

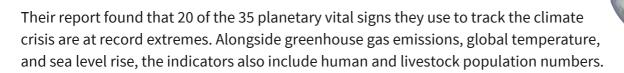
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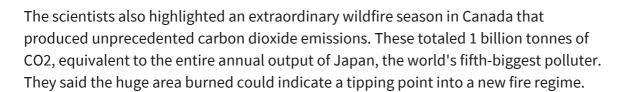
# **ESG IN FIVE**

- A wake-up call to protect our planet
- Dressingup for a sustainable future!
- A brighter future powered by clean tech
- The European Green Bond Standard: Shaking (not Stirring) Up the Investment World
- Brazil Joins the Ranks: Mandatory Sustainability Disclosures on the Horizon

## Earth is nearing life support...

Earth's "vital signs" are worse than at any time in human history, an international team of scientists has warned, indicating that life on the planet is in peril.





The researchers urged a transition to a global economy that prioritizes human well-being and reduces the overconsumption and excessive emissions of the rich. They mentioned that the top 10% of emitters were responsible for almost 50% of global emissions in 2019.

"By 2100, as many as 3 billion to 6 billion people may find themselves outside Earth's livable regions, meaning they will be encountering severe heat, limited food availability, and elevated mortality rates." All of which is sad proof, if any were needed, that Homo sapiens is the only species on Earth that knowingly destroys its own habitat.





Fashion and design brand company H&M Group announced the issuance of its inaugural green bond, raising €500 million (USD\$530 million) to support the company's environmental initiatives, including its climate and circularity roadmap.

The offering of the 8-year bonds under H&M's Euro Medium Term Note (EMTN) program saw strong demand, with the issuance more than 3.5 times oversubscribed, resulting in a total order book in excess of €1.75 billion.





## However, major shifts underway today regarding our energy systems

The latest edition of the World Energy Outlook (WEO), the most authoritative global source of energy analysis and projections, describes an energy system in 2030 in which clean technologies play a significantly greater role than today. This includes almost ten times as many electric cars on the road worldwide; solar PV generating more electricity than the entire US power system currently does; renewables' share of the global electricity mix nearing 50%, up from around 30% today; heat pumps and other electric heating systems outselling fossil fuel boilers globally; and three times as much investment going into new offshore wind projects than into new coal- and gas-fired power plants.

All of these increases are based only on the current policy settings of governments around the world. If countries deliver on their national energy and climate pledges on time and in full, clean energy progress would move even faster.

#### "The name's Bond...."

## But in this case - there is definitely no license to kill!

The European Green Bond Standard (EUGBS) is the first standard in the world to offer environmentally sustainable bonds that are available to global investors. The EU Council adopted a regulation that establishes the European Green Bond Standard. The regulation sets forth uniform requirements for bond issuers who wish to use the designation "European Green Bond" or "EuGB" for their environmentally sustainable bonds.



#### The benefits are as follows:

- This will increase transparency, improving market efficiency and driving more investments.
- It reduces the risk of greenwashing in the bond market.
- It helps channel more funds into carbon-neutral and lower-polluting technologies and production processes.
- It obliges issuers to demonstrate the funding of green projects aligned with the EU taxonomy.



## **Brazil joins UK and Australia**

Public companies in Brazil will be required to provide annual sustainability and climaterelated disclosures, starting in 2026, according to a new announcement from Brazil's Securities and Exchange Commission (CVM) and Ministry of Finance.

Brazil is the latest in a series of jurisdictions to announce the adoption of these new standards, following recent announcements by the UK and Australia.



These five articles demonstrate that by investing in ESG, you are:

- Investing in tomorrow's technologies rather than yesterday's industries.
- Making a positive impact on the environment, climate, and society.
- Contributing to leaving a positive legacy not only for your family and friends but for society as a whole.
- Proof of the positive steps and actions being taken today by individuals, companies, and governments worldwide.

#### **Sources:**

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EU Council Adopts New European Green Bond Standard to Promote Sustainable Finance. ESG news, 24th October 2023 H&M Issues its First \$500 Million Green Bond to Fund Climate, Circularity Goals, Susan Lahey, ESG Today, 24th October

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