

AUGUST 2026



"ESGrite" Your rite - We write



ESG DIGEST

"The genesis of new era is unfolding"



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Did You Know?

EDITORIAL

Welcome to the ESG Digest Newsletter, your essential guide to corporate governance, sustainability, and responsible business practices. As Environmental, Social, and Governance (ESG) factors continue to shape the corporate landscape, the need for effective governance strategies that integrate these principles has never been more critical.

In this newsletter, we offer valuable insights, practical advice, and in-depth discussions on how companies can align their governance frameworks with ESG considerations. We explore how ESG factors can drive decision-making, enhance risk management, and strengthen board governance structures. We firmly believe that robust corporate governance, combined with strong ESG principles, is key to sustainable growth, resilience, and ethical leadership.

The journey ahead is both exciting and challenging, but with your support, we are confident in our ability to succeed. This year's theme, "YEAR OF TRANSITION – What to so what ", reminds us that change is not just about moving forward, but about transforming challenges into meaningful outcomes.



J Sundharesan

Founder and Sustainability Visionary

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Events



Key Highlights in Sight





**Sustainable Dermatology
Practices Target Emissions,
Waste and Resource Use**



Dermatology is taking center stage in healthcare decarbonization as clinics seek practical ways to lower emissions and waste without sacrificing patient care. Recent findings highlight that outpatient dermatological practices carry a significant environmental footprint, largely driven by indirect supply chain activities, single-use medical goods, and constant patient transit.



Everyday treatments contribute heavily to this pressure: popular topical products—like sunscreens, ointments, and cosmeceuticals—generate extensive single-use packaging waste and introduce hard-to-degrade chemicals into wastewater systems, while energy-intensive procedures like laser therapy, microneedling, and PRP rely on high power draw and disposable supplies. To combat these challenges, providers are shifting toward sustainable solutions across every stage of care. Simple clinical adjustments such as refining waste segregation, eliminating low-value procedures, and procuring eco-friendly supplies can yield immediate carbon reductions.



Furthermore, expanding teledermatology for clinically appropriate consultations drastically cuts travel-related transport emissions for both patients and medical staff. Supported by new education, advocacy, and research initiatives from leading professional organizations, sustainable dermatology is evolving into a sector-wide commitment. By re-evaluating supply chains, energy use, and care delivery, dermatologists can meaningfully protect environmental health alongside patient health.



India Targets 1 Million Tons of New Green Ammonia





The Solar Energy Corporation of India (SECI) is expanding domestic green ammonia supply, seeking an additional 1 million metric tons annually for the country's fertiliser sector through competitive tenders. This follows 724,000 tons of green ammonia offtake agreements contracted in March with major suppliers like ACME Cleantech and NTPC Green.



India's fertiliser industry currently consumes roughly 20 million tons of grey hydrogen each year. Reliance on imported natural gas and fossil fuels leaves domestic producers vulnerable to international price swings and geopolitical supply disruptions. Transitioning to green ammonia produced using renewable energy addresses industrial decarbonization while strengthening national energy and food security.

The expansion aligns with India's \$2.1 billion National Green Hydrogen Mission, which targets producing 5 million tons of green hydrogen annually by 2030. SECI's competitive procurement model and government incentives have already driven production costs down from around \$5 per kilogram at the mission's 2023 launch to as low as ₹279 (~\$3) per kilogram.

By aggregating demand and offering stable offtake pathways, SECI is helping transform one of India's most import-dependent industrial value chains into a sustainable, domestic asset.





Expands

Carbon Removal Certification to China



Isometric has entered China's carbon removal market by signing its first three local project developers: direct air capture (DAC) company DeCarbon Tech and biochar producers Tongao Greenchar and Vastwing Energy. The projects will undergo certification via Isometric's science-based protocols and Certify platform, connecting domestic developers with international buyers seeking high-quality credits.



To achieve net zero by 2060, estimates suggest China could require up to 3 billion tonnes of carbon removal annually to offset residual emissions. The country holds distinct structural advantages to scale these technologies, including a rapid renewable energy expansion that can power energy-intensive DAC systems and an extensive manufacturing base capable of driving down equipment costs.

Biochar presents another immense opportunity. China possesses the world's largest biochar potential, where converting all available crop and forestry residues could sequester an estimated 470 million tonnes of CO₂ per year. Developers like Tongao Greenchar convert this biomass into traceable soil applications and fertilizers. Meanwhile, DeCarbon Tech utilizes atmospheric capture paired with permanent mineralization, leveraging Isometric's rigorous monitoring, reporting, and verification frameworks to bring verified DAC credits to global markets.

