considerations into investment decisions while supporting long-term value creation.

- 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.

Workiva launches AI sustainability disclosure tool

Workiva has introduced the Sustainability Disclosure Agent, an AI-powered tool that identifies reporting gaps by comparing disclosures against the European Sustainability Reporting Standards (ESRS), International Financial Reporting Standards (IFRS) S1, and IFRS S2. The solution also maintains governance, version control, and audit trails.

▸ Source: ESG News

Sweep launches UK sustainability reporting platform

Sweep has introduced a solution aligned with the United Kingdom Sustainability Reporting Standards (UK SRS). The platform includes Sweepy, an AI assistant, along with approval workflows, audit trails, and tools that enable organizations to reuse sustainability data across multiple reporting frameworks.

▸ Source: ESG today

Clarity AI introduces climate risk assessment solution

Clarity AI has launched an AI-driven physical risk solution that evaluates assets across 16 climate and nature hazards. Using RiskThinking. AI's methodology, the platform supports climate risk analysis and regulatory disclosures, including Pillar III, for investors and banks.

▸ Source: ESG News

S&P Global unveils United Nations Global Compact Screening Dataset

S&P Global Sustainable1 has introduced the United Nations Global Compact (UNGC) Screening Dataset, covering 16,500 companies. The AI-enabled solution identifies sustainability risks related to human rights, labor, the environment, and anti-corruption, helping investors strengthen portfolio screening.

▸ 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.

SAIL brings India's first ERP-integrated carbon dashboard

Steel Authority of India Limited (SAIL) has introduced India's first Enterprise Resource Planning (ERP)-integrated carbon dashboard for the steel industry. The platform enables real-time greenhouse gas emissions monitoring, supports decarbonization efforts, and improves sustainability reporting across operations.

- Source: ESG News

Isometric raises USD40mn to expand industrial certification platform

Isometric has secured USD40mn to expand its certification platform beyond carbon removal. The company will develop AI-powered systems to automate verification of environmental claims, improving transparency and sustainability reporting across industries.

- Source: Isometric

Crédit Agricole CIB introduces AI-powered ESG trade finance tool

Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) has introduced an AI-powered trade finance solution that evaluates ESG performance. The platform enhances ESG due-diligence and supports more informed sustainable financing decisions.

- Source: ESG News

Bloomberg unveils climate portfolio analytics suite

Bloomberg has launched a climate analytics suite featuring portfolio alignment scoring, scenario analysis, and emissions tracking. The platform helps investors assess climate risks, monitor financed emissions, and support net-zero investment strategies and regulatory reporting.

- Source: ESG Today

LAWS, POLICIES, AND REGULATIONS

Major policies that pave the way for disclosure in the industry

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

New Zealand proposes adopting IFRS S2 as new climate reporting standard

New Zealand has proposed adopting IFRS S2 as its new climate reporting standard to align with global sustainability disclosure requirements. The proposal aims to improve the consistency and comparability of climate-related reporting while reducing complexity for organizations operating internationally. Public consultation is underway before the standard is finalized and implemented.

▶ Source: ESG Today

SBTi releases Corporate Net-Zero Standard V2.0 to accelerate corporate climate action

The Science-Based Targets initiative (SBTi) has released the draft Corporate Net-Zero Standard V2.0 to strengthen corporate climate action and accelerate progress toward net-zero emissions. The updated standard introduces stricter requirements for emissions reductions, particularly for Scope 3 emissions, while improving transparency and accountability. A public consultation has been launched to gather stakeholder feedback before the standard is finalized.

▶ Source: Science Based

EU adopts new circularity requirements for vehicles

The European Union (EU) has adopted new circularity requirements for vehicles to promote resource efficiency and reduce waste throughout a vehicle's life cycle. The regulation increases the use of recycled materials, strengthens requirements for vehicle design, reuse, and recycling, and expands producer responsibility. The new rules support the EU's circular economy objectives while reducing the automotive sector's environmental impact.

