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GRI RELEASES GRI 101: BIODIVERSITY 2024

Updating its Biodiversity Standard

2024 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.



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Introduction

The Biden administration earmarked USD254mn to support projects aimed at reducing greenhouse gas emissions in heavy industries like iron, steel, and cement, marking a significant stride in combating climate change. Ørsted, a renewable energy leader, sealed an 80MW power purchase agreement with Bloomberg for the Mockingbird Solar Center in Texas, a pivotal move toward sustainable energy solutions. On the corporate front, UBS appointed Beatriz Martin Jimenez as its Group Executive Board Lead for Sustainability and Impact, to embed sustainability practices within its operations. Additionally, financial information provider SIX unveiled an innovative climate data product, bolstering its suite of ESG and regulatory risk data services. In the realm of products and services, Apex Group launched Holtara, a subsidiary focused on ESG advisory and reporting, underscoring the increasing emphasis on sustainability in the private markets arena. The Global Reporting Initiative's release of "GRI 101: Biodiversity 2024" highlights the rising significance of biodiversity management and disclosure worldwide. Amid these positive strides, Starbucks finds itself in a legal dispute with a consumer advocacy group over alleged misleading claims regarding its ethically sourced coffee. This controversy sheds light on the imperative for transparency and ethical practices in corporate conduct.



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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.

Canada seeks input on proposed Federal Plastics Registry launch



The Government of Canada initiated a consultation for the Federal Plastics Registry, mandating plastic producers to report types and quantities. The registry targets plastic pollution reduction, supporting a circular economy. Producers must annually report on plastic amounts, movement, and end-of-life management, covering registry goals, product categories, stakeholders, reporting criteria, and timelines.

► Source: ESG Today

320 entities to commence TNFD nature-related reporting



Taskforce on Nature-related Financial Disclosures

The Taskforce on Nature-related Financial Disclosures (TNFD) reveals 320

organizations globally, with a combined USD4tn market capitalization and USD14tn in assets under management, committed to adopting TNFD Recommendations for nature-related disclosures. Announced at the World Economic Forum on January 16, 2024, these entities, spanning 46 countries, aim to integrate TNFD-aligned disclosures into annual reports from FY23 to FY25.

► Source: TNFD

EBA consults the public on ESG risk guidelines for banks



The European Banking Authority (EBA) is soliciting public feedback on draft guidelines for banks to manage ESG

risks. Emphasizing materiality assessments and integration into risk frameworks, the guidelines focus on developing Capital Requirement Directive-aligned transition plans, addressing past ESG shortcomings. The guidelines prioritize risk assessment over specific sustainability targets, aligning with the EBA's sustainable finance roadmap.

► Source: Seneca Technologies Pte Ltd

US allocates USD254mn to reduce heavy industry emissions



The Biden administration allocated USD254mn to fund projects reducing greenhouse gas emissions in heavy industries like iron, steel, and cement. The Department of Energy will distribute USD171mn across 50 projects in 21 states for decarbonization technologies, with an additional USD83mn for challenging industries. The initiative aims to "advance the innovative technologies," boost energy efficiency, and involve various entities in leading projects.

► Source: Reuters

ECB: 90% of eurozone banks encounter high transition risks



The European Central Bank (ECB) reported that 90% of major eurozone banks are not aligning their portfolios with the Paris Agreement decarbonization goals, exposing them to elevated

transition risks. Heavy funding of carbon-intensive sectors raises default risks, emphasizing the need for active risk management in the evolving decarbonizing economy. ECB imposed additional capital requirements and set a 2024 deadline for banks to meet its full climate disclosure requirements.

► Source: Green Central Banking

ECB enhances focus on climate risk and green transition



The European Central Bank (ECB) unveiled a "climate and nature plan 2024-2025" to tackle the economic and financial repercussions of climate change. It focuses on green transition risks, climate

change impacts, and nature loss risks and aligns with ECB's existing actions. The plan includes measures like assessing transition funding effects, updating the Environmental Management Programme, outlining environmental considerations in euro banknotes, and incorporating a digital euro design.

► 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 the major coalitions in the ESG space.

