



**FINPUBLICA**  
Finance Leaders For The Public Good

## ESG NEWS YOU CAN USE December 4, 2022

### **Environment**

The European Commission has proposed new rules that would require all packaging in the EU market to be fully recyclable by 2030. On average, each European generates almost 180 kg of packaging waste per year, and without action, by 2030, packaging waste would increase 19% further. The new rules aim to restrict unnecessary packaging and promote reusable and refillable packaging solutions.

[https://ec.europa.eu/commission/presscorner/detail/en/ip\\_22\\_7155](https://ec.europa.eu/commission/presscorner/detail/en/ip_22_7155)

### **Social**

Euronext launched two gender equality indices: Euronext Equileap Gender Equality Eurozone 100 and Euronext Equileap Gender Equality France 40. These indices were developed to help investors invest in companies committed to improving gender diversity. Participating companies are selected based on four categories: (1) gender balance in leadership and workforce; (2) equal compensation and work-life balance; (3) policies promoting gender equality; and (4) commitment, transparency, and accountability.

<https://www.euronext.com/en/about/media/euronext-press-releases/euronext-launches-gender-equality-indices>

### **Regulation & Reporting**

The Council of the EU gave final approval to the corporate sustainability reporting directive (CSRD). The CSRD introduces more detailed reporting requirements for all large companies and most companies listed on regulated markets (except listed micro undertakings) and requires reporting on a wide variety of sustainability matters – including environmental rights, social rights, human rights, and governance factors. The regulation will be implemented in four stages, starting with reporting in 2025 for the 2024 financial year.

<https://www.consilium.europa.eu/en/press/press-releases/2022/11/28/council-gives-final-green-light-to-corporate-sustainability-reporting-directive/>

The European Commission has adopted a proposal for the first EU-wide voluntary framework to certify high-quality carbon removals. It improves the EU's capacity to quantify, monitor, and verify carbon removals and boosts innovative carbon removal technologies and sustainable carbon farming solutions. The regulation considers four "QU.A.L.I.TY" criteria: (1) quantification, (2) additionality, (3) long-term storage, and (4) sustainability.

[https://ec.europa.eu/commission/presscorner/detail/en/ip\\_22\\_7156](https://ec.europa.eu/commission/presscorner/detail/en/ip_22_7156)

The Hong Kong Stock Exchange has encouraged its issuers to plan and build the infrastructure for meeting future TCFD and International Sustainability Standards Board (ISSB) climate disclosure requirements.

<https://www.esgtoday.com/hong-kong-exchange-encourages-issuers-to-prepare-for-enhanced-climate-reporting-requirements/>

## **Investing**

Florida's chief financial officer announced a \$2 billion pull out of assets managed by BlackRock, accusing BlackRock of focusing on ESG rather than higher returns for investors. BlackRock responded that Florida's CFO is the one putting politics over duties to investors and stated that they "are disturbed by the emerging trend of political initiatives like this that sacrifice access to high-quality investments and thereby jeopardize returns." The \$2 billion is relatively insignificant to BlackRock compared to their \$8 trillion in assets.

<https://www.reuters.com/business/finance/florida-pulls-2-bln-blackrock-largest-anti-esg-divestment-2022-12-01/>

Morningstar Sustainalytics announced a 30% expansion of their ESG risk ratings, adding coverage to fixed income, private equity, and China.

<https://www.prnewswire.com/news-releases/morningstar-sustainalytics-expands-esg-risk-ratings-coverage-to-fixed-income-private-equity-and-china-301691064.html>

## **Some Good (Finpublica) News**

Finpublica will soon be initiating its next phase of growth – formally opening membership into the Finpublica Community. We will be onboarding as members finance leaders who are interested in exploring ways to implement ESG initiatives inside their institutions and across the industry more broadly. Please be on a lookout for an invitation.

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