



ESG ACCORD

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Newsletter April 2022

Hello from ESG Accord

& Welcome to all our new subscribers who have joined us via the MPS Report sign up!

We follow a simple structure for the newsletter... comments and news from us, our MPS Report Hub section and interesting news from the broader media.

It has been a terrifically exciting few weeks here; our MPS Report is now live! 🥳, we've started work on our next industry report, we've had an article in IFA Magazine and we've got some other behind-the-scenes ESG & Sustainable projects on the go. This is a fast moving space!

We welcome the International Sustainability Standards Board (ISSB) proposal of issuing two IFRS Sustainability Disclosure Standards and the launch of the TNFD beta framework... see "From the news" for reading links.

News from us:

- We've just issued an update to the ESG Accord compliance framework for advisers. The 'framework' is a full compliance system designed for inclusion of the ESG & Sustainability spectrum in the advice process. It includes (amongst other things) triage, values questionnaires and due diligence questions. The framework identifies & matches client preferences and objectives to best practice outcomes in line with existing and incoming regulations! Please note that we expect our next update to coincide with the FCA Consultation Paper for the incoming labels regime due at the end of June / Summer 2022.
- We have now commenced work on our Tax Efficient EIS/VCT/ IHT/BPR Report - our ETA is Q3 2022. Stay tuned for updates
- ESG Accord's latest article IFA Magazine: <https://ifamagazine.com/article/esg-and-sustainable-mps-due-diligence/>

MPS Report Hub:

OK, the MPS Report is live, registrations are rolling in and we are happy to say the feedback has been great...ranging from a time saver for advisers, providers knowing their competitors and ease of MPS comparisons!

The 'Report' is a large online database that is searchable and based on all of the questions in our Due Diligence Questionnaire spreadsheet.

- It contains over 45 MPS providers and shows the answers to over 70 ESG & Sustainable questions
- View and compare over 30 fully completed MPS DDQs
- The Due Diligence Questions span across 8 headings which cover the full ESG & Sustainable spectrum
- The report has been designed for functionality and it helps advisers match the most appropriate MPS to each client's ESG & Sustainability objectives and preferences

It is free to access for financial advisers, so if you haven't registered for access yet you can do so here:

<https://esgaccord.co.uk/esg-sustainable-mps-report/>
Or email admin@esgaccord.co.uk

MPS Report Hub. News from some of the report participants:

EQ Investors: Quarterly positive impact update;

<https://eqinvestors.co.uk/advisers/blog/impact-case-studies-q1-2022/>

Waverton: Waverton is sponsoring a charity challenge to raise money for Thames Hospice organised by one of their Fund managers

<https://www.waverton.co.uk/media-centre/news-and-updates/jeff-keen-charity-challenge-2022>

Sarasin: Ben Gilbert, who manages our model portfolios, takes a look at how markets have affected them over the past month, and updates on performance in our latest model portfolio update:

<https://sarasinandpartners.com/think/model-portfolios-update-march-2022/#storeadvisor>

Tribe: This month, Tribe's CIOs discussed the impact of the Russian invasion and how our efforts to decarbonise and promote energy efficiency align with the geopolitical benefits of energy security.

<https://tribeimpactcapital.com/war-inflation-and-the-energy-transition/>

Betafolio: UK Roadshow with Dimensional

<https://timelineapp-25253919.hubspotpagebuilder.eu/en-gb/betafolio-roadshow-2022>

Square Mile: Investing to make a positive impact

Jake Moeller, Senior Investment Consultant at Square Mile, joined Asset TV for a panel discussion sustainability, how companies claiming to be responsible can be verified, how sustainability integration has progressed in recent years and the importance of SDGs as a framework.

Link: <https://www.squaremileresearch.com/Insights-Resources/Articles/ArticleID/211/Jake-Moeller-for-Asset-TV-Sustainability-in-2022>

P1: A load of hot air: Is hydrogen the clean fuel of the future?
<https://p1-im.co.uk/research-articles/sustainable-investing-is-hydrogen-a-clean-fuel/>

Parmenion: Our Diversity Challenge Returns

<https://www.parmenion.co.uk/adviseher/diversity-challenge-returns>

From 'the news':

Final SFDR regulatory technical standards published
6 April 2022, the European Commission has published the final version of the detailed rules – the Regulatory Technical Standards (RTS) – under the EU Sustainable Finance Disclosure Regulation (SFDR).

