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Finance Leaders For The Public Good

ESG NEWS YOU CAN USE

May 28, 2023

Happy Memorial Day & Thank You to Those Who Served!



Environmental

The EPA's newly established \$27 billion clean energy fund is generating enthusiasm in both red and blue states, prompting them to launch their own green banks and attract investments in solar, wind, and energy efficiency projects. While green banks have primarily flourished in blue states, several red states such as Alaska, Florida, and Texas are also embracing the concept. The federal funding has the potential to mobilize over \$250 billion in total investments, significantly contributing to the United States' emission reduction targets.

[The U.S. Department of Energy \(DOE\) has announced they are committing roughly \\$60 million to advance clean hydrogen technologies and improve the electric power grid.](#) \$42 million is going to 22 projects across 14 states to advance technologies for producing and utilizing clean hydrogen. An additional \$17.8 million will be used to establish a university research consortium that will assist states in implementing grid resilience programs and achieving decarbonization targets.

Investing

[Clean energy investment is outpacing fossil fuel investment, with the gap expected to reach 70% in 2023,](#) according to the International Energy Agency (IEA). Solar PV is set to attract more capital than oil production globally for the first time this year, with clean energy investment exceeding fossil fuel investment by around 70%, totaling over \$1.7 trillion and growing by 8% year-over-year.

Regulation/Reporting

[The nations of the G7 Summit in Hiroshima, Japan, endorsed the International Sustainability Standards Board \(ISSB\)](#) as it finalizes sustainability reporting and climate-related disclosure standards. In its communique, the G7 stated: “We support the International Sustainability Standards Board (ISSB) finalizing the standards for general reporting on sustainability and for climate-related disclosures and working toward achieving globally interoperable sustainability disclosure frameworks,” and “look forward to the ISSB’s future work on disclosure on biodiversity and human capital, in line with its work plan consultation.”

[The Science Based Targets Network \(SBTN\) has unveiled the first-ever corporate science-based targets for nature,](#) providing guidelines for companies to assess and prioritize their environmental impacts and establish standards for addressing these issues. The initiative aims to build on the Science Based Target Initiative’s (SBTi’s) momentum. A group of 17 companies, including AB InBev, Nestlé, and H&M Group, are piloting the targets.

[Several insurers have left the UN Net-Zero Insurance Alliance as Republican politicians in the US have targeted climate action groups.](#) The Glasgow Financial Alliance for Net Zero (Gfanz), of which the insurance alliance is a member, stated that these partisan attacks are “interfering with insurers’ efforts to price climate risk, which will harm policyholders, main-street investors and local economies.”

Some Good News

JPMorgan Chase has announced one of the largest carbon removal projects to date, valued at over \$200 million. The company has created agreements with other companies specializing in carbon-dioxide removal technologies to remove 800,000 metric tons of CO2 from the atmosphere. JPMorgan Chase claims this will allow them to match their entire unabated direct operational emissions footprint by 2030.

Opportunities, Resources & Membership

The Center of Innovation for Diversity, Equity, and Inclusion in Finance (IDiF), a non-profit driving equitable access to capital to accelerate economic justice, power, and influence is looking for an Executive Director. If you or someone you know might be interested, check out their job description [here](#).

The Institutional Allocators for Diversity, Equity, and Inclusion (www.iadei.org) is launching an inaugural fellow program for CIOs and senior investment professionals seeking to amplify DEI in investment teams and portfolios. The year-long fellowship begins June 14, 2023. You can [nominate](#) a colleague or [apply](#) here.

Finpublica's website continues to compile [research](#) demonstrating the correlation between ESG activities to positive financial incomes. Check out the latest [study](#) by Bain and EcoVadis of 100,000 mostly private companies -- finding positive ESG outcomes to be a trait of successful companies and that ESG activities are positively associated with revenue growth and EBITDA margins.

Finpublica's [membership portal](#) is live. If you are interested in joining a community of 150 finance leaders focused on sustainable finance and ways to implement initiatives inside their organizations and across the industry, we invite you to apply.

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