

For What It's Earth

Global ESG Headlines from Step toe

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Litigation

Family members of several individuals killed or injured by Islamic State and the Al-Nusra Front have lodged a legal claim against cement maker Lafarge over bribe payments the French company made to those groups to continue operations at its cement plant in Syria. Lafarge was the first company to plead guilty in the US to aiding a terrorist organization in 2022 and agreed to pay a \$777.8 million penalty. The current claim alleges that Lafarge's payments aided the terrorist attacks that targeted the plaintiffs.



Standards

The European Commission has adopted the European Sustainability Reporting Standards (ESRS) for use by all companies subject to the Corporate Sustainability Reporting Directive (CSRD). ESRS will apply from January 1, 2024 and to all undertakings under the scope of the CSRD. Sector-specific standards, proportionate standards for listed SMEs, and standards for non-EU companies will be adopted by June 30, 2024. The Commission has sought to align ESRS with the international standards.



Standards

The UK Department for Business and Trade has announced its intention to create UK Sustainability Disclosure Standards (SDS) on the sustainability-related risks and opportunities that companies face by July 2024, based on the IFRS Sustainability Disclosure Standards. The SDS will form the basis of any future requirements in UK legislation or regulation for sustainability reporting. The decision to require sustainability disclosures will be taken independently by the UK government (UK registered companies and limited liability partnerships) and by the Financial Conduct Authority (UK listed companies).



Governance

Following recent scrutiny in the UK of de-banking due to an individual's publicly stated views, the heads of Britain's biggest banks have committed to the principle of "non-discrimination based on lawful freedom of expression" in a meeting with the financial services minister convened to discuss account closures in the aftermath of a row over the handling of a political figure's accounts. The UK government also has announced measures to ensure the right balance between customer protection and banks' rights to manage commercial risk.



Statement

On July 25, regulators of the world's top stock exchanges announced their endorsement of the International Sustainability Standards Board's recently published climate reporting standard, marking a key milestone in efforts to establish the rules as the global baseline.

"IOSCO has found that the ISSB conducted a robust process and have concluded that these standards serve as an effective and proportionate global framework of investor-focused disclosures on sustainability- and climate-related risks and opportunities."

Chair of the Board of IOSCO (International Organization of Securities Commissions) Jean-Paul Servais, July 25, 2023