Microsoft partners with Grassroots Carbon for carbon removal deal



Microsoft signed a carbon removal deal with nature-based startup Grassroots Carbon. The deal provides the tech giant with high-quality soil carbon

drawdown credits, generated from regeneratively managed grasslands, and represents additional carbon sequestered over 30 years. This marks Microsoft's first purchase of atmospheric carbon removal credits in grasslands.

► Source: ESG Today

Bloomberg, Ørsted ink 15-year deal for renewable energy purchase



Ørsted signed an 80MW power purchase agreement (PPA) with Bloomberg for the Mockingbird Solar Center in Texas, Ørsted's largest US solar project. The PPA

ensures full commitment to the 471MW Mockingbird project, providing 100% of Bloomberg's US and 80% of its global electricity usage. The project emphasizes conservation efforts to preserve native tallgrass prairie in partnership with The Nature Conservancy (TNC), marking Ørsted's inaugural biodiversity effort in the US.

► Source: SolarQuarter

BCG partners with IPointFive for carbon credits



Boston Consulting Group (BCG) agreed to purchase 21,000 metric tons of carbon dioxide removal (CDR) credits from IPointFive over three years. The credits will be enabled by STRATOS, IPointFive's first industrial-scale DAC facility,

which can capture up to 500,000 metric tons of CO2 annually. The agreement demonstrates BCG's commitment to support CDR technologies for sustainable emissions.

► Source: GlobeNewswire

Deloitte and Circle Economy Consulting join forces to expedite the global circularity impact



Deloitte and the Circle Economy Foundation released the Circularity Gap Report 2024. It reveals that most materials entering the economy are

virgin, with a declining trend seen in secondary materials since 2018. It recommends governments and industries adopt policies that incentivize circular practices, update policies to include social and environmental costs, and fund circular solutions.

► Source: Deloitte

Caterpillar Inks key pact with CRH for electric off-road trucks and charging solutions



Caterpillar and CRH formed a partnership to

introduce Caterpillar's electric trucks and charging solutions to CRH's operations. CRH is the first in its industry to collaborate with Caterpillar in this manner. This collaboration accelerates the adoption of eco-friendly equipment, supporting CRH's goal of reducing carbon emissions and striving for net-zero status by 2050.

► Source: Caterpillar

Northern Trust and Novata partner to unveil ESG solution



Northern Trust teamed with Novata, a startup that collects data about how companies handle environmental, social, and governance issues (ESG),

to develop a sophisticated ESG data management solution. This collaboration helps Northern Trust to offer better information about how sustainable companies are, which is important to investors who care about climate change and social responsibility. It is a big step forward for Northern Trust in helping its clients make investments that align with their values.

► Source: Fintech Global



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.

EdenTree IM hires Will Oulton as the Chair of Responsible Investment Panel



EdenTree Investment Management announced the appointment of Will Oulton as Chair of the Responsible Investment Advisory Panel. He will be “bringing a wealth of experience from across the sustainable investment arena.” Oulton joins a cohort

of senior financial and business leaders selected for their extensive expertise to independently oversee the firm’s responsible and sustainable investment strategy.

► Source: ESG Clarity

FCA welcomes Godfrey as the Chair and Julia Dreblow as the Vice-chair for sustainable advice working group



FCA appointed Daniel Godfrey as the Chair and Julia Dreblow as Vice-chair of a new working group focused on building capability in sustainable

finance across the financial advice sector. The Personal Investment Management & Financial Advice Association (PIMFA) will provide the secretariat to the group. The group will support the industry by advising consumers on products claiming about sustainability. As the Chair, Godfrey will be responsible for selecting members from various sectors within the advisory industry, encompassing small and large industry players.

► Source: FCA

Evie Paterson joins Lazard’s Global Sustainable Equity Team



Lazard Asset Management (LAM) announced the expansion of its global sustainable equity investment team with Evie Paterson’s appointment. In her new role, she will manage the Lazard Global Sustainable Equity strategy, which invests in

companies whose products and services commit toward a sustainable world including financial productivity.

► Source: ESG Today

UBS hires Beatriz Martin Jimenez as the Sustainability and Impact Lead



USB welcomed Beatriz Martin Jimenez as its new Group Executive Board (GEB) Lead for Sustainability and Impact. Martin Jimenez joined UBS in 2012 and has held numerous senior business and finance roles at the bank. In her new role, she will be responsible for

setting the bank’s sustainability and impact strategy and developing group-wide sustainability and impact objectives. She will also be managing the Group Sustainability and Impact (GSI) organization, comprising the Chief Sustainability and Social Impact Offices.

