



# MONTHLY ESG NEWSLETTER

*August 2025*

**ARWIN &  
PARTNERS**

*Sustainability matters!*

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# ESG REGULATORY UPDATES

## JULY 2025



### Investor and Business Joint Statement on Omnibus Initiative

- A coalition of 198 organisations with 150+ businesses and investors urges EU policymakers not to weaken essential sustainability frameworks during Omnibus I simplification process. Sustainability reporting rules, transition plans, climate targets, and corporate due diligence are critical for meeting EU economic and environmental goals
- The statement emphasizes the importance of keeping the CSRD with ESRS standards and the CSDDD. These rules guide investments toward clean technologies, promote market harmonization, and strengthen Europe's growth and competitiveness
- Signatories welcome streamlining but insist simplification must not undermine sustainability rules. Robust standards must be maintained to ensure these regulations effectively support EU business and environmental objectives

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### Commission to cut EU Taxonomy red tape for companies

- The new set of measures adopted by the EU Commissions reduces administrative burden for companies. The update simplifies reporting requirements by removing or streamlining several technical screening metrics, making it easier and faster for firms to assess and disclose sustainability alignment
- Faster and more efficient classification: by easing procedural complexity and clarifying guidelines, the measurement set shortens the time needed to determine whether economic activities meet taxonomy criteria
- The reforms particularly aid small and medium-sized enterprises by lowering entry barriers to taxonomy compliance through clearer, lighter documentation rules. The simplification measures laid out in this Delegated Act will apply as of 1 January 2026 and will cover the 2025 financial year

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### Enhancing the SASB Standards: aligning Sustainability Disclosures with Global Practice

- The proposed amendments update SASB Standards to support implementation of IFRS S1 and S2. They refine industry-specific metrics to align with global disclosure requirements. This helps companies translate high-level standards into actionable, sector-relevant reporting
- Changes aim to improve the relevance of SASB Standards for international markets. They remove U.S.-centric language and better reflect diverse global contexts. Alignment with frameworks like GRI and TNFD reduces duplication and increases usability
- The updates introduce new topics such as biodiversity and human capital. Nine priority industries receive comprehensive revisions; 41 others get targeted edits. These changes ensure disclosures are clearer, more comparable, and decision-useful

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### EU Commission adopts "quick fix" on reporting obligation

- The European Commission has adopted a "quick fix" to ease the transition for companies already engaged in sustainability reporting under the Corporate Sustainability Reporting Directive (CSRD)
- These temporary measures aim to reduce administrative burdens by simplifying reporting requirements and deadlines. The goal is to help experienced companies align more smoothly with the new standards while avoiding unnecessary duplication
- This interim solution supports a more efficient and practical implementation of the CSRD framework. It reflects the Commission's broader effort to support businesses during the shift to mandatory sustainability disclosures across the EU

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# INSIGHTFUL ESG RESEARCH

## JULY 2025



### A blueprint to encourage sustainable growth

- Eurosif urges SFDR to go beyond disclosure and define clear categories like “sustainable,” “transition,” and “ESG strategy”, based on minimum criteria. This would reduce greenwashing, increase trust and help investors make informed choices
- Current SFDR rules are often too complex. Eurosif suggests clearer definitions and better alignment with EU rules like the Taxonomy and CSRD to improve use and reliability
- Eurosif calls for stronger focus on tracking the real-world outcomes of investments, especially regarding decarbonisation and social goals. This means improving how “sustainable investments” are defined and measured, and ensuring that investors actively use tools like engagement and stewardship to push for change in the companies they invest in

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### ESG Risk Ratings: a protective instrument amid economic shocks

- The Sustainalytics report analyzes the impact of ESG Risk Ratings on U.S. firms' performance during market shocks, including the COVID-19 outbreak and the Russia-Ukraine conflict. It finds that firms with lower ESG risk scores show better resilience and higher stock excess returns in volatile periods
- The report highlights that a Low ESG Risk Portfolio consistently outperforms others, even in downturns. It also emphasizes the value of integrating ESG risk into investment strategies and the importance of using industry-specific approaches
- Key takeaways include the financial resilience of firms with lower ESG risk, offering a protective advantage in times of economic uncertainty

