



# **From Pledges to Action:**

The Reality of Net Zero  
in Banking

WAVESTONE

# Content

---

Introduction .....	3
CSA Raw Data Overview .....	6
Net Zero Commitments Tracker Overview .....	8
Executive Summary .....	9
Disclosure of GHG Emissions .....	11
Data Analysis .....	14
Target Definition .....	17
Data Analysis .....	19
Decarbonisation Plans for Scope 3 Emissions .....	22
Data Analysis .....	23
Case Study – France, DACH and the UK .....	26
Best Practice .....	35
Where do we go from here? .....	46
Appendix .....	50
Useful Links .....	50

# 1.

## Introduction

---

**In June 2024, Switzerland, France, and Italy experienced severe rain, flooding, and landslides, claiming several lives.<sup>1</sup> Such events also incur significant economic costs. In 2023, the reinsurance company Swiss Re estimated that extreme weather events caused a total of 280 billion USD in damage, with insured losses amounting to 100 billion USD.<sup>2</sup>**

Climate change is making these extreme weather events more frequent and severe.<sup>3</sup> The global scientific consensus is clear: to avoid the worst impacts of climate change, global emissions must reach Net Zero. This means total greenhouse gas emissions must be balanced by emissions removed from the atmosphere by 2050, requiring participation from all sectors of society.



1 Agence France Presse. "Seven dead after storms lash France, Switzerland and Italy." <https://www.theguardian.com/world/article/2024/jun/30/dead-after-storms-lash-france-switzerland>. 30 June, 2024.

2 Banerjee, Chandan, Bever, Lucia, et. al. "sigma 01/2024: Natural catastrophes in 2023." <https://www.swissre.com/institute/research/sigma-research/sigma-2024-01.html>. 26 March, 2024.

3 IPCC, Core Writing Team, H. Lee and J. Romero (eds.) "Climate Change 2023 – Synthesis Report." 2023.

As key drivers of the global economy, banks play a pivotal role in this transition. By significantly reducing the carbon footprint associated with their lending and investment portfolios, banks can contribute meaningfully to global climate change mitigation efforts.

The analysis will evaluate the maturity of Net Zero commitments in the banking industry using CSA Raw Data and the Net Zero Commitments Tracker from S&P Global Capital IQ Pro. This comprehensive platform provides data on financials, sustainability, energy assets, and company analytics within the global economy. The study analyses the commitments of the following three Global Industry Classification Standard (GICS) sectors<sup>4</sup> :

- Diversified Banks
- Regional Banks
- Asset Management & Custody Banks

These sectors have a significant influence at a systemic level, controlling vast capital flows through lending, investing, and financing activities. Through strategic allocation of capital, they possess the capacity to propel the shift towards a low-carbon economy. On the flipside, through their portfolio, banks are exposed to substantial climate-related risks. To give an example, according to the European Central Bank's Banking Supervision, banks generate over 60% of their interest income from counterparties in carbon-intensive sectors.<sup>5</sup> This high prevalence of transition risks stemming from climate change underscores the urgency for banks to actively engage in assessing and addressing these risks within their operations and investment strategies.

<sup>4</sup> To increase coverage, for the French market, the analysis will also include the Diversified Capital Markets sector.

<sup>5</sup> Elderson, Frank. „Failing to Plan Is Planning to Fail” – Why Transition Planning Is Essential for Banks.” [www.bankingsupervision.europa.eu](http://www.bankingsupervision.europa.eu). January 23, 2024.

For this study, we analysed five indicators:

- Disclosure of carbon footprint data
- Definition of targets by banks, including target scope and methodology
- Decarbonisation plans for scope 3 emissions, which represent a large part of overall scope 1, 2 and 3 emissions.

While these factors are not exhaustive, they serve as a foundational framework for analysing banks' Net Zero commitments. Each indicator is detailed and analysed within its own corresponding section.



# 1.1

## CSA Raw Data Overview

---

The primary dataset utilised is the Corporate Sustainability Assessment Raw data from S&P Global Sustainable<sup>1</sup>. The Corporate Sustainability Assessment, abbreviated as CSA, is an annual evaluation of a company's performance, disclosure and management of material ESG issues across environmental (E), social (S), and governance (G) pillars. Consequently, it provides extensive qualitative and quantitative insights into the sustainability practices of companies globally. All data used is sourced from the 2023 assessment. This assessment considers company data from 2022, which is evaluated by S&P and subsequently published in 2023.



