



GREENING FINANCE

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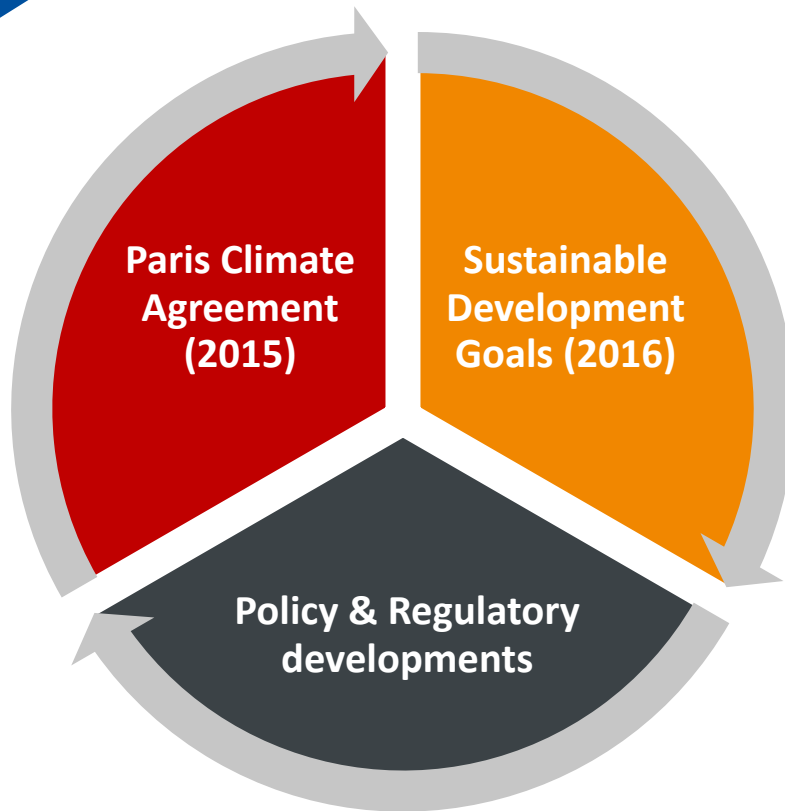


Greening finance: just a fashion ?





Mega trends



Massive financing needs !!!

