



## TCB Digest for Executives: Our Climate Week Takeaways

October 4, 2024

Welcome to the 28<sup>th</sup> edition of our Digest for Executives – a special [Climate Week NYC](#) edition outlining key takeaways from events attended by the TCB team.

From Sept. 22-29, we gathered insights from panelists discussing carbon markets, climate communication strategies, physical climate risk and more.

We repeatedly heard concern about the ***imminent arrival of climate and sustainability reporting deadlines***. Compared to 2023's gathering, we found that participants were increasingly emphasizing the *investment needed in both personnel and ESG software solutions to address reporting directives from California to Europe*.

This palpable *shift in urgency* cropped up consistently. Last year, there was more discussion of collaboration, target setting, and planning ahead; this year, more attendees emphasized taking action today to avoid the worst consequences of climate change – rather than relying on governments to set reporting requirements or incentives. A key takeaway from the week was: *We need to act now to avoid the worst consequences of climate change for future generations*.

- **Carbon Markets** – An event hosted by the [Nature Conservancy](#) suggested that science unequivocally demonstrates the need for carbon markets, and that the voluntary carbon market (VCM) also offers a poverty reduction opportunity at an unprecedented scale. Panelists at the event emphasized that the VCM has the potential to grow from its current small size and could mobilize finances faster than governments could. They also highlighted the progress made: three years ago, there was no concerted governance in the VCM, but today, organizations like the [ICVCM](#) and the [VCM](#) are focused on the integrity of this space. There are also a limited number of governments that have stepped in to support governance in the market. Panelists also offered suggestions to improve the VCM; one said indigenous communities should be more involved with designing carbon removal projects.
- **Materiality & Physical Climate Risk** – An event hosted by [Jupiter Intelligence](#) addressed the European Union's Corporate Sustainability Reporting Directive (CSRD). Speakers underscored the importance of high-quality, up-to-date data to meet reporting requirements. The speakers recommended that companies use IPCC's worst-case scenario (SSP5-8.5) when conducting scenario analysis. They also

suggested that when assessing risks and vulnerability, an analysis of entire asset classes is better than going asset-by-asset.

- **Energy & Utility Regulation** - Speakers at an event hosted by [Cisco](#) and [Turtle](#) highlighted that energy and utility regulation often makes implementing new grid-greening innovations difficult; corporates feel that their hands are tied when regulation stops them from developing more clean-energy capacity in their local areas. The speakers also said corporate sustainability efforts create financial value, but not a lot of this value is tracked or monetized by businesses and investors because most companies do not have the data to measure the financial impact.
- **Sustainable Real Estate and Waste Management** - An event hosted by [Offit Kurman](#) highlighted the importance of managing waste when it comes to corporate sustainability. Speakers pointed out that bin contamination is the number one waste issue across business. The event also highlighted the growing number of state-level and local waste and recycling compliance laws across the US, including California, New York, New Hampshire and Washington.
- **ESG Pushback & "Greenhushing"** - An event hosted by the [Green Impact Exchange](#) discussed ways to combat the pushback against ESG. Speakers highlighted the importance of determining material risks and opportunities relevant to business, and then building governance around these priorities -- pointing out that governance is a good way to tell what a firm actually takes seriously. The speakers also emphasized the importance of collecting data not only for reporting purposes, but to drive capital-allocation decisions - another way to demonstrate what is important to business. The speakers mentioned concerns about greenhushing (when a company intentionally withholds or under-reports sustainability steps it is taking to avoid a potential backlash, or the perception of greenwashing); they said this is potentially even more problematic than greenwashing, as it is harder to detect.
- **More Effective Climate Communication** - Speakers at an event hosted by [Redwood Climate Communications](#) discussed shifting messaging to spark more climate action. The speakers emphasized that people need to feel a sense of efficacy: that they are empowered to make a difference on climate change. They recommended a communication strategy of connecting the dots between real, lived experiences and the impacts of climate change, and linking these impacts to current well-being, not just the future.

**Thank you,**

## **The TCB Team**