Established in 1999, it is one of the most widely used ESG scoring solutions, used by thousands of asset managers, investors, and financial institutions. ESG Score clients hold 38.4 trillion dollars of assets under management.

The data within this report leverages the raw data that has been captured in the CSA for the 2022 Financial year, based upon which the 2023 scores have been published (latest assessment). No ESG scores have been leveraged within this study.

A total of 869 banks within the relevant Global Industry Classification Standard (GICS) sectors had existing CSA Raw Data for 2023 and were included in the analysis. This sample can further be split into 317 US and Canadian companies, 88 African companies, 135 European companies, 286 companies in APAC, and 43 Latin American companies.

The assessment process utilises company-published public data or direct engagement with companies, systematically analysing and collecting data through 15-30 criteria-level scores and 130 question-level scores. For example, criteria-level scores under the Environmental (E) pillar might include climate strategy, decarbonization strategy, emissions, waste and water.

The ESG Raw Data used in this study represents the initial input in this structure, where data has been collected and validated. This analysis therefore takes into consideration only the raw data and not the ESG scores. It is also important to note that if information is not publicly available or disclosed in the CSA questionnaire, it cannot be assessed as part of this study.

# 1.2

## Net Zero Commitments Tracker Overview

---

The Net Zero Commitments Tracker examines net zero and other carbon reduction commitments from more than 2,700 companies, analysing published targets by emissions scope, and tracking disclosed data. This tracker serves as a tool for measuring and comparing companies' published commitments to actual and projected emissions and reductions. In this assessment, 346 banks within the three relevant Global Industry Classification Standard (GICS) sectors had existing Net Zero Commitments Tracker data and were included in the analysis.





# 2.

## Executive Summary

---

The assessment shows that most banks do not disclose information which enables investors or the market to assess the maturity of bank's Net Zero goals. The most important findings are the following:

- 42% of banks disclose scope 3 emissions, which usually represent more than 95% of bank's overall scope 1, 2, and 3 emissions.
- Whereas 33% of banks have disclosed a Net Zero target, 16% of banks have a disclosed target for their scope 3 emissions.
- Only a minority of banks have science-based targets.
- European banks, particularly in the UK and France, showcase more ambitious approaches with regards to Net Zero, given to increased regulatory requirements.

Findings vary across regions and countries, with European Banks disclosing more information across all evaluated criteria. For example, 84% of European banks publicly report scope 3 data, whereas only 12% of US-banks publicly report scope 3 data. This figure stands at 33% for institutions in Asia and the Pacific (APAC). The same is the case for financed emissions decarbonisation plans, which are publicly disclosed by 44% of European banks versus 4% of US banks and 4% for banks in Asia and the Pacific.

Local case studies from the UK, France and the DACH region<sup>6</sup> highlight national differences. In Germany, 76% of institutions publicly report Scope 3 data, but only 12% have set science-based targets or committed to validate their targets, and 32% have targets for financed emissions. In contrast, in the UK, 84% of surveyed institutions publicly report Scope 3 data, 32% have science-based targets or have committed to validate their targets, and 64% have targets for financed emissions in line with CSA guidance. France seems particularly advanced in terms of emissions reporting, with 90% of surveyed institutions reporting their scope 3 emissions. Likewise, 50% of French institutions have science-based targets.

The findings reflect stricter regulatory requirements and more demanding investor expectations for entities in Europe in terms of climate-related financial disclosures than for their peers in Asia and the USA. European differences could also be due to mandatory TCFD requirements in the UK for some institutions versus the absence of such requirements in Austria and Germany. This hypothesis is strengthened by the fact that all 8 companies in the DACH region with decarbonisation plans for scope 3 emissions are Swiss, where TCFD disclosures have been made mandatory for sector participants. This hypothesis is confirmed by looking at France, where emissions reporting has been made mandatory for financial institutions via article 29 of the Energy-Climate law (formerly Article 173). Case studies on BNP Paribas, NatWest and Nordea highlight that beyond target setting, approaches including active ownership and phase-down or phase-out of high-emitting industries can contribute to the irreversibility and robustness of the financial industry's Net Zero targets.