► Source: ESG Today

ABN AMRO welcomes Tanja Kramer as the Sustainable Impact Fund Head



ABN Amro appointed Tanja Kramer as the firm’s Head of the Sustainable Impact Fund. Her responsibilities will include leadership of the fund and involvement in origination and execution activities.

► Source: EarthOpsNetwork

Volvo Cars appoints Vanessa Butani as the new Sustainability Head



Volvo Cars hired Vanessa Butani as the Head of Global Sustainability. She will assume her new role in April 2024. Vanessa will lead the company’s sustainability ambitions and the evolution of its sustainability strategy, playing a key role in its

transition into a leading sustainable mobility provider. Butani transitioned to Volvo Cars from her role as the VP of Group Sustainability at global appliance company Electrolux.

► 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 both investors and data providers. Learn about the most groundbreaking technologies leading their way to ESG.

Allianz introduces a dashboard to monitor progress and criteria for net-zero transition



Allianz launched SAMEpath, a new tool for tracking net-zero transitions pathways. This dashboard enables users to monitor emissions

reductions, necessary investments, and transition risks across sectors and economies in different climate scenarios, aligning with the Paris Agreement goals. Key features of SAMEpath include customized data searches and a Risk Assessment function, providing valuable insights for the stakeholders.

► Source: ESG today

Diligent and Manifest Climate collaborate to provide AI-based climate risk management solutions



Diligent, a governance, risk, and compliance SaaS solutions provider, partnered with Manifest Climate, an AI-driven climate risk management platform.

The collaboration aims to offer organizations comprehensive climate measurement, reporting, and disclosure solutions. The partnership integrates Diligent's ESG software and dashboard platform with Manifest's AI-powered climate assessment tool for real-time analysis, peer benchmarking, and regulatory alignment. The collaboration's key features include automated data collection, analysis of greenhouse gas emissions, access to pre-built reports, AI-driven evaluation of climate disclosures, and identification of management gaps and opportunities.

► Source: ESG today

SIX unveils a climate data offering for global firms



SIX, a leading financial information provider, bolstered its ESG and regulatory risk data services by

introducing an innovative climate data product. The offering integrates regulatory, historical, and predictive climate impact data, featuring emissions information from over 33,000 companies worldwide. Leveraging a partnership with CDP, SIX aims to provide clients with detailed and reliable climate data. This will support clients' reporting, investment decisions, and risk management in the face of increasing global regulatory focus on climate-related data.

► Source: fintech global

Novata debuts a carbon data management and reporting solution for private markets



Novata unveiled Novata Carbon Navigator, a solution designed to help organizations monitor, reduce,

and report their carbon footprint. The new solution's features include quick calculation of Scope 1, 2, and 3 emissions, simplified tracking of company activities, and a shareable audit trail for meeting regulatory compliance. Established in 2021 with support from S&P Global and others, Novata focuses on ESG measurement and reporting for private market investors.

► Source: ESG today

NatWest reveals a new energy-saving tool for small UK businesses



NatWest introduced a digital tool tailored for the UK's 5.5 million small businesses to help them

cut energy costs and reduce carbon emissions, addressing challenges posed by rising energy prices. The Energy Help and Support tool offers customized recommendations, considering solar panel installation and low-carbon heat pumps' adoption. NatWest aims to aid small- to medium-sized enterprises, which contribute to approximately 30% of the UK's emissions. The bank "also partnered with the Supply Chain Sustainability School to launch a free retrofit learning platform for the UK's construction industry."

► Source: fintech global



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.

Heidelberg introduces evoBuild® for low-carbon and circular construction materials



Heidelberg Materials launched its latest product brand, evoBuild®, dedicated to low-carbon and circular products. The evoBuild®

lineup includes products with robust sustainability credentials. The lineup should meet stringent criteria, such as a minimum of 30% CO2 reduction or 30% recycled aggregates. The product brand is categorized into low-carbon products (cement and concrete), circular products (concrete), or a blend of both.