By establishing high-durability standards in a key industrial region, Isometric's partnerships strengthen the infrastructure for scalable, verifiable carbon removal in China.



Microsoft Backs CREW Carbon Wastewater Removal Deal





Microsoft has signed a long-term agreement to purchase up to 23,602 metric tons of durable carbon removal from CREW Carbon, advancing its goal to become carbon-negative by 2030. CREW Carbon's technology integrates directly into existing municipal and industrial wastewater treatment infrastructure. By making precise chemical adjustments, the process enhances the facility's natural ability to absorb atmospheric CO₂ and permanently convert it into stable dissolved bicarbonates. Unlike many removal pathways that require energy-intensive, purpose-built facilities, this approach leverages widespread, pre-existing industrial assets. This significantly lowers capital expenditure requirements while simultaneously optimizing everyday wastewater operations for plant operators.



Corporate offtake agreements have emerged as an essential financing mechanism for early-stage carbon removal ventures. By securing long-term revenue commitments from major corporate buyers like Microsoft as well as a previous \$32 million offtake facilitated by Frontier CREW Carbon gains the financial backing needed to scale its technology and prove its commercial viability.



For Microsoft, this partnership further diversifies a broad carbon removal portfolio that includes direct air capture, biochar, and forestry projects. Because no single removal method can yet meet global net-zero demand, corporate leaders are spreading investments across diverse, scalable technologies with high durability profiles. The deal underscores the growing momentum behind water infrastructure as a high-integrity, cost-effective asset in the global carbon market.





American Airlines Completes First U.S. Commercial Flight Powered by eSAF



American Airlines and Infinium have completed the first-ever U.S. commercial flight powered by electro sustainable aviation fuel (eSAF), flying from Corpus Christi to Dallas-Fort Worth. Produced at Infinium's Pathfinder facility the world's first commercial scale power-to-liquids site the drop-in synthetic fuel was blended with conventional jet fuel and delivered via common airport infrastructure. Unlike traditional biofuels, Infinium's eSAF is generated using renewable electricity and captured waste carbon dioxide, cutting lifecycle greenhouse gas emissions by over 90% compared to conventional jet fuel without competing with food crops or agricultural land.



Sustainable aviation fuel (SAF) remains the primary tool for near-term aviation decarbonization, yet it accounted for just 0.6% of global airline fuel consumption in 2025 due to high costs and feedstock shortages. Scalable power-to-liquid solutions offer a viable path to overcome these supply bottlenecks while enhancing energy security.



To scale supply, American Airlines has secured an offtake agreement for commercial eSAF volumes from Infinium's upcoming Project Roadrunner facility, supported by Citi to help offset corporate travel Scope 3 emissions. Backed by Brookfield Asset Management, Breakthrough Energy Catalyst, and HSBC, Project Roadrunner is slated to begin deliveries in 2027 with an annual capacity exceeding 5 million gallons. This landmark flight marks a key transition for next-generation synthetic fuels from early-stage development to real-world commercial application. By proving that non-biobased eSAF can seamlessly integrate into existing airport fuel systems, American Airlines and Infinium have demonstrated a practical framework for scaling zero-feedstock-constraint aviation fuels.



REGULATORY UPDATES





**Singapore Releases
Proposed ISSB-Aligned
Sustainability Reporting
Standards**



Singapore's Accounting and Corporate Regulatory Authority (ACRA) has released draft Singapore Sustainability Disclosure Standards based on the International Sustainability Standards Board (ISSB) framework. The proposed standards—SFRS S1 (sustainability-related) and SFRS S2 (climate-related)—will form the foundation for mandatory climate reporting and voluntary sustainability disclosures for companies across the country.



While aligning with ISSB standards, ACRA introduced practical adjustments: SFRS S1 disclosures remain voluntary, and Scope 3 greenhouse gas reporting will initially stay optional for most companies. The draft release follows major timeline adjustments introduced to give businesses adequate time to build reporting capabilities. Under the phased rollout:

- Straits Times Index (STI) Constituents: Scope 1 and 2 reporting requirements begin this year as planned.
- Non-STI Listed Companies: Climate reporting for firms valued above \$1 billion will start in FY2028, and in FY2030 for companies below \$1 billion. Scope 3 reporting remains voluntary.
- Large Non-Listed Companies: Scope 1 and 2 reporting has been deferred to FY2030, with Scope 3 disclosures remaining voluntary.
- External Assurance: Third-party assurance for Scope 1 and 2 emissions is pushed to 2029 for listed entities and FY2032 for large non-listed firms.