The following section delves deeper into these findings, illuminating the challenges banks encounter in their Net Zero journeys and providing insights for better understanding.

6 The DACH region refers to Germany (D), Austria (A) and Switzerland (CH).

# 3.

## Disclosure of GHG Emissions

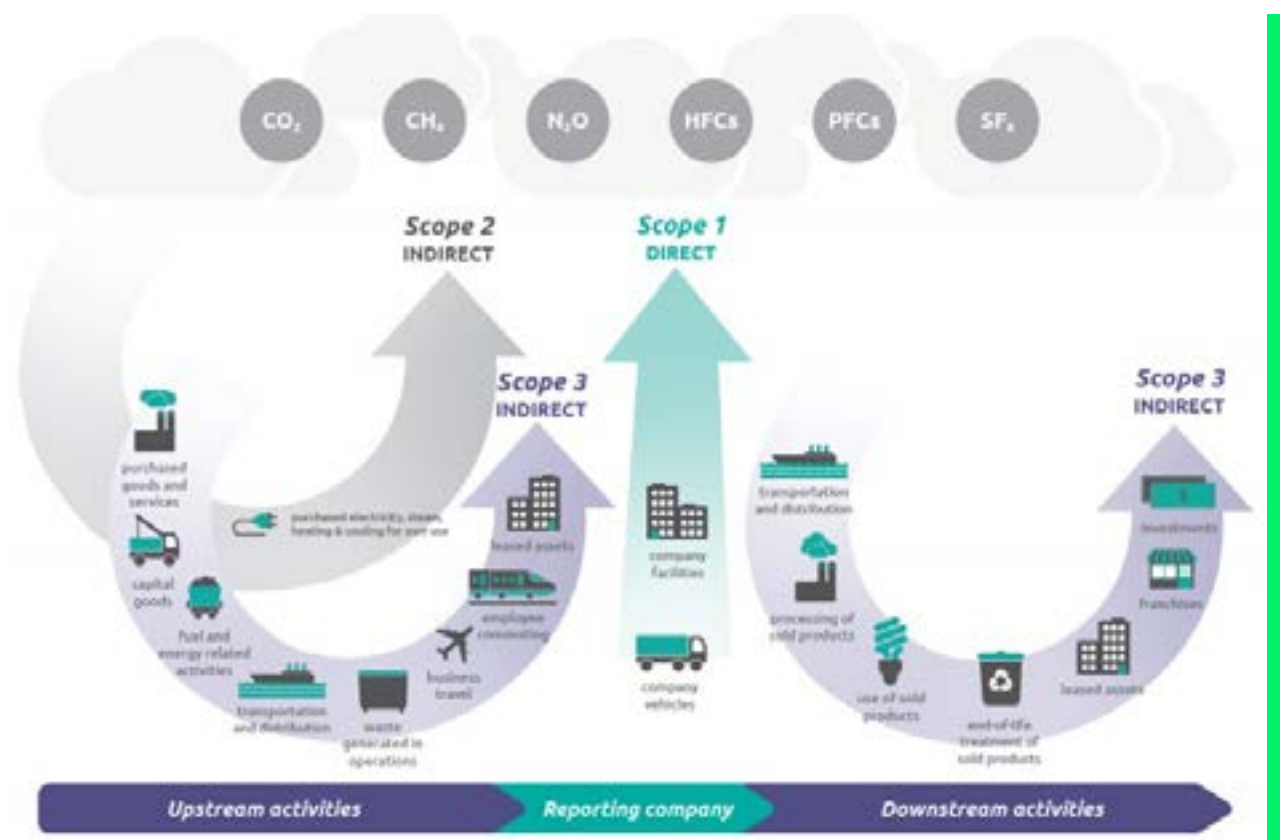


Figure 1- Scope 1,2 and 3 Emissions according to the GHG Protocol (Source: GHG Protocol)

The carbon footprint is the amount of carbon dioxide equivalent emissions associated with the activities of an entity. This includes direct emissions, which result from a bank's operations, as well as indirect emissions required to generate purchased electricity, or emissions associated with a company's supply chain. According to the GHG Protocol, emissions can be split into scope 1, 2 and 3 emissions (image above). To give examples, the emissions profile of a bank would look as follows:

- Scope 1 emissions: Direct greenhouse gas emissions from sources that are owned or controlled by the financial institution, such as emissions from company-owned buildings or fleet vehicles.
- Scope 2 emissions: Indirect greenhouse gas emissions, from the consumption of purchased electricity, heating or cooling within the bank's facilities.
- Scope 3 emissions: Consists mainly of emissions from financed activities (loans and investments), but also business travel, employee commuting and waste disposal.

