

## For What It's Earth

Global ESG Headlines from Step toe

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### Litigation

Arizona Attorney General Kris Mayes filed a lawsuit against Fondomonte, a Saudi-owned company, alleging its excessive groundwater pumping in La Paz County threatens public health, safety, and infrastructure. The lawsuit aims to curtail the company's water use and establish an abatement fund. The legal action could serve to prompt new groundwater regulations in Arizona.



### Standards

The US Court of Appeals for the Fifth Circuit found that the SEC acted beyond its statutory authority when it approved Nasdaq listing requirements relating to diversity characteristics of public company board members. As a result, Nasdaq-listed companies will no longer be required by the SEC or Nasdaq to meet or explain why they do not meet certain minimum diversity characteristics. The SEC is not expected to appeal to the Supreme Court.



### Legislation

California's landmark legislation requiring large companies to report annually on their Scope 1, 2, and 3 greenhouse gas emissions will not be fully enforced in 2026. The California Air Resources Board announced that it will not take enforcement action for incomplete reporting for 2025 emission data, so long as the reporting entity demonstrated a good faith effort towards compliance. The move has been heavily criticized by the legislation's sponsors in the California State Legislature.



### Standards

Canada established a new goal to reduce greenhouse gas emissions by 45% to 50% by 2035. The goal was required by legislation obligating the government to set five-year national emissions reduction targets, ten years in advance. The new target represents a slightly more ambitious program than Canada set for itself to reduce emissions by 40% to 45% by 2030. Progress on the goal may be impacted by the outcome of the federal election required in Canada no later than October 2025.



### Statement

European Commission announced it will be dedicating €4.6 billion to boost cleantech projects, including decarbonization and renewable hydrogen initiatives, utilizing funds raised through its EU Emissions Trading System (EU ETS).

***"By investing more than €4.5 billion in clean technologies at the very beginning of the mandate, the Commission is showing its commitment to deliver on its decarbonization objectives, and to support European industries' competitiveness in key strategic sectors. The new resilience criteria for hydrogen and batteries will boost Europe's industrial leadership and competitiveness while enhancing the EU's strategic autonomy."***

Executive Vice-President for Clean, Just and Competitive Transition Teresa Ribera, December 3, 2024