



**FINPUBLICA**  
Finance Leaders For The Public Good

## ESG NEWS YOU CAN USE February 19, 2023

### **Environment**

**China launched** a national wind and solar resources **climate prediction model** to forecast energy demand and supply in each province. The model will be released monthly and provides data and graphic predictions on crucial variables including wind speed, solar radiation, and average local temperature.

<https://esgnews.com/china-launches-climate-prediction-model-for-wind-and-solar-power/>

### **Regulation/Reporting**

The **International Sustainability Standards Board** (“ISSB”) is moving forward towards issuing their first **two disclosure standards** (S1 & S2) by the end of **second quarter 2023**, with an effective date of January 2024. The S1 General Requirements sets forth overall requirements for disclosing information about significant sustainability-related risks and opportunities. The S2 Climate-related Disclosures build upon the Task Force on Climate-Related Financial Disclosures (“TCFD”) recommendations and incorporate industry-based disclosure requirements derived from the previous Sustainability Accounting Standards Board (“SASB”) industry-specific standards.

<https://www.ifrs.org/news-and-events/news/2023/02/issb-ramps-up-activities-to-support-global-implementation-ahead-of-issuing-inaugural-standards-end-q2-2023/>

The **European Commission** proposed **90% carbon emissions reduction targets for heavy duty vehicles** by 2040, as well as a requirement for all new city buses to be zero-emission by 2030.

[https://www.esgtoday.com/eu-commission-proposes-90-emissions-reduction-for-heavy-duty-trucks-by-2040/?utm\\_source=rss&utm\\_medium=rss&utm\\_campaign=eu-commission-proposes-90-emissions-reduction-for-heavy-duty-trucks-by-2040](https://www.esgtoday.com/eu-commission-proposes-90-emissions-reduction-for-heavy-duty-trucks-by-2040/?utm_source=rss&utm_medium=rss&utm_campaign=eu-commission-proposes-90-emissions-reduction-for-heavy-duty-trucks-by-2040)

The **UK** is expected to unveil a **new competition and consumer bill** that will allow the Competition and Markets Authority (“CMA”) to impose **civil fines** of up to 10% of global turnover for breaches of the law, which could include **greenwashing**.

[https://amp.theguardian-com.cdn.ampproject.org/c/s/amp.theguardian.com/environment/2023/feb/19/greenwashing-firms-face-steep-new-uk-fines-for-misleading-claims](https://amp.theguardian.com/cdn.ampproject.org/c/s/amp.theguardian.com/environment/2023/feb/19/greenwashing-firms-face-steep-new-uk-fines-for-misleading-claims)

## **Investing**

A new study found that a **climate change real estate bubble** puts billions of dollars at risk, with property prices overvalued by more than \$120 billion compared to their flood risk. Riskiest states include Florida, California, and Texas.

<https://www.axios.com/2023/02/17/climate-change-real-estate-bubble>

## **Some Good News**

**AXA Investment Managers** will begin **incorporating ESG metrics** into around 400 **executives’ deferred compensation**, focusing on reducing the carbon footprint of investment portfolios. Metrics to be considered include weighted average carbon intensity (WACI) reduction, alignment of the real estate portfolio with the Carbon Risk Real Estate Monitor (CREEM) trajectory, and reduction of the corporate CO2 footprint.

<https://www.knowesg.com/social-governance/axa-im-ties-executives-compensation-to-esg-goals-17022023>

## **Finpublica Resources**

We continue to add new resources to our website. This week’s includes several **ESG-related proxy voting policies** from Institutional Shareholder Services (“ISS”).

<https://www.finpublica.org/investment-stewardship-guidelines>

## **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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