For the average organization, Scope 3 emissions account for 70–95% of total emissions.<sup>7 8</sup> Due to their lending and financing activities, banks typically find themselves near the 95% mark (and sometimes even higher). Within scope 3, there are different categories which include emissions from business travel (category 6), employee commuting (category 7), and purchased goods and investments (category 15).

Emissions attributable to GHG category 15, investments, represent the highest emitting category for banks and financial institutions. This indicates that these institutions are systematically exposed to climate change via their investments and lending, which cover all sectors of an economy. For this reason, more time will be spent analysing scope 3 emissions and corresponding emissions reduc-

7 Department for Energy Security&Net Zero. "Scope 3 Emissions in the UK Reporting Landscape." October 2023.

8 Pineda Carrillo Alberto. "Scope 3: Stepping up science-based action." <https://sciencebasedtargets.org/blog/scope-3-stepping-up-science-based-action>. 20 February 2023.

tion plans.

In the context of the maturity of Net Zero commitments in the banking industry, understanding a bank's carbon footprint is the first step to developing effective decarbonisation strategies and transition plans. In addition, it is increasingly becoming a regulatory requirement, as regulations such as the EU Corporate Sustainability Reporting Directive are making emissions disclosure mandatory.

<sup>9</sup> Assessing carbon emissions enables banks to pinpoint significant emission sources, especially within their portfolios, facilitating appropriate resource allocation and prioritisation of efforts.

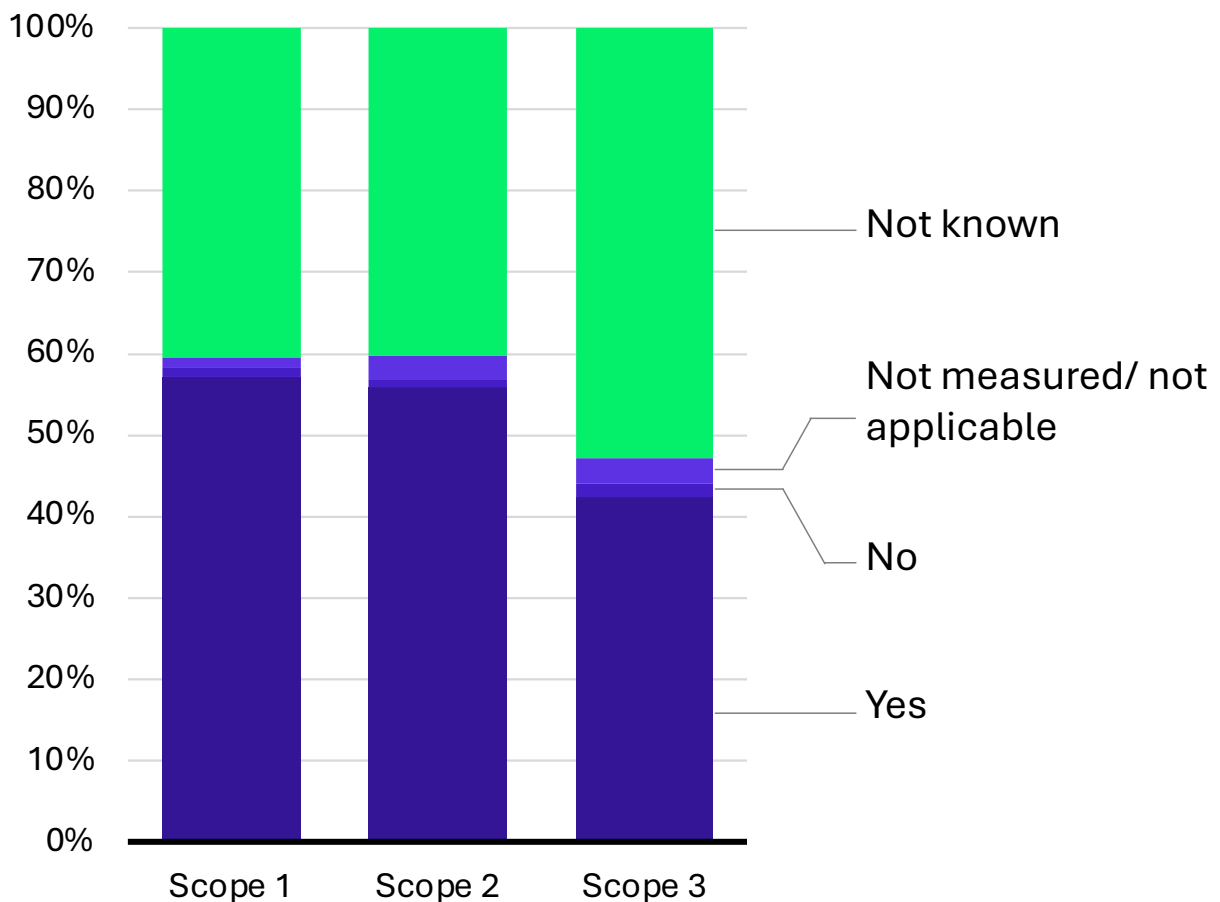
<sup>9</sup> Applicable to entities which have established climate change as a material topic via a dual materiality assessment and therefore need to report against ESRS E1 – Climate Change.