To support compliance, ACRA launched several capability-building initiatives, including a Sustainability Assurance Body of Knowledge, structured training courses, and a government Sustainability Reporting Grant to offset initial preparation costs.





**ECB Expands Application of Climate Risk Factors
in Collateral Framework to Corporate Loans**

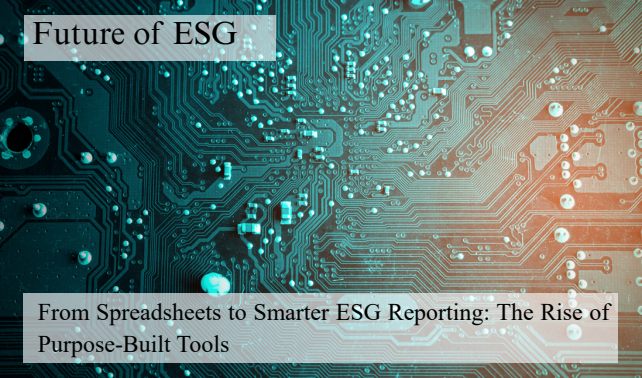


The European Central Bank (ECB) has announced plans to extend climate risk adjustments within its collateral framework to eligible corporate loans, significantly expanding its initiative to shield the Eurosystem balance sheet from climate transition risks. Building on an earlier rollout that applied solely to corporate bonds, this expansion incorporates credit claims of non-financial corporations—a far larger segment of pledged bank collateral.

The policy stems from Eurosystem balance sheet stress tests revealing that sudden climate shocks, regulatory shifts, technological disruptions, and evolving consumer behavior could unexpectedly devalue assets if the central bank needs to liquidate them. To manage this exposure, the ECB will apply an additional collateral value haircut of up to 5% based on a three-part asset-level uncertainty score evaluating sector-level vulnerability, debtor-specific transition risk, and the credit claim's residual maturity.

Targeted for implementation by late 2027 at the earliest with annual score updates, the measure embeds environmental risk directly into central bank lending operations. As the ECB highlighted, incorporating climate factors into corporate loan valuations strengthens the Eurosystem's broader risk management framework and safeguards financial stability throughout the green transition. By integrating climate metrics directly into loan valuations, central banks are signaling a structural shift toward climate-aware monetary policy and risk management across European banking networks.





Future of ESG

From Spreadsheets to Smarter ESG Reporting: The Rise of Purpose-Built Tools

For years, Excel and Word have served as the backbone of ESG reporting due to their familiarity and flexibility. However, as disclosures grow more detailed and cross-functional, relying solely on spreadsheets creates version-control confusion, formula errors, and labor-intensive manual consolidation. Purpose-built ESG reporting platforms solve these operational bottlenecks by establishing a single source of truth across departments like Finance, HR, Compliance, and Operations. These systems introduce automated calculations, maker-checker verification workflows, and seamless alignment with frameworks like BRSR and GRI, transforming data collection into a structured, audit-ready process.

A key advantage lies in specialized carbon accounting. Calculating Scope 1, 2, and 3 emissions involves complex activity data, unit conversions, and evolving emission factors. Dedicated platforms automate these calculations, eliminating brittle spreadsheet formulas while creating an easily traceable audit trail. Similarly, supply chain risk management tools enable organizations to systematically monitor vendor compliance, labor practices, and ESG certifications across thousands of suppliers.

Beyond efficiency, the true business value of ESG technology is accountability and continuous visibility. Automated workflows drastically reduce manual errors, accelerate audit preparation, and provide clear lineage for every disclosed metric. This shifts ESG management from a stressful year-end scramble—often dependent on a single individual—into an ongoing, department-owned operational discipline.

The objective is not to eliminate spreadsheets entirely, but to integrate them within a robust system that connects data, calculations, internal controls, and disclosures. As regulatory oversight and investor scrutiny intensify, moving toward dedicated ESG platforms ensures a reporting process that is connected, accountable, and trustworthy from start to finish.



**DID YOU
KNOW?**

International Day of the World's Indigenous People

August 9th

It is celebrated to encourage people from around the world to spread the UN's message on the protection and promotion of the rights of indigenous peoples.



World Biofuel Day

August 10th

It is observed to spread awareness about unconventional sources of fuels that could work as an alternative to fossil fuels.