<https://www.traverssmith.com/knowledge/knowledge-container/final-sfdr-regulatory-technical-standards-published/>

Over half of IFAs believe sustainable investing will most likely improve investment performance
<https://ifamagazine.com/article/over-half-of-ifas-believe-sustainable-investing-will-most-likely-improve-investment-performance/>

What we learned from the IPCC report

<https://www.ft.com/content/b451075c-0ec1-4904-96c4-8ea0aa993a66>

IFRS Exposure Draft—Snapshot IFRS® Sustainability Disclosure Standards
[Draft] IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information
[Draft] IFRS S2 Climate-related Disclosures

<https://www.ifrs.org/content/dam/ifrs/project/general-sustainability-related-disclosures/snapshot-exposure-draft-ifrs-s1-general-requirements-for-disclosure-of-sustainability-related-financial-information-and-exposure-draft-s2-general-sustainability-related-disclosures.pdf>

ESG is a category error that needs unbundling
The acronym jams together disparate and sometimes contradictory objectives

<https://www.ft.com/content/c8b11672-4847-44aeb132-788cb2383a2c?desktop=true&segmentId=7c8f09b9-9b61-4fbb-9430-9208a9e233c8#myft:notification:daily-email:content>

Here's what the ESG critics miss
Plus, a new ranking of retail brokers' ESG scores

<https://www.ft.com/content/670a4d63-2b92-4f08-97b2-88a463aa3b85?desktop=true&segmentId=7c8f09b9-9b61-4fbb-9430-9208a9e233c8#myft:notification:daily-email:content>

IPCC. The evidence is clear: the time for action is now. We can halve emissions by 2030

<https://www.ipcc.ch/2022/04/04/ipcc-ar6-wgiii-pressrelease/>

Investment Week: 'It is now or never': IPCC concludes world has the tools to halve emissions by 2030 'We are at a crossroads'

<https://www.investmentweek.co.uk/news/4047777/ipcc-concludes-world-tools-halve-emissions-2030>

Comparison [Draft] IFRS S2 Climate-related Disclosures with the TCFD Recommendations

<https://www.ifrs.org/content/dam/ifrs/project/climate-related-disclosures/comparison-draft-ifrs-s2-climate-related-disclosures-with-the-tcfd-recommendations.pdf>

Great Barrier Reef authority confirms unprecedented sixth mass coral bleaching event

Aerial surveys show almost no reefs across a 1,200km stretch escaping the heat, prompting scientists to call for urgent action on climate crisis

<https://amp-theguardian-com.cdn.ampproject.org/c/s/amp.theguardian.com/environment/2022/mar/25/we-need-action-immediately-great-barrier-reef-authority-confirms-sixth-mass-coral-bleaching-event>

ISSB delivers proposals that create comprehensive global baseline of sustainability disclosures

<https://www.ifrs.org/news-and-events/news/2022/03/issb-delivers-proposals-that-create-comprehensive-global-baseline-of-sustainability-disclosures/>

Banks face new standards on carbon emissions disclosure

<https://on.ft.com/383xR7R>

The Platform On Sustainable Finance: Final Report on Taxonomy extension options supporting a sustainable transition

https://ec.europa.eu/info/files/220329-sustainable-finance-platform-finance-report-environmental-transition-taxonomy_en

Boris Johnson's carbon-cutting ambitions tested by cost of living crisis

<https://on.ft.com/3tFZBYM>

Why ESG funds are full of weapons

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<https://capitalmonitor.ai/strategy/responsilbe/how-exposed-are-esg-funds-to-weapons/>

Putin's war demands a concerted global economic response

<https://on.ft.com/3KWqUno>

What does International Conflict Mean for Responsible Investment?