▶ Source: ESG Today

ISO releases draft Net Zero Standard

ISO has released a draft Net Zero Standard to establish a globally consistent framework for credible net-zero strategies. The standard provides guidance on setting emissions reduction targets, implementing transition plans, and reporting progress toward net-zero goals. ISO has opened a public consultation to gather stakeholder feedback before finalizing the standard.

▶ 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.

SpaceX receives MSCI's lowest ESG rating

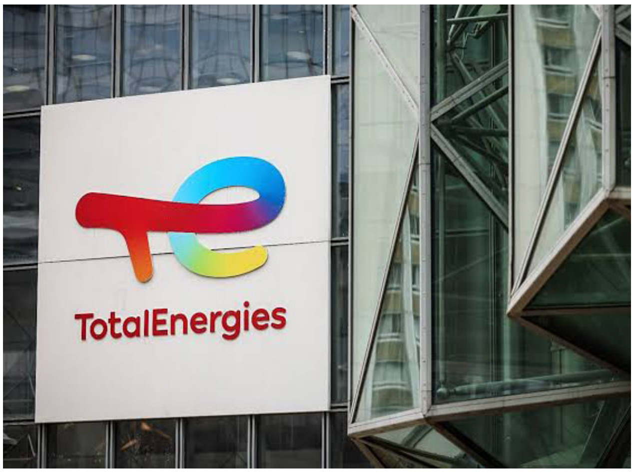
Following its USD75bn market debut, aerospace giant SpaceX has received MSCI's lowest ESG rating of CCC. The firm cited high sustainability risks, poor corporate governance, and severe controversies. While CEO Elon Musk dismissed the score, it highlights deep friction between disruptive technology and traditional risk metrics. This downgrade could complicate future demand from strict European sustainability funds despite expected major stock index inclusions.

▶ Source: eco-business

EU targets 20 nations over anti-greenwashing law delays

The EU has initiated infringement procedures against 20 member states for failing to integrate its landmark anti-greenwashing directive into national law. Missing the March 2026 deadline, these countries must now swiftly adopt the Directive on Empowering Consumers for the Green Transition. This strict legislation bans unsubstantiated eco-claims and misleading product durability labels. Delinquent nations have just two months to comply or face potential legal penalties.

▶ Source: ESG Today



French Court mandates Scope 3 reporting for TotalEnergies

A landmark Paris court ruling has ordered TotalEnergies to integrate Scope 3 emissions into its climate risk assessments within six months. Applying France's duty of vigilance law, the decision forces the oil giant to account for consumer product use, which comprises 90% of its carbon footprint. While a win for climate transparency, the court stopped short of forcing production cuts or making the firm directly accountable for customer actions.

