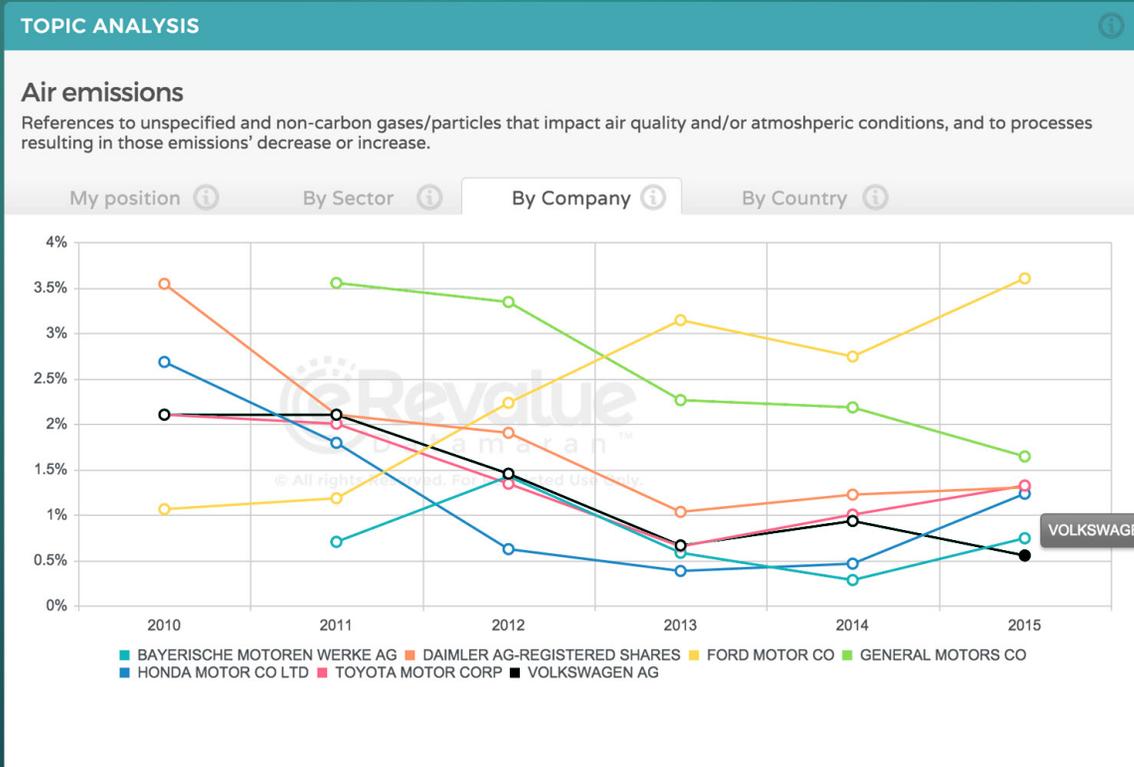


We analyzed Volkswagen's public disclosure over the past six years to find that VW became increasingly silent on the topic of air emissions - more so than its peers.

Is this coincidental? [Bloomberg BNA](#), [Huffington Post](#) and [Triple Pundit](#) think we should have been more suspicious, suggesting that VW's disclosure could have been a tip-off to regulators and investors - if they had had the right data.



Data capture courtesy of Datamaran™: sustainability reports issued between 2010 and 2015.



Regulatory demands around ESG issues are accelerating.

Datamaran™ tracks a growing number of over 1,500 ESG-related regulations, both soft and hard law; only 180 were identified in 2013.*

ESG issues are transitioning from a normative to a compliance framework - and companies need to prepare for the increasing regulatory and reputational risks associated with them.

VW is just one example.

* <https://www.globalreporting.org/resource/library/Carrots-and-Sticks.pdf>

"This research on VW and its peers by eRevalue with data captured by Datamaran™ is fascinating. In isolation, it is not the silver bullet however, as a tool in the equity analysts/fund managers arsenal it is incredibly powerful. I am not aware of another source that provides such rich data of this type and I can well imagine how access to this form of analytical resource will become indispensable for those money managers looking to get a fresh or alternative perspective on topics and companies of interest." - Justin Bates, Senior Equity Analyst, Liberum

Our data quickly highlights key regulated ESG issues worldwide.
Let's take a look at the automobile industry:

Key regulatory risks in the **US** for automobile companies headquartered in the US:

Key regulatory risks in **Germany** for automobile companies headquartered in Germany:

Key regulatory risks in **Europe** for automobile companies headquartered in Europe:

TOPIC	RATIO*	TOPIC	RATIO	TOPIC	RATIO
Harmful substances	15 %	ESG management	11%	ESG management	24 %
Air emissions	10 %	Greenhouse gases	11%	Board composition	16 %
Investor relations	8 %	Board composition	11%	ESG risk management	14 %
Waste	8 %	ESG compliance	11%	Responsible business	12 %
Water Pollution	7 %	Executive compensation	8 %	Executive compensation	12 %
Tax Practices	7 %	Responsible investment	8 %	ESG compliance	11 %
Hazardous waste	7 %	ESG risk management	8 %	Tax practices	10 %
Greenhouse gases	7 %	Product labelling	8 %	Anti-corruption & Bribery	9 %
Emissions	7 %	Waste	8 %	Workforce diversity & inclusion	9 %
Occupational health & safety	5 %	Product eco-efficiency	6 %	Shareholder activism	9 %
ESG risk management	5 %	Recycling	6 %	Waste	9 %
Forced labor	5 %	Land	6 %	Alternative accounting	8 %
Employment general	5 %	Renewables & alternatives	6 %	Greenhouse gases	8 %
Responsible business	5 %	Energy use	6 %	Investor relations	8 %
Sexual exploitation	3 %	Investor relations	6 %	Air emissions	8 %

*The ratio represents the percentage of regulations applicable to the car industry in a given jurisdiction that mention the topic of air emissions.

Air emissions is a one of the more highly regulated issues in the US.

Many companies are being blamed for “greenwashing” and for reducing the management of environmental and social issues to PR.

Datamaran™ provides objective data that can help demonstrate whether there are **competitive, supply chain, regulatory** and **reputational risks** associated to an issue.

By providing this analysis, we help **companies** to be prepared, **shareholders** to be informed and **society** to have the right data to make an informed decision.

“Fascinating. It is also a question of materiality. Apparently VW did not consider this issue material enough to report on it, to put a target on or to manage transparently. It says something about the way a company perceives the relevance of certain topics. Once it's off the radar, investors should start to worry and start engaging. We saw exactly the same effect with BP and share price hasn't recovered yet. Capital markets should be much more alert to what the company designates as material and this is where Datamaran™ comes in.”

- Lara Muller, Director at Onimpact, teacher at Nyenrode Business University

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