

# ESG in Five

## 23rd January 24.

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# ESG IN FIVE

- **FRC Nixes ESG Mandate: Opts for Lighter Touch in Corporate Governance Code**
- **Recurrent Energy Gets \$500M Boost from BlackRock for Global Renewable Expansion**
- **ADNOC Boosts Green Commitment**
- **CarMax Shifts Gears: Test-Driving Electric Semis to Drive Towards Green Goals**

## Market Recap

It was 'neck and neck' this week as both the MSCI ACWI ESG Focus and MSCI ACWI Indices produced identical returns of 0.46%.



### **UK regulator ditches ESG proposals for company boards**

The Financial Reporting Council has opted against the inclusion of ESG expectations in corporate governance code in favour of less "intrusive and prescriptive" requirements.

Britain's financial auditing regulator has dropped plans to add ESG requirements in the UK Corporate Governance Code in a bid to limit administrative burdens on businesses "to the minimum necessary", it announced.

### **BlackRock Invests \$500 Million in Clean Energy Developer**

Solar energy and energy storage developer Recurrent Energy, has announced a \$500 million commitment from BlackRock, with proceeds from the investment aimed at growing the company's global renewable energy platform. BlackRock's \$500 million preferred equity investment commitment, convertible into common equity, represents 20% of the outstanding fully diluted shares of Recurrent Energy. Founded in 2006, Texas-based Recurrent Energy is a subsidiary of Canadian Solar Inc., and a global developer and owner of solar and energy storage assets, with 9 GWp of solar and 3 GWh of battery storage projects completed to date globally.



### **ADNOC Commits \$23 Billion to Decarbonisation**

The Abu Dhabi National Oil Company (ADNOC) announced a significant increase in its planned emissions reduction investments, growing its allocation to decarbonisation projects and technologies and lower-carbon solutions to \$23 billion, compared to its prior target of \$15 billion by 2030. The increased allocation, mandated at the annual meeting of the ADNOC Board of Directors, follows the company's announcement last year of an accelerated target to achieve net zero operational emissions by 2045, compared to its prior 2050 goal.



## CarMax Pilots All-Electric Semi Truck

CarMax, the biggest used car retailer in the US, is testing its first electric semi-truck in California's San Joaquin Valley. The truck, used for hauling vehicles, can carry up to seven cars and travel about 230 miles on one charge. By replacing a traditional diesel truck with this zero-emission vehicle, CarMax aims to decide if more electric trucks could be used in the future. This move aligns with their commitment to cut greenhouse gas emissions by 50% by 2025 and achieve net zero carbon emissions by 2050.



### Sources:

Anthony Walters - Head of ESG at Clever Adviser Technology Ltd (Clever)

Market recap - Data sourced from FE FundInfo & Koyfin (quoted in Pounds Sterling).

UK regulator ditches ESG proposals for company boards in updated governance code by Michael Holder, Investment Week 22/01/24

BlackRock Invests \$500 Million in Clean Energy Developer Recurrent Energy, by ESG Today, 23/01/24

ADNOC Commits \$23 Billion to Decarbonization, Lower Carbon Solutions by ESG Today, 23/01/24

CarMax Pilots All-Electric Semi for Used Car Transport, by Know ESG, 22/01/24

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