



ESG ACCORD

●●● YOUR COMPLIANCE, ESG & SUSTAINABILITY IN ACCORD

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Newsletter September 2022

Hello from ESG Accord

- Planning and research days
- Deeply reflective and sombre days
- Fast paced meetings back-to-back days

...These last few weeks have been a whirlwind! We anticipate the next few weeks being busy too. As follows;

Join us! 17th Oct 1pm!

The hotly anticipated new sustainable investments labels are coming. We have set up a FREE webinar panel discussion (with keynote from the FCA) for you to find out what the incoming labels mean for you. We will also look at Consumer Duty.

Register here:

https://events.zoom.us/j/AlUcr4LrB4hBBiB-6SWSALyh9ezwpz4HI84_vMAQap7HuX7ACffbe-AggLXsr32QY-Fiq8BIYLZ5I06Dg?lmt=1663842185000

Please send any questions you'd like discussed on the panel to elly@esgaccord.co.uk

Updates from us:

Lee will be speaking at the upcoming FE FUNDINFO Adviser Roadshows

https://www.linkedin.com/posts/fefundinfo_financialadvisers-event-esg-activity-6973626026669088769-19fH?utm_source=share&utm_medium=member_desktop

Lee will be speaking at Rathbone Investment Management in London next Thursday 29 September.

Tax Efficient Vehicles Report update - Due Diligence Questionnaires are coming in and we are excited about what the report will bring to the industry.

Report sponsors: Blackfinch, British Robotics, Calculus Capital, Committed Capital, GrowthInvest, Haatch, Regenerate Ventures, Sapphire, Stellar Asset Management, Vala Capital

The report will include VCTs, SEIS, EIS and IHT/BR Portfolios and will be a searchable database (similar to the MPS Report). It will be free for Advisers to access because of the generous support of the sponsors who share our ethos for transparency and raising market participation.

MPS Report Hub:

Your feedback please!

The eagle eyed amongst you will have noticed that we have made a recent update to the MPS Report/database. After feedback, we have made entry after log-in to go straight to the reporting page! Your feedback is super important so we can continue to deliver accessible and highly useful info for Advisers.

The survey is open now! It has 15 short questions, some with comment boxes. It is anonymous. It should take no more than 5 minutes of your time. Big thanks in advance, **ENTER SURVEY HERE:** <https://www.smartsurvey.co.uk/s/BOPFM4/>

Results in so far:

Benefits of using the ESG Accord MPS Report:

I can match client preferences to appropriate outcomes 100%

The advice I offer clients covers the full ESG/Sustainable spectrum 75%

Timesaving - all of the due diligence has been done and is held in one place 100%

The due diligence questions are specialised and already collated for me 25%

Increased confidence in building suitable file outcomes 50%

Helps me to deliver better explanations to clients about ESG/Sustainable investing strategies 50%

The MPS 'Report' is a large online database that is searchable and based on all of the questions in our Due Diligence Questionnaire. Once you have access it will be possible to;

- View and compare over 30 fully completed MPS DDQs
- It contains over 45 MPS providers and shows the answers to over 70 ESG & Sustainable questions
- 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

If you haven't registered for access yet please do so from here: <https://esgaccord.co.uk/esg-sustainable-mps-report/>
Or email us on admin@esgaccord.co.uk

MPS Report Hub.

News from some of the report participants:

Sarasin & Partners:

Insight on our latest PRI Assessment. In summary, we have received our latest PRI Assessment and are delighted to have achieved 5-star ratings in seven out of the eight modules and 4 stars in the remaining module. In all categories we performed above median.

https://sarasinandpartners.com/stewardship-post/our-pri-assessment-reports-for-2021/?utm_medium=web&utm_source=referral&utm_campaign=esgaccordsept22

Waverton:

Waverton is delighted to announce it has been listed as a signatory to the UK Stewardship Code by the Financial Reporting Council (FRC)

Waverton listed as signatory to the UK Stewardship Code - Waverton
<https://www.waverton.co.uk/media-centre/news-and-updates/waverton-listed-as-signatory-to-the-uk-stewardship-code>

On 22/08/2022 16:56 Elly ESG ACCORD <elly@esgaccord.co.uk> wrote:

Castlefield:

Featured stock story: Renewi PLC

Our featured stocks highlight the type of companies that Castlefield invest in and cover some of the activities around environmental, social and governance factors the firms have delivered.

We live in a throwaway society in which too many things are disposable. The problem of litter and waste never seems to go away; in fact, it feels like it's getting worse. Creating a more circular economy is the way forward. Find out how waste management specialist Renewi PLC are supporting the shift to a circular economy and how they align with two of Castlefield's positive investment themes in this piece by Castlefield Head of Research David Gorman.

<https://www.castlefield.com/home/media/blog/uk-stock-story-renewi-plc/>

P1:

P1's Inaugural Ethical & Sustainable Engagement Report Reporting our engagement campaigns over the course of 2021 to 2022.

<https://p1-im.co.uk/news/2022/p1s-inaugural-ethical-sustainable-engagement-report/>

Parmenion:

Forthcoming ESG workshop in London

<https://www.parmenion.co.uk/insight-and-resources/news-and-insights/our-esg-workshops-are-underway/>

Square Mile:

Does economic security depend on nature?

