

For What It's Earth

Global ESG Headlines from Step toe

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Companies & Investors

Procter & Gamble (P&G) is the latest blue-chip company to agree to publicly release data on recruitment and retention rates by race and gender by the end of 2024. P&G joins the likes of General Corp., Entergy Corp., and Uber Technologies Inc., who agreed to disclose similar information, rather than entertain a shareholder vote based on proxy proposals seeking such disclosure. P&G's agreement highlights the interplay of ESG initiatives and corporate diversity and inclusion practices.



Regulation & Standards

The chair of the International Sustainability Standards Board told Members of the European Parliament that ISSB will press ahead with drafting reporting rules for high-priority issues such as water consumption this year. Draft rules on climate disclosures and sustainability reporting are due to be finalized by the end of 2022, but ISSB has already identified additional topics where reporting rules are urgently needed. In Europe, the EU is developing its own standards while the UK has made clear it is likely to adopt ISSB's rules.



Supply Chain

The United Nations High Commissioner for Human Rights called on the global business community to take "all possible measures" to address forced labor in the supply chain, following release of a UN human rights report into the treatment of members of Uyghur and other minorities in China. The UN report seems likely to be used as a basis for countries to take new, or strengthen existing, measures: the European Commission [announced](#) its proposals to tackle forced labor in its 2022 State of the Union address.



Companies & Investors

Public companies are under pressure from the SEC to provide more detailed ESG disclosures in their annual reports. It has been reported recently that the SEC's Division of Corporation Finance is requesting companies to explain why information from sustainability reports are not included in SEC filings. To date, companies have justified the decisions by reference to existing obligations, however, they will likely face new, expanded ESG disclosure obligations if the SEC finalizes climate rules later this year.



Statement

"Sustainable finance offers new opportunities for retail investors, locally and globally. But it is crucial that they understand what a sustainable product is, as well as its different opportunities and risks, including the threat of greenwashing."

Pasquale Munafò, Chairman of the IOSCO Committee on Retail Investors, August 31, 2022

A new report on retail investor education from the International Organization of Securities Commissions (IOSCO) [warns](#) that language around ESG investing remains imprecise and inconsistent, and urges regulators to ensure that investors are given the necessary tools to make informed financial decisions through financial education.