► Source: ESG News

EBA initiates a consultation on ESG risk management guidelines for financial institutions



The European Banking Authority (EBA) initiated a public consultation on draft guidelines

for managing ESG risks. These guidelines outline the requirements for institutions to identify, measure, manage, and monitor ESG risks, including plans addressing risks from transitioning to a climate-neutral economy. The consultation is open until April 18, 2024.

► Source: ESG News

Airbus inaugurates its pioneer global aircraft recycling project



The Airbus Lifecycle Services Centre (ALSC) in Chengdu, China, started operations. The company's

first global aircraft recycling project in the aviation hub. The facility aims to improve the recycling rate of aircraft components and materials to recycle over 90% of an aircraft by weight.

► Source: Reuters

AXA IM launches a Paris-aligned climate ETF focused on European equity



AXA Investment Managers introduced the AXA IM MSCI Europe Equity PAB UCITS ETF

(AIME). The ETF tracks the MSCI Europe Climate Paris Aligned index and targets large- and mid-cap companies across developed markets in Europe. The index aims for a 50% initial greenhouse gas emission reduction and an additional 7% decarbonization annually.

► Source: ETF Stream

Apex Group unveils ESG advisory and reporting unit



Financial services and solutions provider Apex Group launched Holtara, an ESG solutions subsidiary, bringing together the firm's ESG advisory and reporting platform focused on serving

private markets clients. Holtara will offer ESG advisory services with over 80 specialists focused on various topics, from carbon climate and supply chain to DEI. Additionally, Holtara offers ESG Advantage, aimed to streamline ESG reporting to comply with global regulations and align with industry frameworks.

► Source: ESG Today

Jupiter Asset Management debuts Article 8 funds



Jupiter Asset Management launched five Article 8 funds. The thematic funds include the Systematic Disruptive

Technology fund, the Systematic Consumer Trends fund, the Systematic Healthcare Innovation fund, the Systematic Demographic Opportunities fund, and the Systematic Physical World fund. The funds have a flexible investment style, balancing exposure to value and growth, with a focus on active alpha opportunities across the economic cycle.

► Source: ESG Clarity



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.



EC enacts bold climate legislation

The European Council (EC) adopted new legislation to phase down highly potent greenhouse gases like fluorinated gases (F-gases) and ozone-depleting substances (ODS). The rule aimed to eliminate 500 million tons of CO₂-equivalent emissions by 2050, equivalent to France's and Belgium's annual emissions. The regulations also include an export ban and requirements for ODS recovery.

► Source: ESG Today



EU lawmakers agree on stricter heavy-duty emission rules

The European Parliament and EC reached a provisional agreement on new rules to strengthen emissions standards for heavy-duty vehicles, which included a 90% reduction for heavy trucks by 2040. The agreement expands the scope of the regulation, allowing exemptions for small-volume manufacturers, mining, forestry, agriculture, and military vehicles. The regulation will need an endorsement and formal Parliament adoption before entering into force.

► Source: ESG today

IESBA LAUNCHES PUBLIC CONSULTATION ON NEW ETHICAL BENCHMARK FOR SUSTAINABILITY REPORTING AND ASSURANCE

IESBA proposes two global ethical standards

The International Ethics Standards Board for Accountants (IESBA) introduced two exposure drafts proposing global standards for ethical considerations in sustainability reporting and assurance. The exposure drafts, International Ethics Standards for Sustainability Assurance ED and Using the Work of an External Expert ED, aim to enhance trust, prevent greenwashing, and ensure sustainability information's integrity. Public consultation is open until May 10, 2024.

► Source: IESBA



Australia enhances climate risk disclosure laws

The Albanese Government released draft legislation to improve Australia's climate risk disclosure framework. This framework aims to maximize economic opportunities from cleaner, cheaper, and more reliable energy and manage climate change risks. The legislation amends the Australian Securities and Investment Commission Act 2001 and the Corporations Act 2001.