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BAIN & COMPANY



### Decarbonizing Fashion: How to Align Impact with Business Value

- Fashion is responsible for approximately 2% of global emissions, yet only 11% of the industry's market value is currently aligned with climate targets for 2030. Still, companies have significant room to act: according to various analyses, it is possible to cut over 60% of emissions by investing less than 1–2% of annual revenue
- Decarbonization levers differ between fast fashion and luxury, but in both cases they also generate economic value. Fashion focuses on AI, recycled materials, and green suppliers; luxury prioritizes reducing overproduction and developing in-house resale channels
- Technology—especially artificial intelligence—is central: it's already used by over half of brands to improve sales and logistics, but more automated tools are needed, as ESG teams still spend too much time manually managing data

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McKinsey & Company



### Climate Transition Impact Framework: Indonesia case study

- The Climate Transition Impact Framework (C-TIF) proposes a structured and holistic approach to assess the socioeconomic impacts of climate policies, covering five dimensions: energy access, environment and health, investment needs, employment, and economic competitiveness
- In the case of Indonesia, the framework was used to compare “business-as-usual” and net-zero transition scenarios, considering implications for energy costs
- For a fair and effective transition, detailed local planning, innovative financial instruments, international support, workforce training and reskilling, and strategic sequencing of climate actions are recommended to maximize benefits and manage costs

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### Insights on MSCI ESG Ratings and Business Performance

- Companies with higher ESG scores tend to exhibit greater stability in revenues and cash flows, showing less variability compared to lower-rated peers. This suggests stronger risk management and more predictable business performance
- The governance pillar of ESG Ratings is particularly associated with better profitability indicators, such as asset turnover and gross profitability. Companies with strong governance appear to use resources more effectively and make more efficient operational decisions
- Not all financial aspects like growth or leverage show a direct or immediate link to ESG scores. However, the impact of sustainability may unfold gradually or vary across industries, requiring a more nuanced and long-term analysis

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# INSIGHTFUL ESG NEWS

## JULY 2025

ESG NEWS

### Energy efficiency: Italy ranks 5<sup>o</sup> in Europe, but growth is slow

Italy ranks 5th in Europe for energy efficiency, with energy intensity 16% better than the EU average and an 8% drop in residential energy use per capita in 2024. Investments are estimated at €58–66 billion in 2024 (down from €75–85 billion in 2023), with half going to residential buildings, affected by Superbonus revisions. To meet 2030 EU targets, Italy needs faster progress supported by stable incentives and clear policies

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ETicaNews

### Net Zero Alliance under Scrutiny

The Net Zero Asset Owner Alliance—backed by 88 investors managing \$9.5 trillion—reports only 59% of members fully comply with its engagement requirements for oil & gas. Of 74 members reporting, 11% admit misalignment, while 30% lack formal policies yet claim practical adherence. This gap highlights growing concerns over the credibility and real impact of net-zero commitments

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THE 34 DRE

### EU CSRD battle: less obligations and more flexibility

The European Union is revising the CSRD to reduce the reporting burden on companies, introducing a two-year delay in its application and proposing higher applicability thresholds. The aim is to simplify sustainability reporting by halving the required data and clarifying which rules are binding. Concerns have been raised about reduced transparency and the EU's ongoing commitment to the Green Deal, with final decisions still pending

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ESG NEWS

### ECB: Climate Already Hitting EU Economy

The ECB warns that climate change is already impacting the EU economy. Extreme events like droughts, floods, and wildfires could cut Eurozone GDP by up to 5% by 2030. These risks threaten infrastructure, productivity, and inflation. Vulnerable sectors will face higher costs and tighter credit. Urgent, coordinated action is needed to reduce long-term economic damage

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ESG NEWS

### Net Zero Banking Alliance: an alliance at risk

Following the departure of major U.S. institutions some European banks, including Barclays and UBS, are thinking of leaving the NZBA. This could impact the 2050 goal for net-zero emissions. The reasons given are political pressure from Republican states, legal risks related to antitrust regulations, and internal NZBA and GFANZ challenges. NZBA is reassessing its strategic priorities and GFANZ is no longer a central coordinator for sectoral alliances

