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Finance Leaders For The Public Good

ESG NEWS YOU CAN USE

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Regulation/Reporting

The European Central Bank (ECB) published its first set of **statistical indicators** to help analyze climate-related risks in the financial sector and track the progress of sustainable and green finance. The new indicators aim to narrow the climate data gap. While still a work in progress, they cover three areas: (1) experimental indicators on sustainable finance, (2) analytical indicators on carbon emissions financed by financial institutions, and (3) analytical indicators on climate-related physical risks.

<https://www.ecb.europa.eu/press/pr/date/2023/html/ecb.pr230124~c83dbef220.en.html>

New York City's Comptroller and three of the city's retirement systems announced shareholder proposals calling **on top banks** to set **stricter 2030 greenhouse gas emissions reduction targets**. The new resolutions ask Bank of America, Goldman Sachs, JPMorgan, and the Royal Bank of Canada to commit to reducing emissions in their energy lending and underwriting by setting **absolute emission targets** – rather than focusing just on reducing their emissions intensity. The Comptroller pointed towards other banks who already have implemented absolute reduction goals for the oil and gas sector – including HSBC (34%), Société Generale (30%), BBVA (30%), and Deutsche Bank (23%).

<https://comptroller.nyc.gov/newsroom/absolute-ghg-emissions-reduction-proposal/>

Attorneys General from red **states sue** to block U.S. **Department of Labor ESG rule** allowing ERISA fund managers to consider ESG issues in the investment process and proxy voting. But, experts (including a former Republican head of the ERISA program) say that the DOL may have an easier time defending the rule because it eliminated a provisions requiring fiduciaries to consider ESG factors: “Rather than have a political ping-pong game about whether ESG is good or bad, the proposal the Biden administration has put out restores the traditional approach of government neutrality”

<https://news.bloomberglaw.com/daily-labor-report/labor-agency-to-defend-esg-401k-rule-in-bad-blood-jurisdiction>

Investing

India’s first green bond issuance (the first half of a nearly \$2 billion USD offering) was met with **strong demand**. Orders exceeded the offering size by more than four times, earning the bonds a 5-6 basis point “greenium.”

<https://www.esgtoday.com/indias-inaugural-green-bond-draws-greenium-on-solid-demand/>

Members of the **Interfaith Center on Corporate Responsibility** and Harrington Investments filed **two shareholder proposals** with six banks “move them toward more **climate-friendly policies** that better align with their public commitments to net zero by 2050.” The first proposal focuses on phasing out the financing of new fossil fuel development, while the second asks the banks to file climate transition planning reports.

<https://www.iccr.org/shareholders-file-multiple-proposals-us-banks-seeking-advance-climate-forward-lending-policies>

Social

Women still only **account for 15.1% of financial industry partners** in the United Kingdom, according to a survey by employment law firm Fox & Partners – just a 0.3% increase from 2021. To address this issue, the law firm recommends that companies implement mentoring schemes, ensure that diversity initiatives and messaging are echoed from the top down, and commit to industry-wide gender diversity initiatives.

<https://www.foxlawyers.com/fox-research-reported-in-the-times-shows-women-still-only-make-up-15-1-of-partners-in-financial-services-industry/>

Some Good News

The **US Department of Energy** invested **\$118 million** in 17 projects to accelerate **sustainable biofuel production**. Selected projects, located at universities and private companies, include pre-pilot, pilot, and demonstration projects that will scale-up existing biomass and help develop technology to create millions of gallons of low-carbon fuel annually.

<https://www.energy.gov/eere/bioenergy/articles/us-department-energy-awards-118-million-accelerate-domestic-biofuel>

Finpublica Resources

Are you looking to get up to speed on ESG issues in a matter of minutes? Our **website** has compiled a bunch of **easily accessible and free information**, including:

- **bite sized education** on such topics as ESG investment strategies, reporting standards, and regulations
- sample **ESG policies** and procedures
- Recent **ESG news** by topic
- a compilation of **industry alliances**
- a variety of **research tools** on companies, funds, and government initiatives
- **articles** demonstrating the **business case for ESG**

Check it out at www.finpublica.org

Finpublica Membership

Finpublica's **membership portal** is live. If you are interested in joining a community of finance leaders focused on sustainable finance and ways to implement initiatives inside their organizations and across the industry, we invite you to apply at:

<https://finpublica.wildapricot.org/join-us>

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