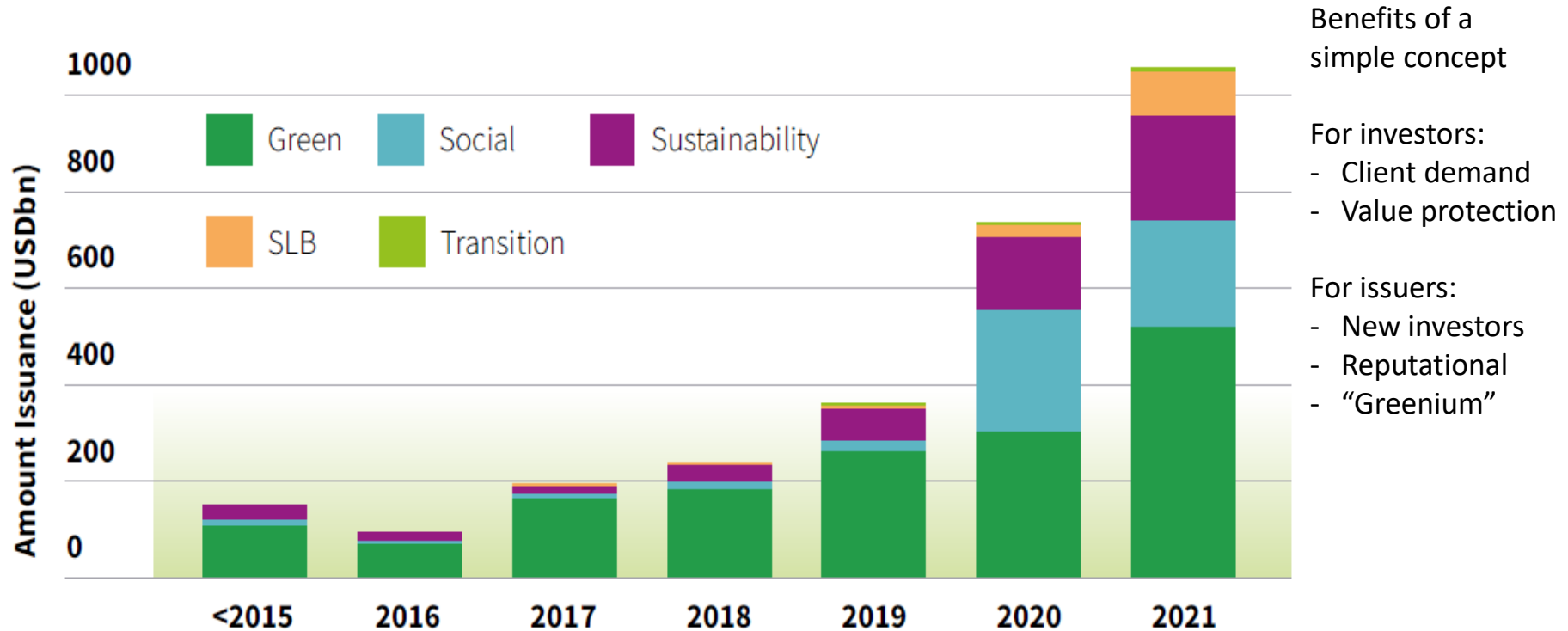


Fast growth of green bonds & daughters

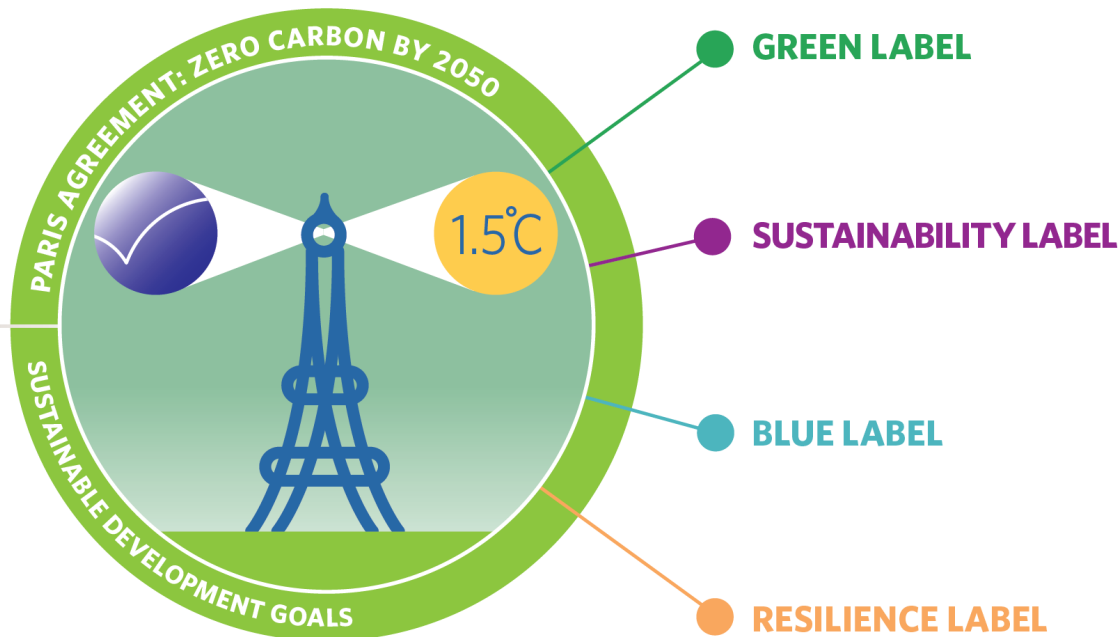


Thematic range

TRANSITION LABEL

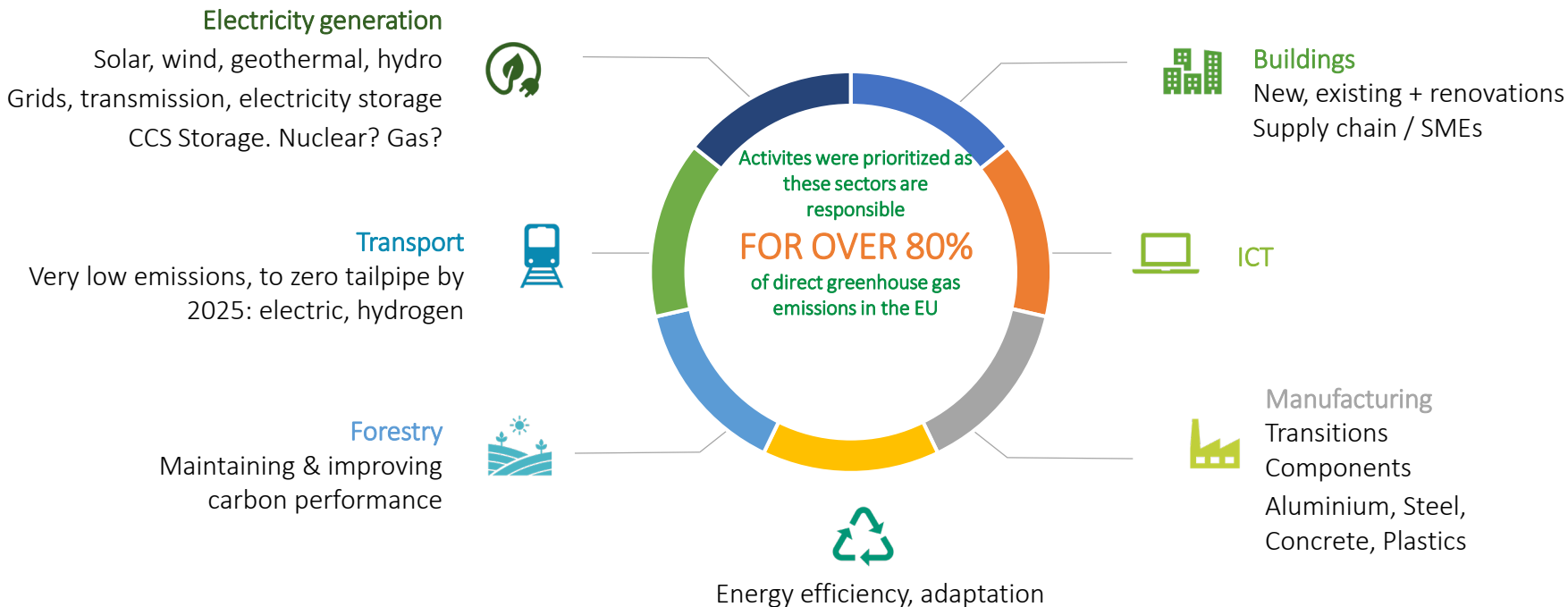
The Transition label is one pathway to achieving the goals of the Paris Agreement.

It is part of a wider universe of essential and ambitious Paris-aligned investments that includes other labels (not a focus of this paper). Regardless of the label, all are 'green' as they contribute to environmental objectives.