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FINANCIAL TIMES

### Saudi Arabia to boost renewable energy with \$8bn investment

Saudi Arabia will invest \$8.3 billion in 15 gigawatts of new solar and wind projects, led by a consortium including ACWA Power and Aramco Power, to reach its goal of generating 50% of its electricity from renewable sources by 2030. The country currently has 4.34 GW installed but aims to reach 130 GW by the end of the decade

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MILANO FINANZA

### Green bonds: Growth continues, with \$1 trillion raised in one year

Green bonds have surpassed \$6 trillion in total issuance, with over \$1 trillion raised in the past year, driven by the need to finance the energy transition. However, political instability and the U.S. return to fossil fuels could slow future growth, according to ABN Amro. China has played a key role in this expansion, notably issuing its first sovereign green bond abroad, worth \$824 million

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FINANCIAL TIMES

### Fossil fuels 'running out of road' as clean energy catches up

UN Secretary-General António Guterres stated that fossil fuels are rapidly losing ground to renewable energy sources. He also emphasized that clean energy, now cheaper than fossil fuels, is essential for energy security and the fight against climate change. In 2024, renewables accounted for 92.5% of all new global power capacity additions, highlighting their accelerating dominance in the energy sector

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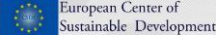

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# ESG & SUSTAINABILITY UPCOMING EVENTS | 1













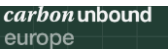



## 3Q 2025

Organiser	Event Name	Location	Date	Hyperlink (if any)
 Euronext	Euronext Sustainability Week	Milan	4-11 September 2025	<a href="#"><u>Sustainable investing and ESG reporting to the evolving landscape of green finance</u></a>
 European Center of Sustainable Development	The 13th ICSD 2025	Rome	10-11 September 2025	<a href="#"><u>International Conference on Sustainable Development</u></a>
 Gartner	Gartner CFO & Finance Executive Conference	London	10-11 September 2025	<a href="#"><u>Gartner CFO &amp; Finance Executive Conference 2025</u></a>
 RE-THINK SUSTAINABLE BUSINESS FORUM & SOLUTIONS EXPO	Rethink Event	Hong Kong	11-12 September 2025	<a href="#"><u>Hong Kong's Flagship Event For Sustainable Business</u></a>
 The Drop	The Drop 2025	Malmö	16-18 September 2025	<a href="#"><u>The Drop climate tech innovators</u></a>
 Sustainable Fitch Environmental Finance	Sustainable Debt Americas 2025	New York	18 September 2025	<a href="#"><u>Environmental Finance's Sustainable Debt Americas 2025</u></a>
 Morningstar	Sustainable Investing Summit 2025	Amsterdam	18-19 September 2025	<a href="#"><u>Sustainable Investing Summit 2025</u></a>
 CLIMATE WEEK NYC CLIMATE GROUP	Climate Week NYC	New York	21-28 September 2025	<a href="#"><u>Climate Week NYC 2025</u></a>
 BUILDING BRIDGES Aligning finance with sustainability	Building Bridges 2025	Geneva	30 September – October 2025	<a href="#"><u>Building Bridges 2025 Summit</u></a>



