

ESG AND FIDUCIARY DUTIES: UK PENSION REGULATOR SEES LINK

The recent publication of [The Pension Regulator's](#) new code of practice states that it is the fiduciary duty of the trustees of UK Pension funds to consider environmental, social and governance (ESG) factors where they are [material](#). Furthermore, by adopting the

inclusion of ESG factors into their investment processes, UK Pension funds will also be following the advice of the Law Commission's 2014 Report, which states that considering such factors and risks is a manager's fiduciary duty as well as a good practice of investor stewardship.

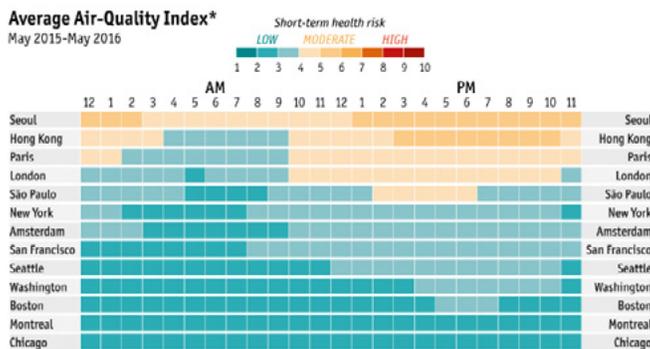
@SICMGMT TWEET OF THE WEEK

Retweet RIAA: Great insights by @SICMgmt in their [Sustainable Trends Q2 Update](#) - antibiotics, shareholder activism & climate risk <https://www.sicm.com/docs/...>

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INFOGRAPHIC OF THE WEEK

Average air quality in cities by hour of the day



Source: [The Economist](#)

ASSET MANAGERS PUSH BACK AGAINST ACTIVIST PENSION FUNDS

Asset managers in the UK are pushing back against pension fund trustees who want to strengthen corporate governance. An initiative was launched by the [AMNT](#) to influence companies they invest in. According to the co-

chair of the AMNT, "fund managers have been very resistant to them adopting it". The group hopes that pension fund trustees also begin taking into account ESG factors where financially material.

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THIS WEEK IN NUMBERS

1,072

reporters to the PRI Reporting Framework, as declared in the PRI 2016 Annual Report

1,000

trees are dead and a further 1,800 in a poor condition in Australia's National Arboretum

205.6

mph is the new land speed record for an electric car, as set by a modified Corvette Zo6

96%

of respondents to the FSB's Task Force of Climate-related disclosure encouraged the use of scenario analysis

85

percent is the estimated fall in plastic bag use in England following the introduction of a 5 pence charge

53.9

C was the temperature reached in Basra (Iraq) last month

43

percent of Germany's power was generated from coal and lignite plants last year

14th

consecutive month of record heat for the globe was recorded in June 2016

INSIGHTS

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Week ending August 5, 2016

Edition 154

US FEDERAL AGENCIES TO CONSIDER CLIMATE CHANGE

Earlier this week, the White House Council on Environmental Quality (CEQ) modified the National Environmental Policy Act (NEPA) to require U.S federal agencies to publically disclose more environmental information. This effort was made to help enhance the understanding of climate change for public

and federal action decision makers. "This increased predictability and certainty will allow decision makers and the public to more fully understand the potential climate impacts of all proposed federal actions," the CEQ said in a statement.

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WHAT WE'RE READING

New PRI Annual Report



UK STEWARDSHIP CODE DISCLOSURE DELAYED

The UK's independent regulator, the Financial Reporting Council (FRC), has pushed back the deadline for asset managers and pension funds to provide information on stewardship in the hope that laggards currently failing to meet standards will catch up to the leaders. "There is a wide range of quality of

information and so we are looking at whether two tiers are sufficient or whether we need a third tier in order to distinguish between the signatories," said David Styles, the head of FRC's corporate governance.

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BELIEVE IT OR NOT

A study of fish in Australia's Great Barrier Reef shows that many have adjusted their circadian clocks as if it was always night to cope with a changing (read: worsening) ocean environment.

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