# 3.1

## Data Analysis

Globally, 57% of banks disclose scope 1 emissions, while 56% disclose scope 2 emissions. However, only 42% disclose scope 3 emissions, which make up the most significant part of bank's overall emissions. A significant portion, 53% of companies, are categorised as "not measured," indicating that banks have not published data or published data that does not adhere to the methodological requirements of the CSA.

**Carbon Footprint Data Availability (2023 CSA Data)**

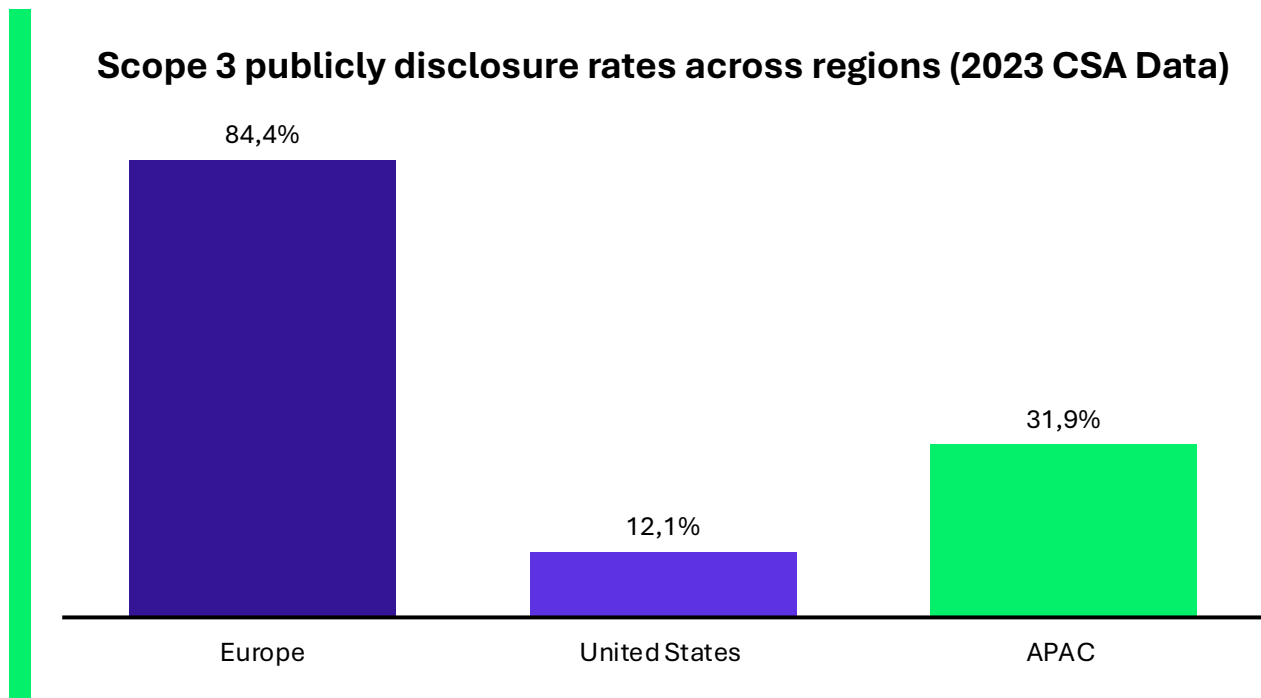


The CSA will require companies to adhere to the guidelines outlined in the GHG Protocol Accounting and Reporting Standard. This entails providing data for all scope 3 emission categories, disclosing the emissions calculation methodology and justifying any exclusions. If data is verified through a third party, this is considered best practice. The 53% of companies which show up as “not measured” will have not taken sufficient measures to report in line with these requirements. Among all evaluated companies with CSA raw data globally, a mere 15% of institutions disclose category 15 emissions, which pertain to emissions from investments. The majority either have not answered (29%), claim not to know (53%), or fall under the “not measured” category (3%). Regional analysis reveals varying patterns in Scope 3 disclosure rates: 84% disclose scope 3 in Europe, 12% for the US, and 33% for APAC (see chart below).

Differences reflect varying regulatory requirements and investor expectations. For instance, TCFD requirements are mandatory for certain companies in Switzerland and the UK, and the newly introduced CSRD will require climate-related disclosures for companies identifying climate change as material through a double-materiality assessment.<sup>10</sup> This includes the mandatory disclosure of scope 1, 2, and 3 emissions, which will also be subject to assurance requirements.

<sup>10</sup> A double materiality assessment consists of analysing how a company impacts society and the environment (impact materiality), as well as how the environment and society impacts a company via sustainability-related risks and opportunities.

Although Scope 3 emissions are not yet mandatory, European investor communities have shown a stronger inclination to consider material ESG factors, including GHG emissions disclosures, compared to other regions. This in turn might impact GHG emission disclosure rates.