# ESG & SUSTAINABILITY UPCOMING EVENTS | 2

## 4Q 2025

Organiser	Event Name	Location	Date	Hyperlink (if any)
	Climate Technology Show	London	1-2 October 2025	<a href="#">Bringing Together Global Climate Action Stakeholders For a Sustainable Tomorrow</a>
	Sustainability data issues and central banks' experience	Amsterdam	4 October 2025	<a href="#">IFC Satellite Seminar on "Sustainability data issues and central banks' experience"</a>
	Sustainability Week Europe	Amsterdam	6-7 October 2025	<a href="#">Sustainability Week Europe</a>
	18° edition Producible	Paris	8-9 October 2025	<a href="#">Producible 18th edition sustainable economy stakeholders and solutions</a>
	IUCN World Conservation Congress	Abu Dhabi	9-15 October 2025	<a href="#">IUCN World Conservation Congress</a>
	The Future of ESG Data EMEA	London	13 October 2025	<a href="#">The Future of ESG Data EMEA</a>
	Sustainable Brands San Diego	San Diego	13-16 October 2025	<a href="#">Sustainable Brands San Diego</a>
	SOSV Climate Tech Summit	Virtual	14 October 2025	<a href="#">SOSV Climate Tech Summit</a>
	Innovatrix 2025	Vienna	15-16 October 2025	<a href="#">2nd ESG Innovation &amp; Finance Summit</a>
	2025 Arctic Circle Assembly	Reykjavik	16-18 October 2025	<a href="#">2025 Arctic Circle Assembly</a>
	Green Economy Forum	London	21 October 2025	<a href="#">Green Economy Forum: Financing the Green Transition</a>
	Sustainability Europe 2025	London	21-22 October 2025	<a href="#">Sustainability Europe 2025</a>
	Carbon Unbound Europe	London	21-22 October 2025	<a href="#">Carbon Unbound Europe</a>
	Responsible Investor Asia	Singapore	22-23 October 2025	<a href="#">Responsible Investor Asia</a>
	Climate Change week	Milan	22-24 October 2025	<a href="#">4th World Conference on Climate Change &amp; Sustainability</a>
	VERGE Impact 25	San Jose	28-30 October 2025	<a href="#">VERGE Impact 25</a>


# ESG & SUSTAINABILITY UPCOMING EVENTS | 3

## 4Q 2025

Organiser	Event Name	Location	Date	Hyperlink (if any)
 <small>Principles for Responsible Investment</small>	PRI in Person 2025	Sao Paulo	4-6 November 2025	<a href="#">PRI in Person 2025</a>
	Smart City Expo	Barcelona	4-6 November 2025	<a href="#">Smart City Expo World Congress</a>
	Ecomondo – The Green Technology Expo	Rimini	4-7 November 2025	<a href="#">Eco Mondo The ecosystem of the ecological transition</a>
	Greenbuild 2025	Los Angeles	4-7 November 2025	<a href="#">Greenbuild international conference + Expo</a>
	Asia Conference on Environment and Sustainable Development	Fukuoka	8-10 November 2025	<a href="#">2025 10th Asia Conference on Environment and Sustainable Development</a>
	Web Summit	Lisbon	10-13 November 2025	<a href="#">Web Summit</a>
	2025 UN Climate Change Conference	Belem	10-21 November 2025	<a href="#">2025 UN Climate Change Conference (UNFCCC COP 30)</a>
	Sustainable Innovation Forum 2025	Belem	18-25 November 2025	<a href="#">15th annual edition of the Sustainable Innovation Forum</a>
	Slush 2025	Helsinki	19-20 November 2025	<a href="#">Slush annual event</a>

# ESG & SUSTAINABILITY UPCOMING EVENTS | 4

## ESG CONFERENCES ORGANIZED BY INVESTMENT BANKS AND BROKERS (Annual List)

Organiser	Event Name	Location	Date	Hyperlink (if any)
	Energy Services & Transition Enablers Conference	London	30 September-1 October 2025	<a href="#"><u>Energy Services &amp; Transition Enablers Conference</u></a>
J.P.Morgan	Global Energy Conference	London	3-4 November 2025	<a href="#"><u>Global Energy Conference</u></a>
Jefferies	Renewables & Clean Energy Conference US	New York	3-5 December 2025	<a href="#"><u>Renewables &amp; Clean Energy Conference US</u></a>