Nathan Fabian, Chief Responsible Investment Officer, PRI, says investors should undertake systematic scrutiny of the potential ESG drivers and consequences of conflict.

<https://www.esginvestor.net/what-does-international-conflict-mean-for-responsible-investment/>

Fears rise over 'greenwash' bonds

<https://on.ft.com/3N8NZF4>

Green bonds offer pricing benefits to both issuers and investors

<https://www.climatebonds.net/2022/03/green-bonds-offer-pricing-benefits-both-issuers-and-investors>

Carney steps back into advisory role in overhaul of carbon offsets group

<https://on.ft.com/3tq98TL>

NGOs call nature-positive framework to be adopted by UN

<https://www.edie-net.cdn.ampproject.org/c/s/www.edie.net/amp-news/9/NGOs-call-nature-positive-framework-to-be-adopted-by-UN/>

Robert G. Eccles: Vladimir Putin's Contribution To ESG Investing

<https://www.forbes.com/sites/bobeccles/2022/03/06/vladimir-putins-contribution-to-esg-investing/?sh=3b70916a7f93>

Will Goodhart chief executive of CFA UK: Fiduciaries need to get to grips with unmeasurable risk. Need to reconsider geopolitical risk

<https://www.investmentweek.co.uk/news/4047641/goodhart-fiduciaries-grips-unmeasurable-risk>

Pulling back the curtain on private equity's ESG impact
Plus, the rise of sustainable products in Islamic finance and
impact investments look set to soar

<https://www.ft.com/content/c326c6aa-2d97-4f2d-9822-b21067266770>

UBS AM and Aon launch climate transition fund
Seeded over £700m

<https://www.investmentweek.co.uk/news/4047487/ubs-aon-launch-climate-transition-fund>

Why the SEC is right to make climate risk disclosure
mandatory
Regulator has provided blast of fresh air that could revitalise
capital allocation

<https://www.ft.com/content/b6cc17f0-c0c3-476a-bb77-1e7c1e9e946a>

Transforming the food sector: why the National Food Strategy
matters to investors
Coalition representing £6trn AUA

<https://www.investmentweek.co.uk/opinion/4046547/transforming-food-sector-national-food-strategy-matters-investors>

Central banking and supervision in the biosphere: an agenda
for action on biodiversity loss, financial risk and system
stability

<https://www.lse.ac.uk/granthaminstitute/publication/central-banking-and-supervision-in-the-biosphere/>

Marc Lepere, ESGgen: Green investing: the global system for
rating companies' ethical credentials is meaningless

<https://theconversation-com.cdn.ampproject.org/c/s/theconversation.com/amp/green-investing-the-global-system-for-rating-companies-ethical-credentials-is-meaningless-179724>

IFRS Foundation and GRI to align capital market and multi-
stakeholder standards

<https://www.globalreporting.org/about-gri/news-center/ifrs-foundation-and-gri-to-align-capital-market-and-multi-stakeholder-standards/>

Why ESG funds are full of weapons

<https://capitalmonitor.ai/strategy/responsilbe/how-exposed-are-esg-funds-to-weapons/>

How To Read The SEC's Milestone Proposed Climate-Related
Disclosure Framework

<https://www-forbes-com.cdn.ampproject.org/c/s/www.forbes.com/sites/bhaktimirchandani/2022/03/22/how-to-read-the-secs-milestone-proposed-climate-related-disclosure-framework/amp/>

Framework published for TCFD-style nature disclosures
Industry feedback sought on proposals to shift monies from
nature-negative outcomes

<https://www.investmentweek.co.uk/news/4046543/framework-published-tcfd-style-nature-disclosures>

Beta version of TNFD is launched!

<https://tnfd.global/tnfd-framework/>

Platform: Transparency of ESG data will transform the fund
industry

<https://www.moneymarketing.co.uk/opinion/the-data-esg-investors-need-to-see-more-of/>

The Climate Challenge and the role investors can play

<https://ifamagazine.com/article/the-climate-challenge-and-the-role-investors-can-play/>

We'd love to hear from you! Please get in touch via
admin@esgaccord.co.uk if you have any topics or questions
you'd like covered in our newsletter.