▶ Source: euronews

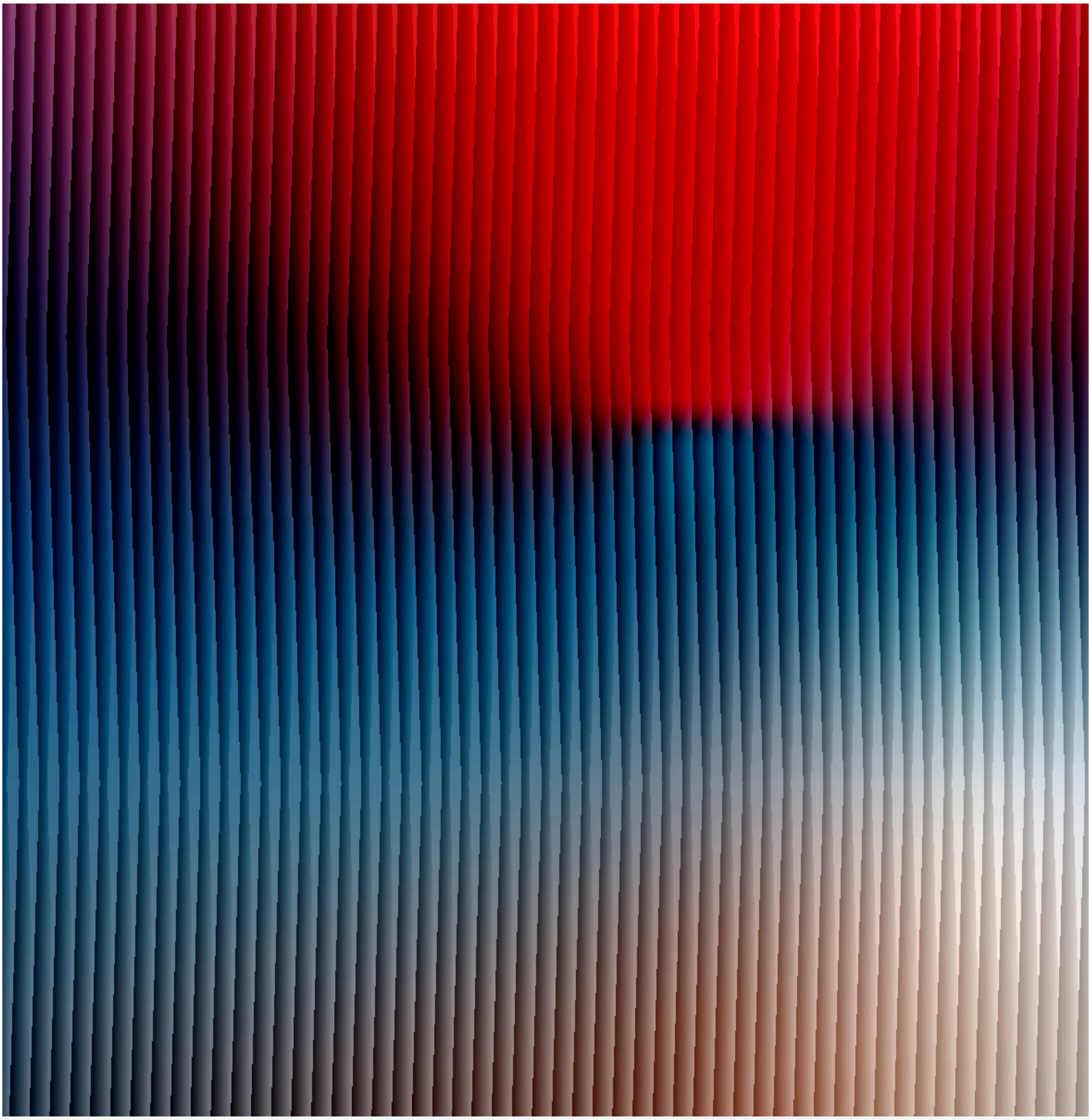
SGA ESG DATA INSIGHTS REPORT

How are top financial institutions leveraging ESG data to make smarter investments and stay ahead of evolving regulations? In this special **66th 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.

Unlock exclusive insights—read the full report now! Read More...

SGA NEWSLETTER TEAM

- Shubham Athalye
- Vikram Singh Parihar
- Khushbu Padiyar
- Deepthi R
- Aishwarya Patwa
- Sakshi Agrawal
- Samruddha Powar
- Akhilreddy Kandala
- Gulshan Talreja



Disclaimer

SG Analytics (SGA), a Straive company, is a leading global data and AI consulting firm delivering solutions across AI, Data, Technology, and Research. With deep expertise in BFSI, Capital Markets, TMT (Technology, Media & Telecom), and other emerging industries, SGA empowers clients with Ins(AI)ghts for Business Success through data-driven transformation.

A **Great Place to Work®** certified company, SGA has a team of over 1,400 professionals across the U.S.A, U.K, Poland, and India. Recognized by Gartner, Everest Group, ISG, and featured in the Deloitte Technology Fast 50 India 2024 and Financial Times & Statista APAC 2025 High Growth Companies, SGA delivers lasting impact at the intersection of data and innovation.