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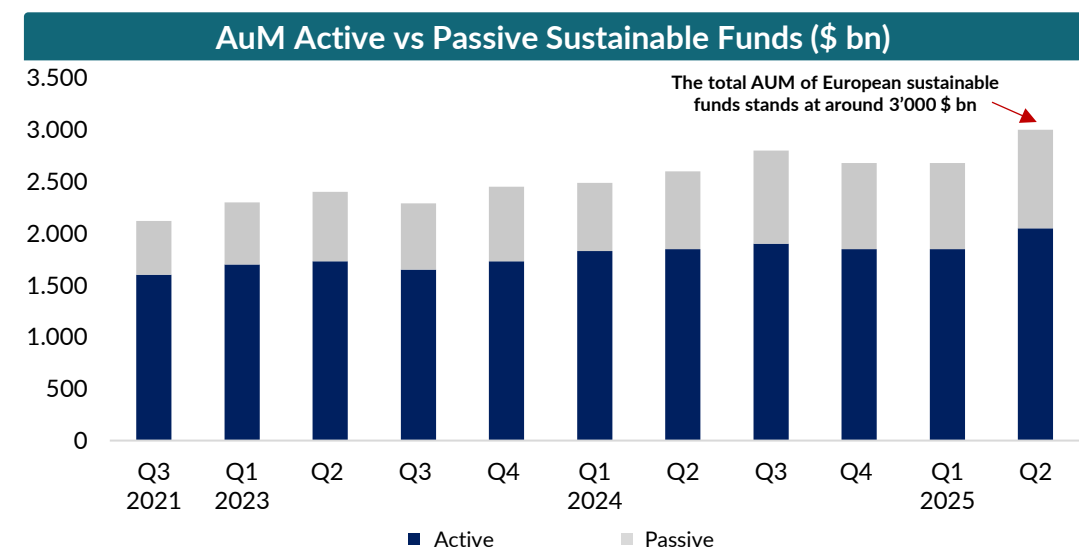
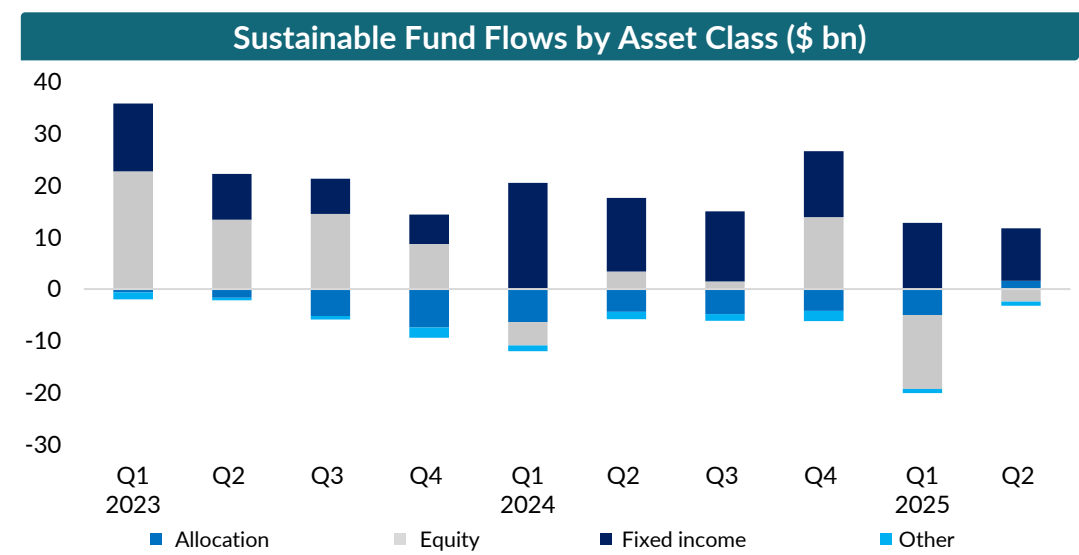
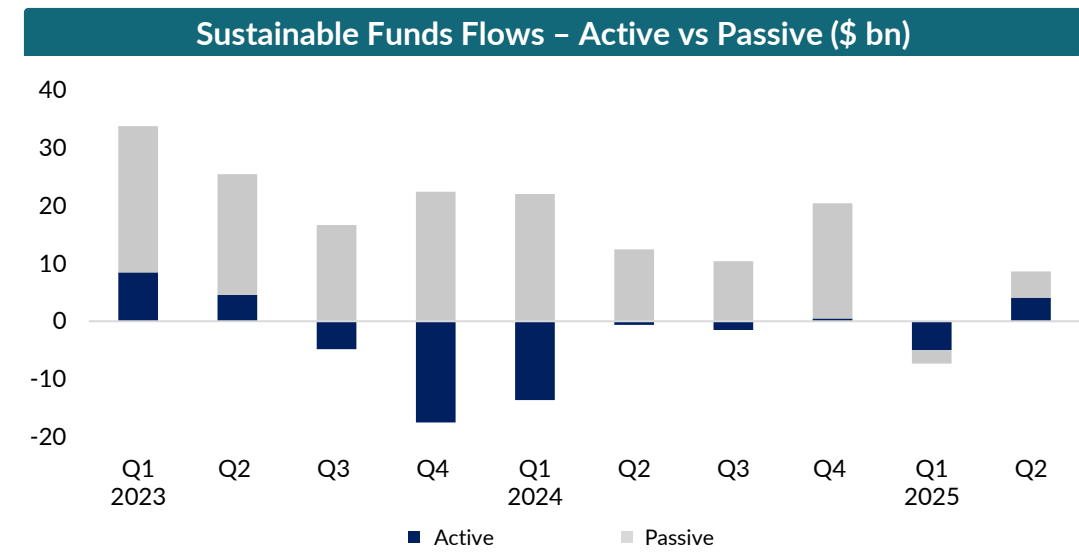