50% of global GDP depends on biodiversity, however nature's resources are continually used more quickly than can be replenished. While climate change has captured public attention and risen up the political and corporate agenda, biodiversity has lagged behind.

At Responsible Pathway Live, Square Mile explored society's relationship with the environment and what this means from an investment perspective.

You can catch the full panel discussion here:<https://www.squaremileresearch.com/Insights-Resources/Articles/ArticleID/253/Does-economic-security-depend-on-nature>

Regulatory news:

FCA Dear CEO, Our supervision strategy for benchmark administrators

<https://www.fca.org.uk/publication/correspondence/portfolio-letter-benchmarks-sep-2022.pdf>

<https://www.ftadviser.com/investments/2022/09/12/fca-sounds-alarm-over-esg-benchmarks/>

FCA WEBINAR

Early Oversight webinar on financial promotions – why it matters to get it right

<https://webinars.fca.org.uk/early-oversight-webinar-series/9eafebe61af6ecc937ff/join>

From 'the news':

Investments:

Aviva Investors: We cannot ignore human rights

<https://www.investmentweek.co.uk/opinion/4056193/aviva-investors-ignore-human-rights>

J.P. Morgan Launches New Digital ESG Platform for Investors
<https://www.esgtoday.com/j-p-morgan-launches-new-digital-esg-platform-for-investors/>

Fidelity International launches Sustainable Biodiversity fund

<https://www.investmentweek.co.uk/news/4056538/fidelity-international-launches-sustainable-biodiversity-fund>

Capital Monitor: ESG Themes for 2022

<https://capitalmonitor.ai/whitepapers/esg-themes-for-2022/>

Federated Hermes cuts ties with 'anti-ESG' US nonprofit

<https://www.investmentweek.co.uk/news/4056508/federated-hermes-cuts-ties-anti-esg-us-nonprofit>

Norway oil fund warns of 'danger' that environment falls down agenda

<https://www.ft.com/content/f0067d64-dcf2-47b4-a19b-a6b6debd16c5>

NS&I releases third issue of green savings bonds

<https://www.moneymarketing.co.uk/news/nsi-releases-third-issue-of-green-savings-bonds/>

Asset Managers Are Facing Hundreds of ESG Fund Downgrades

<https://www.bloomberg.com/news/articles/2022-09-14/asset-managers-face-significant-wave-of-esg-fund-downgrades>

Parmenion IM launches passive ESG portfolios
Companies with high ESG scores

<https://www.investmentweek.co.uk/news/4056333/parmenion-im-launches-passive-esg-portfolios>

PruFund Planet Range celebrates one year around the sun

<https://ifamagazine.com/article/prufund-planet-range-celebrates-one-year-around-the-sun/>

Parmenion buys Midlands-based firm with £1.9bn AUM

<https://www.moneymarketing.co.uk/news/parmenion-buys-midlands-based-firm-with-1-9bn-aum/>

Sustainable Farmland Trust plans £200m London IPO
SFDR Article 8

<https://www.investmentweek.co.uk/news/4056175/sustainable-farmland-trust-plans-gbp200m-london-ipo>

Aegon renames bond fund to focus on climate transition

<https://www.investmentweek.co.uk/news/4055777/aegon-re-names-bond-fund-focus-climate-transition>

Crypto and climate change: can web3 help get us to net zero?
New tech ventures want to use blockchain to clean up a messy carbon market – but critics fear more greenwashing

https://www.ft.com/content/1f795e5d-c2cf-4e91-89f1-6d5544a8a3db?fbclid=IwAR2Y_RGC2Yw8-RcOpGiHo38_X4XcGkqNWDxTTC8CXCrast8l0DgK0gsdfHU

Why sustainable investors may rue going passive
Any fund manager not assessing a company's ESG credentials is flying blind

<https://www.ft.com/content/59dce4b3-c132-47b6-9b56-d70c-c8494866>

Climate & Sustainability

Extract from a tribute to the late Queen by edie and the wider green economy, as follows:

Ahead of last year's COP26 climate summit, The Queen delivered a video message urging world leaders to "achieve true statesmanship" and create a "safer, stabler future" for the planet.

Her Majesty said at the time: "None of us underestimates the challenges ahead: but history has shown that when nations come together in common cause, there is always room for hope.

"It is the hope of many that the legacy of this summit – long-standing written in history books yet to be printed – will describe you as the leaders who did not pass up the opportunity; and that you answered the call of those future generations.

"Of course, the benefits of such actions will not be there to enjoy for all of us here today. None of us will live forever. But we are doing this not for ourselves but for our children and our children's children, and those who will follow in their footsteps."

<https://www.edie.net/edie-and-the-green-economy-pays-tribute-to-the-queen/>

King Charles's passion for environmentalism is obvious. His half century of ecological activism originated in a deep personal disquiet about the direction the world was taking

<https://www.ft.com/content/4b6bea7a-f4a1-4a24-8bf4-b6c990d3ba35>

World Economic Forum, Prince Charles November 2020 speech:

10 actions we must take to drive the green recovery

<https://www.weforum.org/agenda/2020/11/prince-charles-the-10-actions-we-must-take-to-tackle-climate-change/>

Scientists discover how air pollution causes lung cancer

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

Why is climate change adaptation important for cities and how are they adapting?

