

## For What It's Earth

Global ESG Headlines from Step toe

June 20, 2024 – Issue 50

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### Litigation

A US court has found Chiquita responsible for the deaths of eight Columbians murdered by a paramilitary organization, Autodefensas Unidas de Colombia, over two decades ago. This is the first time an American court has held a US corporation liable in relation to international human rights violations, raising the prospect of significant financial liability for the company if it fails to successfully appeal the verdict. The verdict also has potential relevance to other global businesses operating in comparable markets.



### Standards

China has committed that its draft environmental, social, and governance reporting rules will, with some exceptions, be aligned with the International Sustainability Standards Board's reporting standards. The draft Corporate Sustainability Disclosure Standards: Basic Principles sets out the general provisions, disclosure objectives, and information quality requirements for China's proposed reporting requirements. China's Ministry of Finance hopes that sustainability disclosures will be standard by 2027 and intends to issue guidance and Q&As to support the adoption of the sustainability reporting standards.



### Supply Chain

An Italian subsidiary of LVMH, Manufactures Dior SRL, has been placed under judicial administration by a Milanese court for a one-year period following an investigation into its use of four small Chinese-owned sub-contractors near Milan alleged to have mistreated workers. In its ruling, the court found that Manufactures Dior SRL had not adopted appropriate measures to check the working conditions or technical capabilities of its sub-contractors and had not carried out periodic supplier audits.



### Legislation

The European Council has approved the Net-Zero Industry Act, which will introduce a legislative framework intended to scale up Europe's manufacturing capacity for technologies that are key to the achievement of EU climate goals. The legislation supports a wide range of specific technologies, including solar photovoltaic, onshore and offshore renewable energy, energy storage, and nuclear power. The legislation sets out a range of targeted actions to support development of these technologies in the EU such as streamlined permitting and sustainability criteria in public procurement.



### Statement

Asset management firms have released a joint statement calling for improved ocean-related data. The group sees such data as crucial in assessing investment risks and opportunities linked to oceans, which hold an estimated annual economic value of \$2.5 trillion. They believe enhanced data, particularly in areas such as aquaculture, mining, and energy, would support informed investment decisions, facilitate engagement with investees, and aid in the implementation of the Kunming-Montreal Agreement.

***"To help investors make informed decisions, and investment in, companies and activities that are causing or resolving this significant harm to ocean biodiversity and allocate capital in a way that provides solutions to protect biodiversity, credible data, consistent with international standards, are crucial"***

Joint statement from BNP Paribas Asset Management, Federated Hermes Limited, Mirova, Robeco and Storebrand Asset Management, June 7, 2024