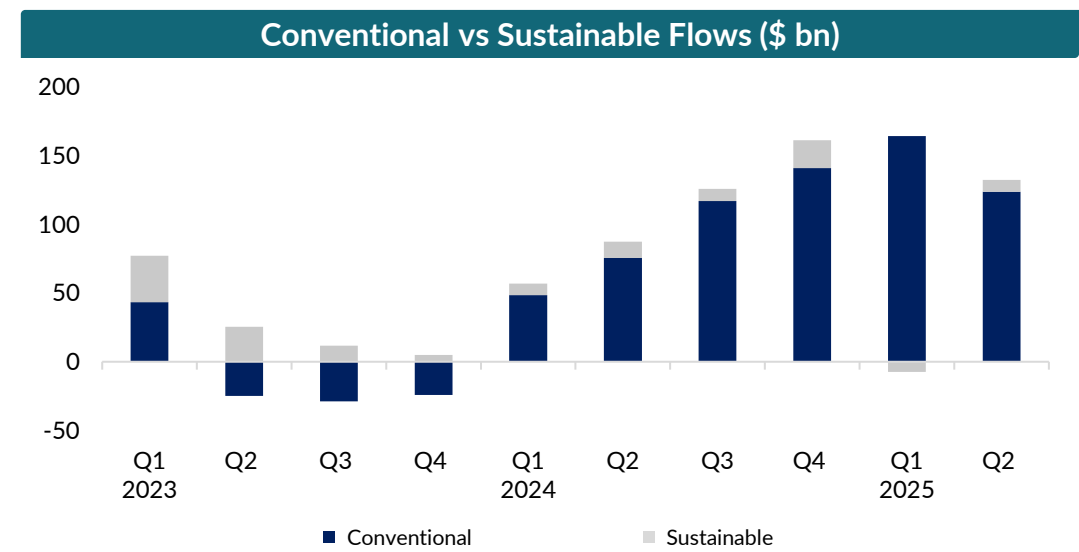
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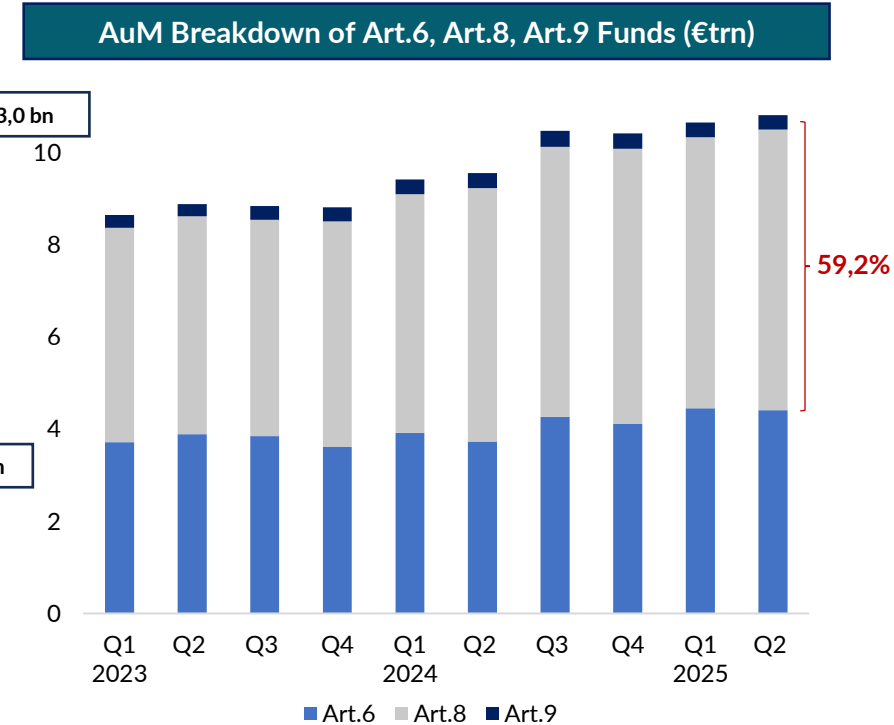
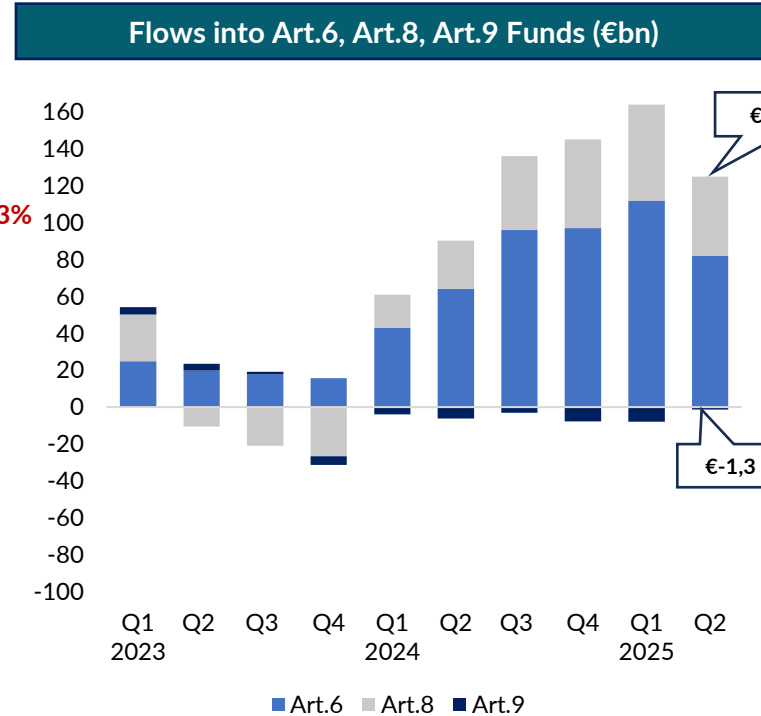
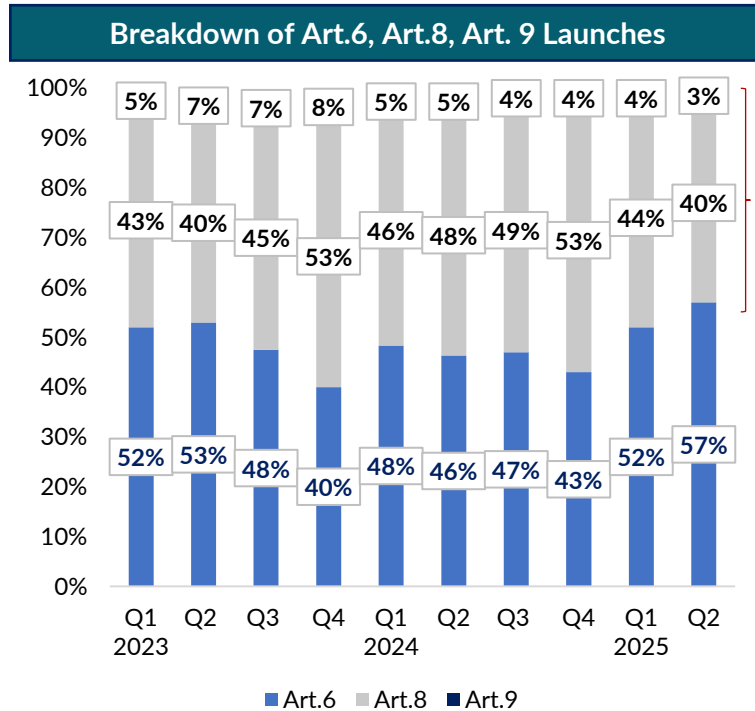
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# EUROPEAN SUSTAINABLE FUNDS RETURN TO POSITIVE NET FLOWS IN Q2 2025, WITH ESTIMATED INFLOWS OF \$8.6 BILLION



