

INSIGHTS

For the Mainstream Investor

WEEK ENDING MAY 5, 2017 EDITION 192



ACTUARIES WARN ON CLIMATE

To be considered a risk

The Institute and Faculty of Actuaries (IFoA) is asking its members "to think carefully about the consequences" of climate change in a 'risk alert' which it will send out this month.

The issue at the center of the 'alert' is the actuaries' liability in relation to climate-based discussions they may, or may not, be having with their clients. The alert will act as "non-mandatory guidance", to draw "members' attention to specific issues".

[READ MORE](#)

ANTIBIOTIC PRESSURE GROWS

Supply chain controls

Investors, including Aviva and Boston Common, are putting pressure on big food to end the "unnecessary use of antibiotics" in their supply chains. A coalition of 71 investors, representing more than USD 2tn in assets, warned that "excessive use of antibiotics in meat and poultry supply chains could have 'frightening' health and financial consequences." [READ MORE](#)

DID YOU SEE?

A new State Street Global Advisors (SSGA) study shows integrating ESG generates [strong returns](#) and [reduces volatility](#).

THIS WEEK IN NUMBERS

112,300

square mile (290,856 sq. km.) Northern Bering Sea Climate Resilience area has had its protected status revoked by President Trump

20400

ISO is the first international standard for sustainable procurement

100

tn metric tonnes of melted carbon may be held in the Earth's upper mantle

75

percent of investment companies have no plans to launch gender-related objectives in their businesses

23

environmental rules have had their course reversed by the Trump Administration

8

Provinces and autonomous regions were affected by a sandstorm in China. Residents were encouraged to stay indoors.

2.5

million wild hogs is the estimated population in Texas

2

UK oil companies have changed the way they report climate risks following pressure from the campaign group, [ClientEarth](#)

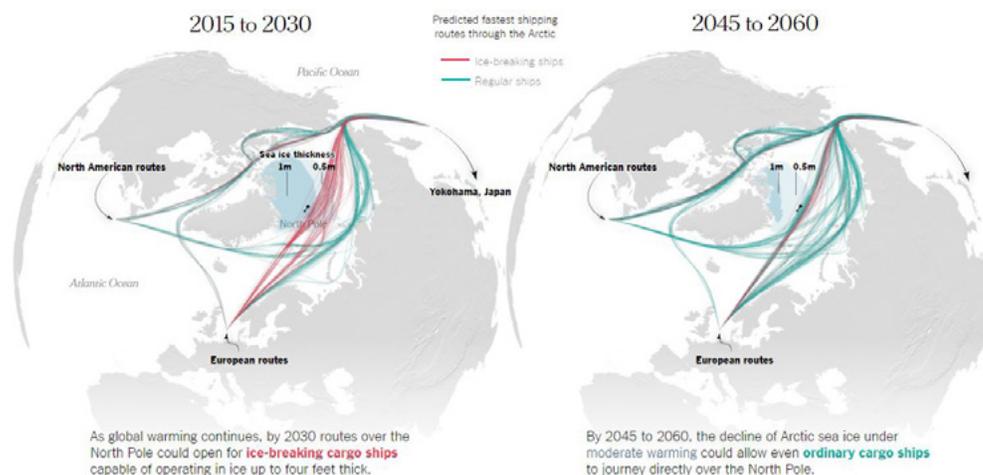


May 31

...is "World Tobacco Day". Several investors (AXA, CalPERS, SCORE, AMP) want other investors to consider divestment from the tobacco industry. [READ MORE](#)

INFOGRAPHIC OF THE WEEK

New shipping shipping routes as Arctic disappears



Source: [New York Times](#)

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IASB AND SUSTAINABILITY

CalPERS argues whether or not IASB should deal with sustainability

CalPERS' sustainability director hopes that the International Accounting Standards Board (IASB), the independent standard setting body of the IFRS Foundation, can bring clarity and identify relevance among the "profusion of experiments currently coexisting in the field of corporate sustainability reporting".

Investment director Anne Simpson said: "This topic is coming to a stage of maturity because of the demand of investors. We want to see integration, not in order to have the world's biggest thumping report, but to make sure that issues like climate risk, water risk, labour relations, health and safety, become data points that are connected to the financial reports."

[READ MORE](#)

DID YOU KNOW...?

Kimberlite rock – a type of ore best known for containing diamonds – can also trap and store carbon. A big diamond producer claims it will be carbon neutral within the next five years.

[READ MORE](#)

GREEN BOND LEADER

But hazy rules?

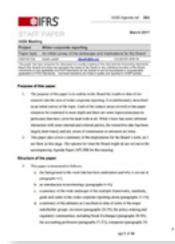
China may be a global leader in the green bond space (issuing USD 36bn of green bonds, or 40% of the global total, last year alone), but some are questioning how 'green' they really are. China has provided less transparency on [how the green bond money is being used](#) or whether or not it is reaching its intended target.

For example, one of the largest issuers, Bank of Communications, listed unspecified projects in its green bond prospectus and "reserved the right to direct the proceeds to a different list after the money came in". Read the China Green Bond Market 2016 report [HERE](#).

WORTH A LOOK

The Fish Tracker initiative "aims to investigate the role that financial institutions play in financing the trade in global fisheries, in particular the exploitation of wild fish stocks or their processing for entry into the commercial food chain." Check out the website [HERE](#)

WHAT WE'RE READING



IFRS

[Wider Corporate Reporting](#)



EY

[Let's talk: Sustainability](#)

QUOTE OF THE WEEK

“Fossil fuels will continue to play a role for many countries on the [path towards decarbonisation](#). So there is room for a new US administration to chart its own path as well.”

–Miguel Arias Cañete, EU's climate action and energy commissioner

BELIEVE IT OR NOT

If the "30,000 foot view" of the economy is not enough, try the view from space instead! [READ MORE](#)

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