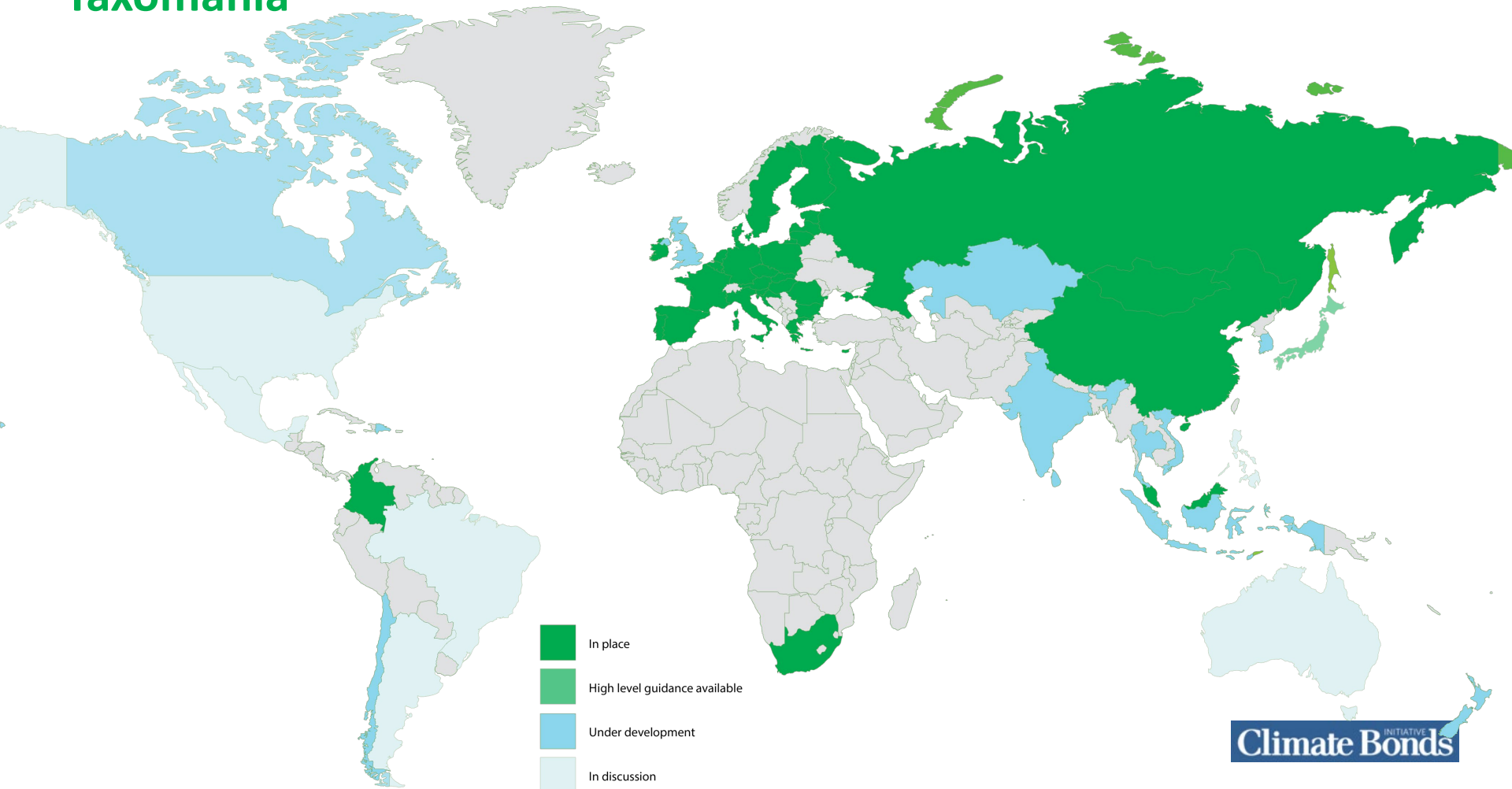


EU Taxonomy

First set of activities (from the first Delegated Acts that cover climate change mitigation & adaptation objectives)



Taxomania



Transitions



1. In line with 1.5 degree trajectory

All goals and pathways need to align with zero carbon by 2050 and nearly halving emissions by 2030.



2. Established by science

All goals and pathways must be led by scientific experts and be harmonised across countries.



3. Offsets don't count

Credible transition goals and pathways don't count offsets, but should count upstream scope 3 emissions.



4. Technological viability trumps economic competitiveness

Pathways must include an assessment of current and expected technologies. Where a viable technology exists, even if relatively expensive, it should be used to determine the decarbonisation pathway for that economic activity.



5. Action not pledges

A credible transition is backed by operating metrics rather than a commitment/pledge to follow a transition pathway at some point in the future. In other words, this is NOT a transition to a transition.