



ESG Digest #17

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PwC Research: 94% of investors say corporate sustainability reporting contains unsupported claims

Sustainability continues to remain pivotal to investors: 75% say that how a company manages sustainability related risks and opportunities is an important factor in their investment decisions, according to PwC's 2023 Global Investor Survey.

The survey revealed that the focus of investors on meeting the cost of ESG commitments has also risen, with 76% finding this information important or very important. Investors also want information on a company's impact on society or the environment, and of those, 75% agree that companies should disclose the monetary value of their impact on the environment or society, up from 66% in 2022.

The report highlights an investors' strong undercurrent of doubt around the reliability of sustainability reporting and information that they use, often referred to as "greenwashing". 94% of investors believe corporate reporting on sustainability performance contains some level of unsupported claims (up from 87% in 2022), including 15% who think they are there to a "very large extent". The proportion who said unsupported claims are present to a moderate or greater extent is up one percentage point on last year at 79%.

PwC surveyed 345 investors and analysts across 30 countries and territories, with 65% of respondents at organizations with total AUM of more than \$1 billion.

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CFA Institute, PRI, GSIA issue harmonized definitions for sustainable investing

CFA Institute, the Global Sustainable Investment Alliance (GSIA), and Principles for Responsible Investment (PRI) have issued a new guidelines that aims to bring greater understanding and consistency to terminology used in responsible investment and to reduce greenwashing risk. Specifically, the guideless provides the following definitions:

- Screening
- ESG integration
- Thematic investing
- Stewardship
- Impact investing

For each term, CFA Institute, GSIA, and PRI have outlined a definition, detailed explanation, and guidance for using the terms in practice. The paper is intended for investors, regulators, policymakers, and other market participants.

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Australia releases Sustainable Finance Strategy

The Government of Australia's Treasury department released its proposed Sustainable Finance Strategy, aimed at supporting the mobilization of private capital needed to finance the transition to a net zero economy, helping firms to access funding for their own transitions, and ensuring the management of risks and opportunities presented by climate change and other sustainability issues.

Key proposals in the new strategy include establishing a framework for sustainability-related financial disclosures and net zero transition plans, developing a sustainable finance taxonomy, and introducing a labelling system for sustainable investment products.

[Read more](#)



CFA Institute launches new Climate Risk, Valuation, and Investing Certificate

CFA Institute, the global association of investment professionals, announces the launch of a new Climate Risk, Valuation, and Investing Certificate. Registrations for the new certificate are scheduled to open on 30 November.

Investment firms seeking to adapt to the risks associated with climate change increasingly require staff with specific climate analysis skills, and this new certificate meets that market demand.

The certificate aims to provide financial professionals with climate-related investment expertise, and to integrate climate considerations into valuation and portfolio construction processes.

[Read more](#)





The French government has announced that any fossil fuel firms can no longer be part of portfolios of investment funds that carry the Socially Responsible Investment (SRI) label.

The new labelling standard will come into effect in March of next year.

[Read more](#)

France bans fossil fuel companies from responsible investment labelled funds

USA invest \$2 bln in low carbon material building projects and \$6 bln in new climate investments

The U.S. General Services Administration (GSA) announced a \$2 billion investment, directed to federal government building construction projects using low-embodied carbon (LEC) materials.

The investment will help fund more than 150 projects across over 39 states and regions, that will prioritize the procurement of LEC materials. The identified investments include \$767 million for concrete, \$464 million for glass, \$388 million for steel, and \$384 million for asphalt.

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President Biden announced more than \$6 billion in investments aimed at strengthening climate resilience in the U.S. \$4 billion are aimed at strengthening and modernizing the U.S. electric grid, while \$2 billion of funding supports community-driven projects that deploy clean energy, strengthen climate resilience, and build community capacity to respond to environmental and climate justice challenges, including water infrastructure upgrades to advance drought resilience.

[Read more](#)



GRI, IFRS announce initiative to help companies build sustainability reporting capacity

The Global Reporting Initiative (GRI) announced today plans to launch a new Sustainability Innovation Lab (SIL), alongside the IFRS Foundation as its Convening Partner, a new initiative aimed at helping to enable companies to meet evolving sustainability disclosure requirements.

According to GRI CEO Eelco van der Enden, the new initiative comes as companies face a “sustainability capacity and expertise gap” amid increasing requirements to report on their sustainability performance across the value chain.

[Read more](#)

Moody's launches Assessments of Corporate Decarbonization Plans

Credit ratings, research, and risk analysis provider Moody's Investors Service announced today the launch of a framework for Net Zero Assessments (NZAs), a new scoring system aimed at enabling investors to evaluate and compare companies' decarbonization plans and actions.

