



FINPUBLICA

ESG NEWS YOU CAN USE

November 26, 2023



Giving Tuesday

This Tuesday donors around the world will come together to give back on Giving Tuesday. Finpublica is a part of this global movement and needs your help to continue supporting the current and next generation of sustainable finance leaders and providing free education, tools, and research so anyone can get up to speed on the environmental, social, and governance issues about which they are most interested. This first year, Finpublica is relying almost entirely on donor

support for funding – so any donation you make will have an oversized impact. [Please consider donating here](#). Your support is greatly appreciated.

Investing

[**According to a Bloomberg survey of investors and C-suite executives, ESG integration has continued to deepen despite economic headwinds.**](#) Indeed, 85% of surveyed companies and investors stated that they intended to increase their ESG investments over the next five years. On the corporate front, 85% of executives stated that ESG contributes to a more resilient corporate strategy, 81% expressed concerns that they would lose market share if they were ESG laggards, 70% recognized energy-transition efforts as a competitive advantage, and 55% ranked ESG as one of their top-two priorities. Turning to investors, 85% believed that ESG correlates with better fundamental analysis, stronger portfolios, and superior returns, and 86% stated that ESG is critical to attracting and maintaining clients.

[**Despite recent cleantech stock sell offs Lazard Asset Management remains optimistic about the space**](#) due to growing private investment, nascent technologies' increasing affordability, dissipating logistical and inflationary headwinds, and unprecedented government support (particularly in the U.S., Europe, and China). As demand for clean energy solutions continues to increase, Lazard's recent report states that current valuations fall short of potential, which presents an opportunity for investors looking to capitalize on the long-term prospects of clean energy stocks.

[**The UK government announced £4 billion in efforts to increase investment in green technologies and clean energy.**](#) Key initiatives include a £960 million Green Industries Growth Accelerator fund, support for automotive and aerospace sectors, tax incentives for green industries, and legislative measures for offshore wind deployment. However, despite these investments, the government still faced criticism for not matching responses seen in other countries, such as the US Inflation Reduction Act and the EU's Green Deal.

[**The European Commission has launched an €800 million subsidy pilot program to support renewable hydrogen producers through the first ever auction under the European Hydrogen Bank.**](#) The auction will allow producers to bid for support through a fixed premium per kilogram of hydrogen produced, up to 4.5€/kg, bridging the cost gap between renewable and non-renewable hydrogen production. Funding for the subsidies will come from the EU Innovation Fund, with plans for a second round of auctions next year.

Environmental

An Accenture study revealed that over 75% of large global companies have cut operational emissions intensity since the Paris Agreement in 2016, though fewer than 20% are on track for net zero by 2050. The report also noted that the growth of net-zero commitments has slowed (with 37% of companies having such commitments in place). The report found that the utilities industry (which saw an annual decline of 5% scope 1 and 2 emissions since 2016) had the greatest reduction in emissions. By contrast, the software and platforms industry has seen an average emission increase of 15%. According to the study, the most common decarbonization levers include energy efficiency, waste reduction, renewables, and circularity.

Social

Though ESG has become more mainstream, advocates are seeking to better define the “S” (Social) and quantify its impact. Investors have faced difficulties in assessing how companies achieve the “S” – which is typically defined as how companies interact with their work force and communities – due to a lack of standardized data. Still, some investors are becoming more creative – looking at such information as hiring practices, benefits, and employee satisfaction. Additionally, the SEC is considering a new human capital disclosure rule that could provide significant additional data by making information already provided to the Equal Employment Opportunity Commission publicly available.

Regulation and Reporting

Led by the U.N., a meeting of over 100 countries has agreed on an interim goal to reduce global aviation emissions 5% by 2030 through the use of sustainable aviation fuel (SAF). Currently, SAF is costly and makes up less than 1% of global jet fuel. Countries hope that this new target will spur and speed up SAF projects (like the creation of such fuels from palm oil). Still, the agreement has faced criticism from both sides – with countries such as China, Russia, and Saudi Arabia objecting to the target and the date, and environmentalists complaining that the agreement lacks teeth as it is non-binding.

Resources & Membership

[With COP28 starting this Thursday in Dubai, learn more about ESG regulation in the United Arab Emirates \(UAE\).](#) Finpublica's website summarizes the UAE's country level initiatives, corporate disclosures, and fund disclosures.

[Click here for a video replay of the November 1, 2023 Finpublica and Wall Street Block Chain Alliance panel regarding the intersection of ESG and blockchain.](#) Learn more about how blockchain is being used to balance the energy grid, mint carbon credits, measure GHG, and more.

Finpublica's **[membership portal](#)** is live. If you are interested in joining a community of 250 global leaders focused on sustainable finance and ways to implement environmental, social, and governance initiatives inside their organizations and across the industry, we invite you to apply.

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