

UK releases climate plan

In December the UK officially submitted their target to reduce emissions by 68% before 2030 to the Coalitions of Parties, which oversees the Paris Agreement. The target is contained within the Nationally Determined Contribution (NDC) document which outlines the required domestic action each country must take to help deliver on the Paris Agreement.

The submission comes at an interesting time as the document will be one of the UK's first international acts which has been submitted totally independently from the European Union. The question remains, is it enough? The technical details behind the NDC were released in November, key details are shown below. While the plan is commendable and contains some politically eye raising moves, it does not stem the UK's total emissions enough to become net zero. We should expect further announcements covering sectors left out, such as finance, shipping and aviation.

Summary of NDC announcements



13% increase on 2015 reduction target



UK will end the sale of new petrol and diesel vehicles by 2030



40GW more of wind power by 2030



More R&D funding for new types of small scale nuclear reactors



5GW of Hydrogen power by 2030

Regulations & Standards

Asset Managers share climate targets

A group of 30 global investors managing more than \$9trn (£6.8trn) of assets under management have agreed to set interim targets for achieving net zero carbon emissions within their respective portfolios by 2050.

The Net Zero Asset Manager Initiative commits firms to setting 2030 goals in line with decarbonising their portfolios by the middle of the century and aligning with global efforts to limit the average temperature rise to 1.5°C. Legal and General Investment Management, the UK's largest investor, and UBS Asset Management are among the signatories to the new pledge. The targets will include "scope 3" emissions from companies' products, such as CO2 from burning fossil fuels.

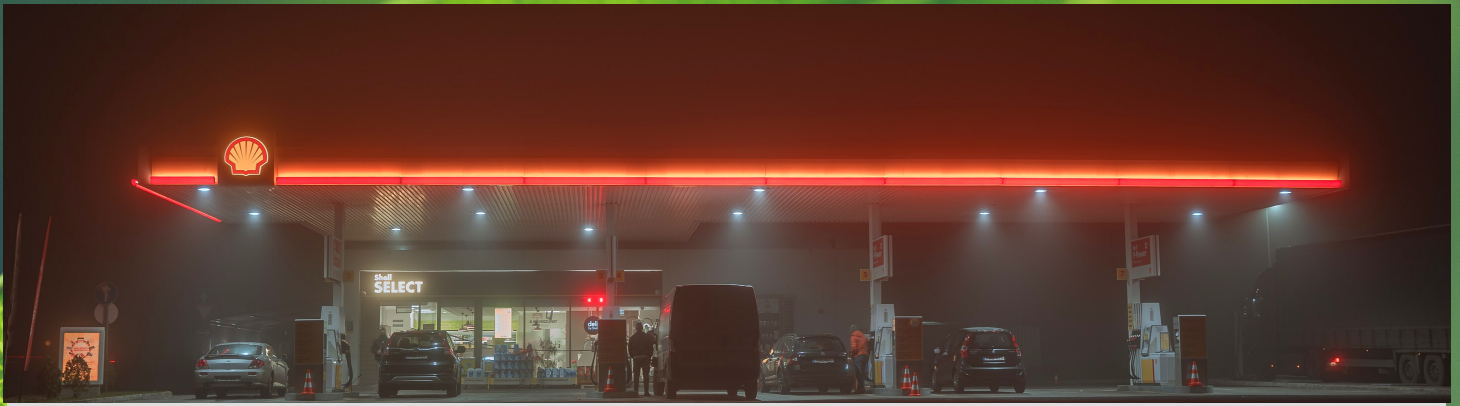
Fund specific news

Central Bank of Ireland SFDR Updates

The EU's Sustainable Finance Disclosure Regulation, effective date 10th March 2021 will require a large number of Managers to update their Fund Prospectus before the deadline. In response, The Central Bank of Ireland has implemented a fast track process for reviewing documentation from 11th January 2021.

During his speech on 1st December 2020 Colm Kincaid, Director of Securities and Markets Supervision, stated that although no time frames were available yet for how quickly the Central Bank will review submissions "the duty sits with firms to ensure a meaningful review of the documentation they submit".

The Central Bank's email address for the review of revised documents is: SFDR@centralbank.ie



Shell executives quit amid discord over green push

Royal Dutch Shell has been hit by the departure of several clean energy executives amid a split over how far and fast the oil giant should shift towards greener fuels. The wave of resignations comes just weeks before Shell is set to announce its strategy for the energy transition. Some executives have pushed for a more aggressive shift from oil, but top management is reported to be more inclined to stick closer to the company's current path, according to the Financial Times (FT) sources.

The Departures include:

- 1) **Marc van Gerven**, Head of the solar, storage and onshore wind businesses.
- 2) **Eric Bradley** and **Katherine Dixon**, both leaders in Shell's energy transition strategy team.
- 3) **Dorine Bosman**, vice-president for offshore wind, is also due to leave the company.

Not every move is known to be linked to frustration about the pace of change, the FT explains, but people familiar with the internal debate said there were deep divisions over the timeframe for reducing the company's dependence on oil and gas revenues, which were said to have influenced at least some of the departing executives.

It is noteworthy that Shell CEO Ben van Beurden stated last year that his "single biggest" regret would be retreating from the oil business prematurely. That, according to him, was something "Shell could not live with". The moves stand out as until now, the European energy giants have been enigmatic movers on climate issues when compared to their North American counterparts.

INDOS pick of the month - Is it too late to stop climate change?



Climate change can be a difficult subject to approach, headlines constantly proclaim a hotter year or a further bleached Great Barrier Reef. All of this can cause a degree of climate anxiety, especially within Gen Z and Millennials. Our pick of the month, presented by the YouTube channel Kurzgesagt focuses on this topic: Is Climate Change too far gone? Viewers can expect to gain a good understanding of the paths humankind could take to solve issues caused by climate change.

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