

Non-Disclosure + Campaign: The environment is not just a carbon issue.

3 December 2024

Osmosis Investment Management has just launched an investor driven collaborative engagement campaign to tackle inadequate environmental data disclosures at the world's leading corporations, including Amazon.com & Netflix.

- Osmosis's Non-Disclosure + Campaign (ND+) targets transparency on carbon, water and waste with the collaboration of their clients and industry peers
- Leading asset owners representing over **US\$700 billion** in combined assets, including the **California State Teachers' Retirement System (CalSTRS)**, **Danish Pension Fund PKA**, **Hertfordshire, Cambridgeshire and Northamptonshire Pension Funds**, and the **New York City Employees' Retirement System (NYCERS)** join the campaign to highlight the importance of comprehensive environmental disclosure at a broader market-level.
- Tech giants **Amazon.com**, **Netflix** and **Shopify** are among the initial target companies that have not previously reported on either water or waste, despite on-going dialogue and a clear material risk to their business models.

The role of carbon emissions in driving climate change is widely researched, discussed, and agreed upon. Osmosis research indicates that over 98% of the MSCI World discloses carbon emissions*. However, the critical issues of water and waste management have been consistently overlooked by companies, governments, and investment firms alike.

Through its research, Osmosis advocates that a comprehensive approach to the environment should place equal importance on carbon emissions, water withdrawal, and waste generation. Corporations that disclose one or fewer of these metrics are defined as non-disclosing. All three metrics are subject to evolving regulations, cost pressures, and social scrutiny. Consequently, they will continue to present substantial economic risks to corporations, including physical, reputational, and transitional risk.



Despite increasing awareness of these risks, some of the world’s largest companies have been reluctant to publish broader environmental performance figures.

Amazon.com, the first target company in the Osmosis campaign, does not publicly disclose any water withdrawal or waste generation data, despite such metrics being clearly material to its business model and future resilience. Notably, Amazon.com’s existing reporting suggests that the entity already has the capacity in place to measure and disclose this data. Amazon.com’s approach is lacking from a peer group and best practice perspective, preventing the market from making important peer group comparisons.

The campaign targets the MSCI World’s top 10 market cap companies defined as non-disclosing (publishing one or fewer metrics). Each company will receive a report detailing specific improvements that can be made to its future sustainability reporting. These reports are specific to each company’s business case and based on objective data from Osmosis’s proprietary [Model of Resource Efficiency](#).

Lennart Hermans, Head of Research, Osmosis Investment Management commented.

“Our research demonstrates that a comprehensive approach to addressing the corporate environmental balance sheet - which considers carbon, water and waste - will leave investors less exposed to a broader range of current and future externality risks. We hope that by working with like-minded peers within the financial community, we can actively encourage leading firms such as Amazon.com to measure and manage these risks. Disclosure is a vital mechanism through which financial institutions can safeguard their portfolios and reduce systemic environmental risks across financial markets.”

Among those targeted in Osmosis’s campaign are major technology companies **Amazon.com**, **Netflix**, and **Shopify**, as well as booking.com, Comcast Corp and healthcare equipment giant Intuitive Surgical Inc. Many of these companies have been repeated targets in Osmosis’s engagement campaigns in the last three years.

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For more information, or to arrange an interview, please contact:

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About Osmosis

Osmosis currently manages over \$17bn*** in sustainable assets and is headquartered in London, with a growing global presence. Osmosis believes that targeting better risk-adjusted returns and delivering significant environmental impact do not need to be mutually exclusive endeavours. Through its innovative Model of Resource Efficiency, the company has demonstrated that sustainability metrics, if quantifiable and objective in nature, can be applied to mainstream equity portfolios to generate alpha.

The Osmosis team of quantitative environmental analysts and portfolio managers is singularly focused on delivering three levels of impact. Better risk-adjusted returns, measurable environmental reductions, and an active engagement programme to promote better corporate environmental disclosure.

Osmosis counts Government Pension Funds, State Pension Funds, Insurance Companies, Foundations, Endowments, Family Offices, and Banks amongst their client roster spanning the UK, Europe, the Nordics, North and South America, Asia, and Australia.

*MSCI World ex financials and REITS.

***Assets under management and advisory as of 31 October 2024.

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