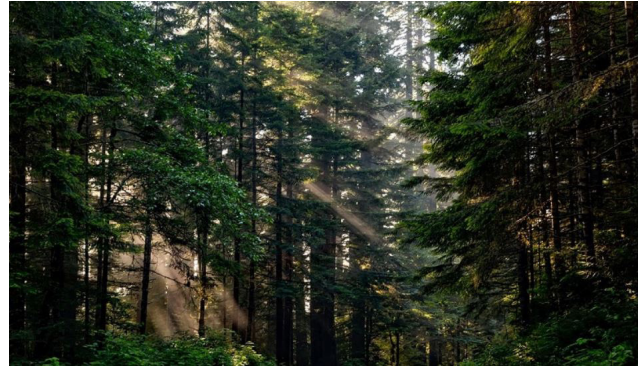
► Source: ESG Today



EU parliament passes directive against greenwashing

The European Parliament approved a directive to ban misleading environmental claims on products and improve labeling. The directive aims to protect consumers from misleading marketing practices and help them make better purchasing choices. It will ban claims of a product's "climate-neutral" impact due to CO2 emissions offsetting schemes.

► Source: euro news



GRI unveils updated biodiversity reporting standard

The Global Reporting Initiative (GRI) released "GRI 101: Biodiversity 2024," an update to its Biodiversity Standard. The new standard aims to enable companies to publicly disclose their biodiversity impacts and management methods. The updated standard builds on global efforts to address nature-related issues, including the Kunming-Montreal Global Biodiversity Framework (GBF) and the Taskforce on Nature-related Financial Disclosures (TNFD).

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



Apple settles iTunes gift card scam lawsuit

Apple, in response to a lawsuit accusing it of facilitating scammers to exploit its gift cards, agreed to settle with plaintiffs. The settlement terms are being finalized for presentation to the U.S. District Judge Edward Davila for preliminary approval, with both Apple and the plaintiffs' lawyers yet to comment. According to the lawsuit, Apple would transfer 70% of the stolen funds to the fraudsters' bank accounts, while keeping 30% as a "commission" for converting stolen codes into dollars knowingly.

► Source: Reuters



Republican representatives urge authorities to examine Ford's agreement with Chinese companies

Republican lawmakers asked the Biden administration to investigate Ford's partnership with Chinese companies for its Michigan battery plant, citing concerns over alleged ties to the Chinese military and human rights abuses. Ford CEO Jim Farley expressed willingness to address concerns but faces political opposition amid the downsizing of investments in response to the slowing EV demand.

► Source: Electrek



Brazil instructs Vale, BHP, and Samarco to pay USD9.7bn over dam disaster

A Brazilian federal judge ruled that miners Vale and BHP, along with their joint venture Samarco, must pay USD9.67bn in damages for a 2015 tailings dam burst, according to Reuters. Both Vale and BHP stated that they were uninformed by the judiciary about the decision, while Samarco declined to comment. The judge announced that penalty money would be placed in a state fund for projects benefiting areas affected by the dam collapse.

► Source: Mining Engineering



Walmart agrees to pay over allegations of not promoting a woman with young children

EY is facing a lawsuit seeking Walmart agreed to pay USD60,000 and provide relief to settle claims that it denied promotion to a female because she had young children, as reported by the U.S. Equal Employment Opportunity Commission. Allegations arose when Walmart's assistant manager suggested that the employee's parental status affected her suitability for career advancement, leading to the position being given to another employee without children.

► Source: HR Dive



Consumer group sues Starbucks over false ethical sourcing claims

National Consumers League, a consumer advocacy group, sued Starbucks, alleging false and misleading claims regarding its ethically sourced coffee, citing incidents of abuse on farms that supply tea and coffee to Starbucks. Starbucks vows to defend against the claims. However, the lawsuit seeks to halt deceptive advertising and mandate a corrective campaign to address the National Consumers League's concerns.

► Source: AP News



Friends of the Earth takes legal action against ING

The Netherlands branch of Friends of the Earth, Milieudefensie, filed a climate lawsuit against ING. The demands include that the company halve its carbon emissions by 2030 compared to 2019 levels and cease collaboration with polluting companies. Despite some modifications to its climate policy, Milieudefensie considers ING's approach inadequate, arguing that the bank's actions contribute to dangerous climate change and urging alignment with the 1.5°C target of the Paris Agreement.

► Source: Reuters





SGA BLOGS

“How to put Sustainability and Innovation at the Heart of your Business?”
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“ESG in 2024: Climate Adaptation Strategies and Predictions” [Read More...](#)

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