

JAPAN RESTARTS FIRST NUCLEAR REACTOR SINCE FUKUSHIMA

Nuclear reactor opens under new government-supported safety standards

This week, [Kyushu Electric Power Co.](#) restarted its nuclear reactor at the Sendai plant under new nuclear safety standards, supported by Prime Minister Shinzo Abe. A second reactor is expected to restart in October. All reactors have been offline since the Fukushima disaster in 2011 for repairs and checks.

The program, which aims to bring more [nuclear reactors back online](#) throughout Japan, is supported by the industry and by the government as a measure to cut fuel costs but is still largely opposed by the public. Prime Minister Abe has said that only reactors that were deemed to have cleared the “world’s most stringent regulation standards” would be allowed to restart.

Japan’s government hopes to regain its status as a top producer of nuclear power on Tuesday after a two-year hiatus which contributed to record high [trade deficits](#) (12.8 trillion yen) due to its reliance on imported energy.

Since the shutdown in 2011, the average price of electricity to offices and factories has risen by about 29 percent and by about 19 percent for households. The combination of high electricity prices and reliance on expensive imports has caused a drag on Prime Minister Abe’s economic growth program.

Additionally, bringing existing nuclear reactors back online is an attractive option in a country that has very little undeveloped land to spare for new projects. It also allows them to avoid decommissioning costs.

[READ MORE](#) (*subscription required*)

AUSTRALIANS ADOPT RESPONSIBLE INVESTING STRATEGIES

Responsible investment assets in Australia have reached [USD 630 billion](#), forming an even greater portion of total assets. The new report from the [Responsible Investment Association Australasia](#) found that managers and funds are directing a greater portion of assets into sustainable funds to “underpin strong investment returns and deliver a healthier environment and society”.



[READ THE REPORT HERE](#)

The above research materials are for informational purposes only. They are not an offer or solicitation for any security or investment product managed by SICM and should not be construed as investment advice. Investment strategies implemented by SICM on behalf of its clients may or may not trade or hold positions in the securities referred to above. Further, investment accounts managed by SICM may or may not employ strategies based on or related to the above research.

THIS WEEK IN NUMBERS...

105,228

is the number of resolutions voted on by Norges Bank in 2014. (*subscription required for link*)

25,000

is the number of Fitbit fitness trackers BP purchased for its staff in North America.

13,000

survivors from Ebola in Guinea, Liberia and Sierra Leone may face ongoing suffering.

38.5

billion Euros is the estimated cost of decommissioning Germany’s nuclear power stations.

11.5

million work days are lost in Australia to absenteeism because of alcohol and other drug use, costing A\$3 billion.

5.7

million pounds of batteries were kept out of North American landfills and recycled in 2014.

3.1

Celsius is the forecasted rise in global temperatures taking into account the current pledges for the Paris Conference.

0

is the level of emissions proposed for the centre of Oxford by 2020.

WEBINAR OF THE WEEK: EMISSIONS TRANSPARENCY AND THE COST OF DEBT

ECCE researchers from Maastricht University and University of Oxford presented their latest research this week on the effect of CO₂ emission disclosure on corporations' costs of debt in a publicly available [webinar](#). Using data from the [CDP](#) the researchers study whether companies which participate in the volunteer CDP framework "experience more favorable lending conditions – in the form of lower spreads

on their bank loans – than their non-participating counterparts."

What are their findings? Regarding absolute (not intensity-based) emission levels, they find that firms disclosing relatively more CO₂ emissions pay higher spreads on their bank loans.

Watch the webinar [HERE](#)

WE'RE KEEPING AN EYE ON

Fossil Free UK.

On September 1st, the advocacy group [Fossil Free UK](#) plans to release information on the [fossil fuel holdings](#) of every local authority pension fund in the UK. The holdings information, which was collected through the Freedom of Information Act, will detail how much of the €314.7bn collectively managed by the funds is invested in fossil fuels. The goal is to encourage divestment campaigns to form in the UK. Stay tuned!

SEC ADOPTS CEO PAY RATIO DISCLOSURE RULES

This week the U.S. Securities and Exchange Commission ([SEC](#)) adopted a disclosure rule, mandated by the Dodd Frank Act that requires a public company to disclose the [ratio of the compensation](#) of its chief executive officer (CEO) to the median compensation of its employees. However, the rule provides companies with 'substantial' flexibility in calculating this pay ratio. It is expected to inform shareholders when voting

on "say on pay" in proxy statements by providing them a CEO's compensation and the pay ratio. Companies will be required to begin disclosing in their fiscal year 2017.

In [Insights 103](#) we noted that this may impact a company's bottom line. [Research from the Harvard Business School](#) says that consumers prefer firms with lower CEO-to-Worker pay ratios.

“Employers should already have this information on the books. Dodd-Frank asks companies to do some simple calculations, not put a man on Mars.”

–[Richard Trumka](#), AFL-CIO president, on why complaints about the difficulty of implementing the rule are nonsense.

BELIEVE IT OR NOT

Regular consumption (as in, multiple times per week) of spicy foods is linked to lower risk of death.

[READ MORE](#)