



## TCB Digest for Executives: Climate Week, the UN and Big Tech

September 25, 2024

Welcome to the 27<sup>th</sup> edition of our Digest for Executives – a summary of key climate-related events, publications, and insights for cross-functional corporate leaders.

If you're in New York City and attending Climate Week, we invite you to say hello. TCB will be attending events in person and covering them virtually, and we're planning a special edition of the Digest next week recapping the action and our key takeaways.

Adding to the NYC bustle and gridlock, global dignitaries have gathered for the United Nations General Assembly. Progress on climate-related disagreements in the run-up to COP29 is seen as unlikely given uncertainty about the US election.

Big Tech remains in the news: Google is buying carbon credits from a venture seeking to reverse deforestation in the Brazilian rainforest, while Microsoft sees the need for so much clean power for artificial intelligence that it might buy the entire output of a reopened nuclear facility at Three Mile Island.

Lastly, The Climate Board is seeking anonymous input via a brief 3-5 minute survey on companies' experience with completing double materiality assessments, as mandated by the CSRD. We will be collecting responses until October 4<sup>th</sup> – [click here to take the survey](#).

### Government & Regulatory Updates

- [SEC Abandons ESG Enforcement Group Amid Broader Backlash](#) (Bloomberg Law, September 12) – As companies retreat from the politically loaded acronym, the Securities and Exchange Commission disbanded its Climate and ESG Task Force, which it launched in 2021 to address misleading disclosures. The SEC told Bloomberg that the expertise developed by the task force will now be deployed across the agency's enforcement division. [This conservative-led backlash against ESG initiatives has frustrated SEC Chair Gary Gensler throughout his term; it has contributed to delays and dilution of signature regulation, including this year's Climate Rules.](#) The future of these ESG initiatives becomes especially uncertain with the possibility of a Republican-controlled legislative and executive branch that would replace Gensler.
- [US Election Uncertainty Clouds UN Climate Finance Progress](#) (Reuters, September 22) – This week's UN General Assembly is the last all-nations gathering before COP29, which kicks off right after the US election. The election is overhanging the General Assembly, according to Reuters, with nations unwilling to state their positions and move toward resolving disagreements about global goals for climate finance. Waiting

until November to get a sense of future US policy is risky, however, because the current \$100 billion financing pledge expires at the end of 2024; failing to set a new target before the start of next year could put future climate negotiations at risk.

## Climate & Energy Updates

- [Google Buys Carbon Removal Credits from Brazil Startup, Joining Microsoft](#) (Reuters, September 19) - Google announced that it would purchase 50,000 metric tons of nature-based carbon removal credits by 2030 from a Brazilian startup that buys degraded farmland and replants native Amazon rainforest species. Last year, Microsoft signed a deal to buy 1.5 million credits from the same company. The two tech giants helped found the Symbiosis Coalition, which pledges to contract up to 20 million tons of nature-based carbon removal credits by 2030.
- [MSCI Launches Groundbreaking Carbon Project Ratings](#) (ESG News, September 20) - Aiming to increase the integrity and reliability of the global carbon market, MSCI has started the [MSCI Carbon Ratings Project](#), which will assess over 4,000 carbon credit ventures and aim to make them more comparable. An MSCI executive spearheading the project said carbon markets are a critical part of meeting net-zero goals, but that only 5% of projects currently on the market are considered to be of very high integrity.
- [Three Mile Island Plans to Reopen as Demand for Nuclear Power Grows](#) (The New York Times, September 20) - The Pennsylvania facility - [the site of the worst reactor accident in US history](#) - is planned to reopen after Microsoft has agreed to buy as much power from the plant as it can for the next 20 years. Tech companies are keen to meet soaring power needs via clean energy; companies such as Microsoft and Amazon are especially interested in nuclear as artificial-intelligence processing has 24-hour power needs that wind and solar might struggle to provide.

## Publications & Opinions

- [It's Time to Unbundle ESG](#) (Harvard Business Review, September 20) - This article discusses the potential decline of "ESG" as a unified concept, underscored by the BlackRock CEO's announcement last year that he would stop using the acronym when describing the company's approach to investing. The article proposes that "ESG" has become too broad and vague, and has thus led to backlash against "woke" investing. It suggests a new, two-pronged, approach for corporate leaders. First, identify and solve the environmental and social issues that most impact a company's financial materiality; the article acknowledges that companies will have to make trade-offs between financial and social priorities. Then, identify the most negative material impacts the company has on society, and invest in solutions.

## More Must-Reads

- The New York Times, September 18 - [Flooding in Europe is a 'Clear Reminder' of the Threat of Extreme Weather](#)
- ESG News, September 18 - [Global Investors Push for Stronger Climate Policies Ahead of COP29, Urging Governments to Unlock \\$29 Trillion for Net-Zero Transition](#)
- Reuters, September 21 - [New Global Climate 'Loss and Damage' Fund Names First Director](#)
- The Guardian, September 22 - ['A Break from the Heat': Americans Most Affected by Climate Crisis Head Midwest](#)

**Thank you,  
The TCB Team**