Opportunity to mobilise private capital and create new financial products



Change of society values and investor mindset



Market Opportunity

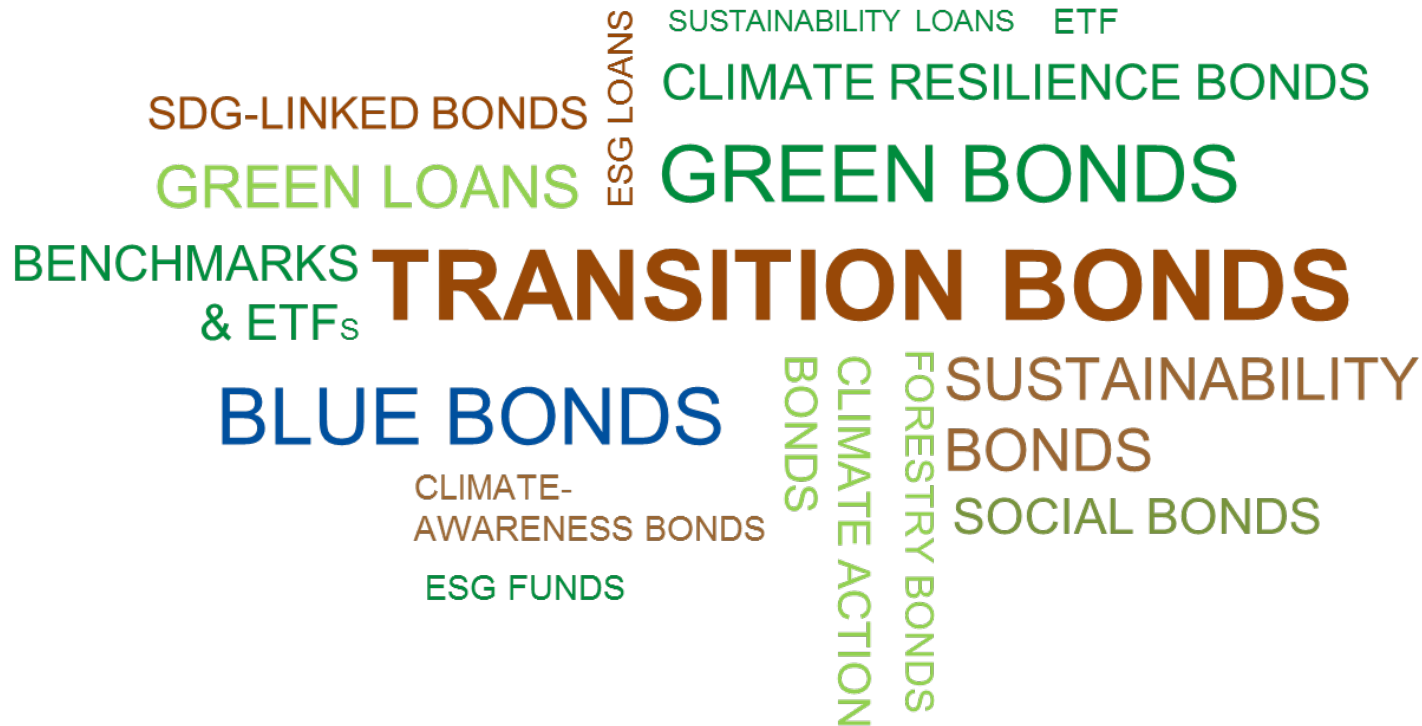


But then, what is
sustainable finance?





Not just green bonds!





Green bond issuance

USD 521 bn

Total labelled green
bond issuance

> USD 1 trillion

Total sustainable debt
bond issuance

Positive acceleration!



Green bonds: a test for the market

- No green bond specific regulation. Rather voluntary based standards
- Unprecedented requirements of transparency and disclosure



The new EU Green Bond Standard



A voluntary quality label
... to increase investor trust

- Projects must be aligned to the EU Taxonomy
- Use of Proceeds and Impact Reporting will be mandatory
- Verification ex-ante and ex-post (UoP level) will be mandatory
- Accreditation of verifiers



How do stock exchanges fit in?

**Bring SCALE to
the market**

**Promote
TRANSPARENCY
&
COMPARABILITY**

**Foster
INTERNATIONAL
COOPERATION**



The Luxembourg Green Exchange (LGX)



LUXEMBOURG
GREEN EXCHANGE

Unlocking Sustainable Capital



World's first green exchange since 2016



REGISTRATION

BdL market

Euro MTF market

Securities Official List
(SOL)



CLASSIFICATION



TRANSPARENCY AND DISCLOSURE

- Use of proceeds
- External review
- Commitment to post issuance reporting



ONGOING REPORTING

IMPACT REPORT
JUNE 2016



Internationally recognised standards



- Project eligibility
- Selection
- Monitoring
- Reporting



Global Reach



USD 200+ bn

issued in total



550+ securities

denominated in 29 currencies



400+% growth

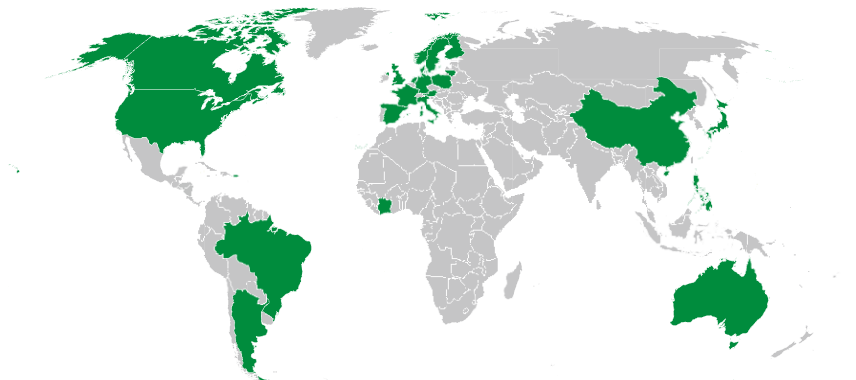
since 2016



50% market share

of listed green, social and sustainability
bonds worldwide

Geographical distribution of LGX issuers



LUXEMBOURG
GREEN EXCHANGE



LUXEMBOURG
GREEN EXCHANGE



> **For issuers:**

- Additional **channel to communicate** with **new and prospective investors**
- Highest **visibility** & enhanced ESG profile
- Leverage of **disclosure efforts** via an information platform service
- **Free upload of sustainable documentation**

> **For investors:**

- Easy access to **highly transparent** sustainable financial instruments
- Free and unrestricted **access to sustainability-related information**
- Improved **comparability** of sustainable financial instruments
- High level of transparency



LuxSE Guide to ESG Reporting



<https://www.bourse.lu/guide-to-esg-reporting>



Where is the market
heading?





Transparency



Data



Regulation

**“Sustainability is
about business”**

**“Sustainable Finance is
the single biggest
business opportunity
since the industrial
revolution.”**

- Al Gore, former US Vice President