<https://www.lse.ac.uk/granthaminstitute/explainers/why-is-climate-change-adaptation-important-for-cities-and-how-are-they-adapting/>

The Social Cost of Carbon: Reaching a New Estimate

"the key takeaway is that our comprehensive update delivers a central estimate of the SCC of \$185 per ton of CO₂, which is 3.6 times larger than the US government's current interim estimate of \$51 per ton. This updated estimate implies that the benefits of climate policies are much larger than what the US government historically has concluded."

<https://www.resources.org/archives/the-social-cost-of-carbon-reaching-a-new-estimate/>

The ancient subarctic forests at risk from climate change and war

<https://on.ft.com/3B5SdsA>

Russia's first climate lawsuit filed over greenhouse emissions

<https://www.reuters.com/world/europe/russias-first-climate-lawsuit-filed-over-greenhouse-emissions-2022-09-13/>

The human right to a healthy environment provides a strong mandate to investors

<https://www.unpri.org/pri-blog/the-human-right-to-a-healthy-environment-provides-a-strong-mandate-to-investors/10516.article>

World Bank Group Delivers Record \$31.7 Billion in Climate Finance in Fiscal Year 2022

<https://www.worldbank.org/en/news/press-release/2022/09/07/world-bank-group-delivers-record-31-7-billion-in-climate-finance-in-fiscal-year-2022>

Opinion Gillian Tett

The IMF must step up to help Ukraine

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

Climate change intensified Pakistan rains up to 50%, report indicates

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

UK's blue hydrogen pipeline grows to 13GW but concerns persist around costs and climate impact

<https://www.edie.net/uks-blue-hydrogen-pipeline-grows-to-13gw-but-concerns-persist-around-costs-and-climate-impact>

Patagonia to redistribute profits to environmental and social causes

<https://www.edie.net/patagonia-to-redistribute-profits-to-environmental-and-social-causes/>

Hornsea 2 offshore wind farm now fully operational, making it the world's largest

<https://www.edie.net/hornsea-2-offshore-wind-farm-now-fully-operational-making-it-the-worlds-largest>

Does Florida's ban on ESG criteria jeopardise the future of ESG investing?

<https://www.moneymarketing.co.uk/news/does-floridas-ban-on-esg-criteria-jeopardise-the-future-of-esg-investing/>

What are the advantages and challenges of a carbon tax?

<https://www.weforum.org/agenda/2022/02/what-a-carbon-tax-can-do-and-why-it-cannot-do-it-all>

Report of an ancient methane release raises questions for our climate future

New research postulates dramatic events in the Eemian period, around 125,000 years ago — but some experts say it's not cause for alarm

<https://www.washingtonpost.com/climate-environment/2022/08/24/methane-hydrates-ocean-global-warming/>

Man Institute: Listen to Jason Mitchell discuss with Professor Thomas Hale, Oxford University, about what's at stake in net zero commitments and how to fix the carbon offset market. A Sustainable Future: Professor Thomas Hale, Oxford University, on How to Fix the Carbon Offset Market

<https://www.man.com/maninstitute/ri-podcast-thomas-hale>

UK Government proposes £56bn investment plan to stop sewage discharges to water companies

Following reports of increased sewage discharges in rivers and beaches across the UK this summer, the Government has set out plans requiring water companies to invest £56bn through to 2050 to reduce the practice.

<https://www.edie.net/uk-government-proposes-56bn-investment-plan-to-stop-sewage-discharges-to-water-companies>

UK retailers to be banned from selling peat in 2024
The UK Government has confirmed a ban on bagged compost and other retail products containing peat, set to come into force in 2024.

<https://www.edie.net/uk-retailers-to-be-banned-from-selling-peat-in-2024>

Compliance, Due Diligence, Research

Firms must improve internal functions to meet FCA's Consumer Duty

<https://www.moneymarketing.co.uk/opinion/advice-firms-will-have-to-get/>

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IPCC Explainer: The Science of Climate Change

Do you want to understand the latest IPCC report minus the report?

<https://eciu.net/analysis/infographics/ipcc-science-of-climate-change>

Will a drive to responsible investing cause a research headache for advisers?

<https://www.investmentweek.co.uk/opinion/4056335/drive-responsible-investing-cause-research-headache-advisers>

Nataxis Investment Managers

https://esginvestmentstrategies.com/?utm_content=immanuel-kant-video

Social

Britain and the US are poor societies with some very rich people

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

Property, mortgages, product innovation

Green Finance Institute: Property Linked Finance

<https://www.greenfinanceinstitute.co.uk/programmes/ceeb/property-linked-finance-rising-consumer-demand-for-energy-efficiency-and-financial-innovation/>

UK banks "can't hit net zero" without green mortgages

<https://capitalmonitor.ai/institution/banks/uk-banks-net-zero-green-mortgages/>

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