# Q2 2025: ARTICLES 8 AND 9 FUNDS SEE €41,7BN INFLOWS AND AUM HOLDS AT €6,4 TRILLION



- In Q2 2025, **Art. 8 and Art. 9** funds accounted for 43% of the total number of funds launched in the EU
- **Art. 8** funds recorded **€43 bn of inflows** in Q2 2025, a slight reduction from EUR 52 billion in the previous quarter
- **Art. 8 and Art. 9** AuM funds stood at **€6,4 trn at the end of June 2025**, with a slight increase to 59,2% of the EU funds



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# ESG AND SUSTAINABILITY INDICES: 12-MONTHS TOTAL RETURN

## Overall Clean vs Traditional Energy

	%
MSCI World Index (990100)	17%
Global Clean Energy (ICLN-US)	3,60%
MSCI Global Energy Producers (FILL-US)	0,50%
MSCI Global Alternative Energy (MS700750)	-7,10%

## Relative Clean Energy Performance

	%
Uranium & Nuclear (NLR-US)	49,80%
S&P 500	16%
Wind (WNDY-US)	9,90%
Global Energy (IXC-US)	2,10%
Solar (TAN-US)	-4,80%

## Climate-Related Themes

	%
Electric Vehicles & Future Mobility (KARS-US)	29,40%
Smart Grid Infrastructure (GRID-US)	22,90%
Amplify Lithium & Battery Tech (BATT-US)	20,90%
S&P 500	16%
Global Water (PIO-US)	9,10%
Battery Value Chain and Innovation (WBAT-US)	6,10%

## Social & Human Capital

	%
S&P 500	16%
Corporate Culture (HAPI-US)	16%
Gender Diversity (SHE-US)	16%
Corporate Culture Leaders (HAPY-US)	7,40%
Social & Human Capital	

## Thematic Energy Transition - Clean Tech

	%
Nasdaq Clean Energy (PBW-US)	13,20%
Global Clean Energy (ICLN-US)	3,60%
Hydrogen (HYDR-US)	-7,90%

## Thematic Energy Transition - Commodities

	%
Uranium (URA-US)	49,90%
Bloomberg Commodity Index (BBGICMP)	11,80%
Global X Lithium & Battery Tech (LIT-US)	11,80%
Copper (COPX-US)	11,30%

## Thematic Energy Transition - Carbon

	%
S&P 500	16%
ECX EUA Near Term (ECF-FDS)	6%
Global Carbon Strategy (KRBN-US)	3,50%
California Carbon Allowance Strategy (KCCA-US)	-21,80%

## Thematic Energy Transition - Infrastructure


	%
Global Infrastructure (TOLZ-US)	18,40%
S&P 500	16%
Green Infrastructure (RNEW-US)	-2%

## Thematic Energy Transition - Food, Ag. & Circular

	%
MSCI ACWI (ACWI-US)	17,30%
Global Agriculture (COW-CA)	13,80%
Circular Economy (33UC-DE)	0,70%


- The Nasdaq Clean Energy (PBW-US), part of the Clean Tech category within the energy transition theme, recorded a 13.20% increase
- Uranium recorded the best performance among all the observed themes, with a +49.9%, confirming the growing interest in nuclear energy
- The California strategy related to emission permits (KCCA-US) saw a sharp decline of -21.8%
- Human and Social capital show moderate trends with the S&P 500 general trends (+16%)

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