

#12 DECEMBER 2024

● Figure of the month

\$1.7 T

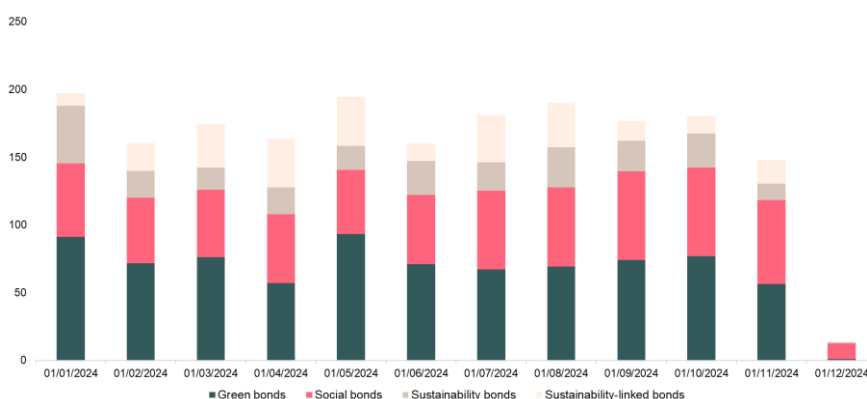
Global sustainable-debt issuance is on a record pace, surpassing the \$1.7 trillion mark so far in 2024

Source: Bloomberg, November 2024

● Chart of the month

Sustainable debt issuance year-to-date in Bn €

Sustainable issuances in 2024 are expected to set new records, surpassing those of 2021. A linear distribution of issuances is observed, and the gap between social and green bonds is narrowing, indicating a growing harmonization between these two types of financing.



Source: Ostrum AM, Bloomberg, November 2024

● This month in a nutshell

- The Science Based Targets Network (SBTN) recently announced that **GSK, Holcim, and Kering are the first companies to adopt science-based targets for nature**. This initiative marks a significant turning point in corporate commitment to sustainability, initially focusing **on critical issues** such as freshwater and land. These targets aim to align corporate actions **with environmental needs and contribute to biodiversity preservation**.
- Local authorities (regions, departments, municipalities) play a key role in sustainable development **by financing projects**. The Walloon region has implemented local strategies, and a 2050 vision focused on three aspects: **living in Wallonia, living in the world, and living beyond 2050**. At the end of November 2024, the issuer launched its **second social bond** to finance education, employment, affordable housing, and access to essential services.
- The transport sector accounts for **approximately 15% of global greenhouse gas (GHG) emissions**, prompting companies to take action to reduce their environmental impact. In this context, IHO, a German manufacturer of parts for machinery and vehicles, offers **solutions for the transition to a low-carbon economy**. This year, the company issued a Sustainability-linked bond with the goal of reducing its GHG emissions by 75% for scopes 1 and 2, and by 25% for scope 3 by 2030.
- Deutsche Bank announced that it has raised **€500 million through its first social bond**, the proceeds of which are intended to support the bank's sustainable asset portfolio. This portfolio finances sectors such as **affordable housing and access to essential services** for the elderly or vulnerable individuals.



Timothée Pubellier, CFA
Senior Fixed Income
Portfolio Manager

Additional notes

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