NZAs, based on a 5-point scale from NZ-1 (highest score) to NZ-5 (lowest score), indicate Moody's opinion of the strength of an entity's decarbonization profile relative to a Paris Agreement-consistent pathway of achieving global net zero by 2050. The scores consider factors including the strength of an entity's ambitions, the implementation of its plan and its governance around emissions reductions.

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EU Commission funds €400 mln climate, biodiversity & circular economy projects

The European Commission approved 171 new projects across Europe under the LIFE Programme for environment and climate action, worth more than €396 million.

Investments will include

- €140 million for nature and biodiversity projects focused on restoring ecosystems, habitats and animal conservation,
- €94 million for circular economy and improved quality of life projects in areas including water use, electrical waste, chemicals, air and noise pollution, as well as to enhance environmental governance and information,
- €65 million for will climate change mitigation, climate change adaptation and climate governance projects, and
- €97 million for projects to improve market and regulatory conditions in the EU for the clean energy transition, notably promoting and rolling out energy efficiency and small-scale renewable energy solutions.

[Read more](#)



An aerial photograph of an industrial facility, likely a power plant or refinery. The image shows a complex network of white pipes and structures. Several large smokestacks are visible, each emitting a thick, white plume of smoke that rises into the air. The ground is dark and appears to be covered in ash or soot. The overall scene depicts a large-scale industrial operation.

GRI releases proposed Climate and Energy Transition Disclosure Standards

The Global Reporting Initiative (GRI), one of the leading organizations promoting standardized ESG reporting, announced today the publication today of new draft Climate Change and Energy Standards.

The proposed Climate Change Standard will enable organizations to disclose climate change transition along with adaption plans and actions, detail annual progress on emissions reduction targets and company's use of carbon credits and GHG removals.

Meanwhile, the exposure draft for a revised Energy Standard has a sharp focus on the ways in which organizations are reducing energy consumption, achieving energy efficiency and sourcing renewable energy – all of which are essential to combat climate change and ensure companies tangibly demonstrate how they are decreasing their carbon footprint.

[Read more](#)

ESG Book launches risk scores assessing company exposure to key sustainability issues

Sustainability data and technology company ESG Book announced today the launch of Risk Score, a new tool aimed at enabling investors and corporates to assesses company exposure to critical ESG topics, based on the UN Global Compact (UNGC).

The UNGC is a consortium of companies and organizations across the globe committed to aligning their strategies and operations with a series of ten principles on human rights, labor, environment, and anti-corruption, and to take strategic action to advance broader societal goals such as the 17 UN SDGs.

According to ESG Book, the new Risk Score launches with coverage of over 10,000 companies, and is powered by more than 200 metrics to provide comprehensive analytics on each company's exposure to the UNGC principles. The tool enables users to drill down from each company's score to raw data and source documentation, and also includes point-in-time history for time series risk analyses.

[Read more](#)





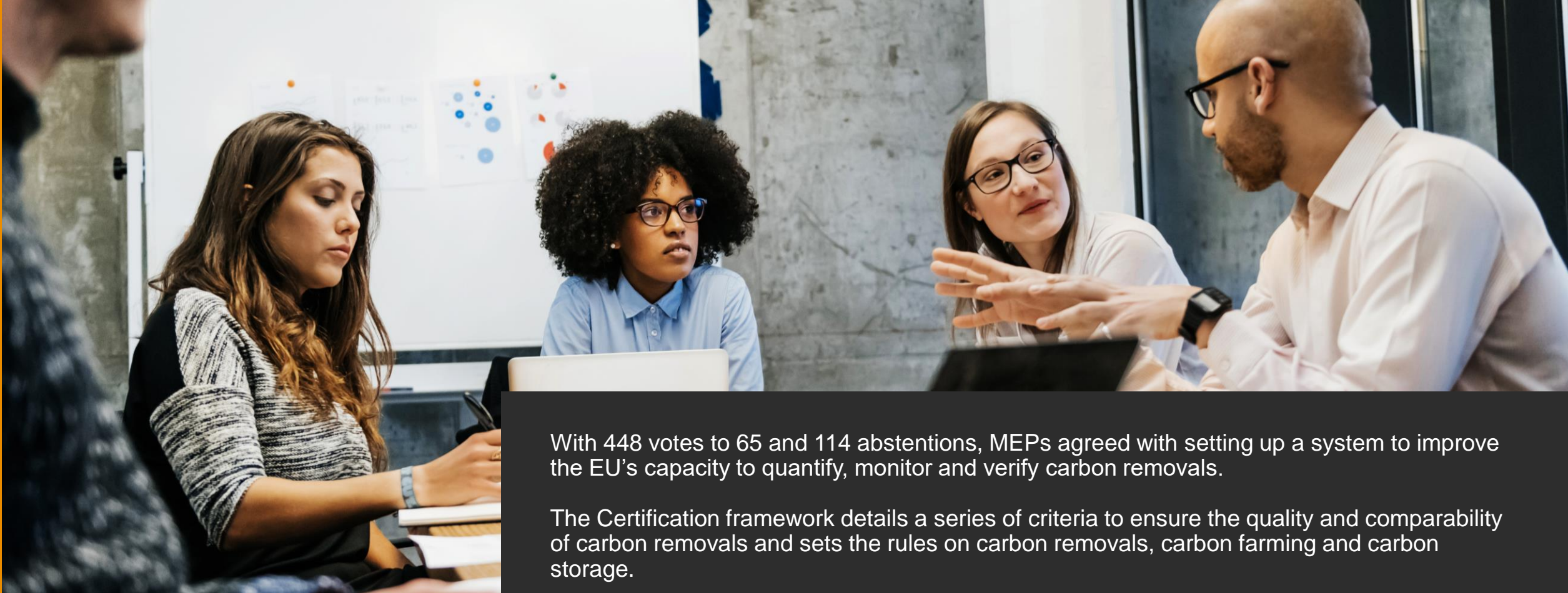
New Carbon Accounting Alliance launched to measure emissions

Climate-action solutions providers Planet Mark and ClimatePartner have joined forces to launch the Carbon Accounting Alliance (CAA) — to standardize emissions calculation and disclosure methodologies to improve the credibility of claims and reporting, along with other goals.

The organisation represents 35+ software companies, consultancies, auditors and certifying bodies collectively measuring greenhouse gas (GHG) emissions for 23,000+ organisations, with more than 587 million tonnes of carbon dioxide equivalent (tCO₂e) measured and more than 6 million tCO₂e reductions achieved from baselines.

The CAA also aims to improve support for the global net zero transition through a commitment to actively engage industry, policy makers, regulators and other international bodies, as well as collaborating and sharing learnings between companies operating in the carbon accounting industry.

[Read more](#)



With 448 votes to 65 and 114 abstentions, MEPs agreed with setting up a system to improve the EU's capacity to quantify, monitor and verify carbon removals.

The Certification framework details a series of criteria to ensure the quality and comparability of carbon removals and sets the rules on carbon removals, carbon farming and carbon storage.

Parliament is now ready to start negotiations with EU member states.

[Read more](#)

EU Parliament votes to set up Carbon Removal Certification System

UK to invest over \$1.2 bln to boost green industries

The UK government announced plans to invest £960 million (USD\$1.2 billion) in green industries aimed at strengthening UK energy security. The investment will enable the growth of clean energy supply chains across the UK, including carbon capture, utilization and storage, electricity networks, hydrogen, nuclear and offshore wind.

The funding will be provided through a Green Industries Growth Accelerator and will be available from 2025 for 5 years.

[Read more](#)

EU commits €4 bln to fund decarbonization and renewable hydrogen projects

The European Commission announced that it will invest €4 billion for the deployment of innovative decarbonization technologies, with an increased focus on cleantech manufacturing projects, utilizing funds raised through its EU Emissions Trading System (EU ETS).

Allocations areas for the new investments include €2.4 billion for “general decarbonization,” €1.4 billion for “cleantech manufacturing,” and €200 million for deep decarbonization “pilot” projects.

[Read more](#)





Business and financial markets information service provider Bloomberg announced the launch of a new data mapping and materiality assessment tool, aimed at enabling investors to assess the potential impact of a company's business on any of the UN Sustainable Development Goals (SDGs).

It integrates the UN Environmental Programme Finance Initiative (UNEP FI) Sector Impact Map into Bloomberg's ESG data offerings, enabling a comprehensive analysis of company impacts on various sustainability aspects.

[Read more](#)

Bloomberg launches new tool to assess company impact on SDGs



CA releases Sustainability Disclosure Requirements

The Financial Conduct Authority (FCA) of UK announced the release of its new Sustainability Disclosure Requirements (SDR). The new rules aim to improve the trust and transparency of sustainable investment products and minimise greenwashing.

The final package includes:

- *An anti-greenwashing rule* for all FCA authorised firms to reinforce that sustainability-related claims must be fair, clear and not misleading.
- *Four labels* to help consumers navigate the investment product landscape and enhance consumer trust
- *Naming and marketing* rules for investment products, to ensure the use of sustainability-related terms is accurate
- *Consumer-facing information* to provide consumers with better, more accessible information to help them understand the key sustainability features of a product
- *Detailed information* in pre-contractual, ongoing product-level, and entity-level disclosures, targeted at institutional investors and consumers seeking more information
- *Requirements for distributors* to ensure that product-level information (including the labels) is made available to consumers

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If you have any questions or need assistance, please contact us:



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