However, scope 3 emissions are difficult to calculate, partly because they depend on accurate emissions information within businesses value chains.



# 4.

## Target Definition

---

Net Zero targets entail a commitment to balancing greenhouse gas (GHG) emissions with an equivalent amount removed from the atmosphere, resulting in a net balance of zero emissions. For banks, achieving Net Zero extends to attaining a net-zero portfolio, including lending and financing activities. Targets serve as catalysts for strategy and action, particularly when publicly disclosed, signalling a bank's ambition to achieve Net Zero.

Targets can be differentiated across emission scopes and target horizons. While reducing scope 1 and 2 emissions is more straightforward as they are under direct control, focusing on scope 3 targets is crucial for banks due to most emissions being located there. However, these scope 3 targets are fundamental as they influence the



bank's investment strategies, which in turn have ripple effects across the broader economy. Near-term targets are instrumental in shaping near-term strategy, whereas long-term targets instil confidence in a bank's commitment to achieving Net Zero by 2050, aligning with the goals of the Paris Agreement.

Additionally, targets should be set according to a science-based methodology. The Science Based Targets initiative (SBTi) for example offers crucial guidance and validation for targets, ensuring they are in line with the imperative of limiting global warming to below 2 degrees Celsius. Institutions can either set targets and seek validation from the SBTi or utilise its guidance during target-setting processes. Other science-based methodologies complement the efforts of the SBTi, offering sector-specific guidance and protocols for emission reduction target setting. These include the Glasgow Financial Alliance for Net Zero (GFANZ) guidance on sectoral pathways for Financial Institutions (FIs), the Net-Zero Banking Alliance (NZBA) protocols, UNEP FI Guidelines for Climate Target Setting for Banks, and the Partnership for Carbon Accounting Financials (PCAF). Setting science-based targets ensures that banks' efforts are in line with scientific consensus as well as the goals of the Paris Agreement. It also ensures the credibility and accountability of targets. Within the analysis, all science-based approaches, including those proposed by the SBTi and others, are accepted as valid.

# 4.1

## Data Analysis

---

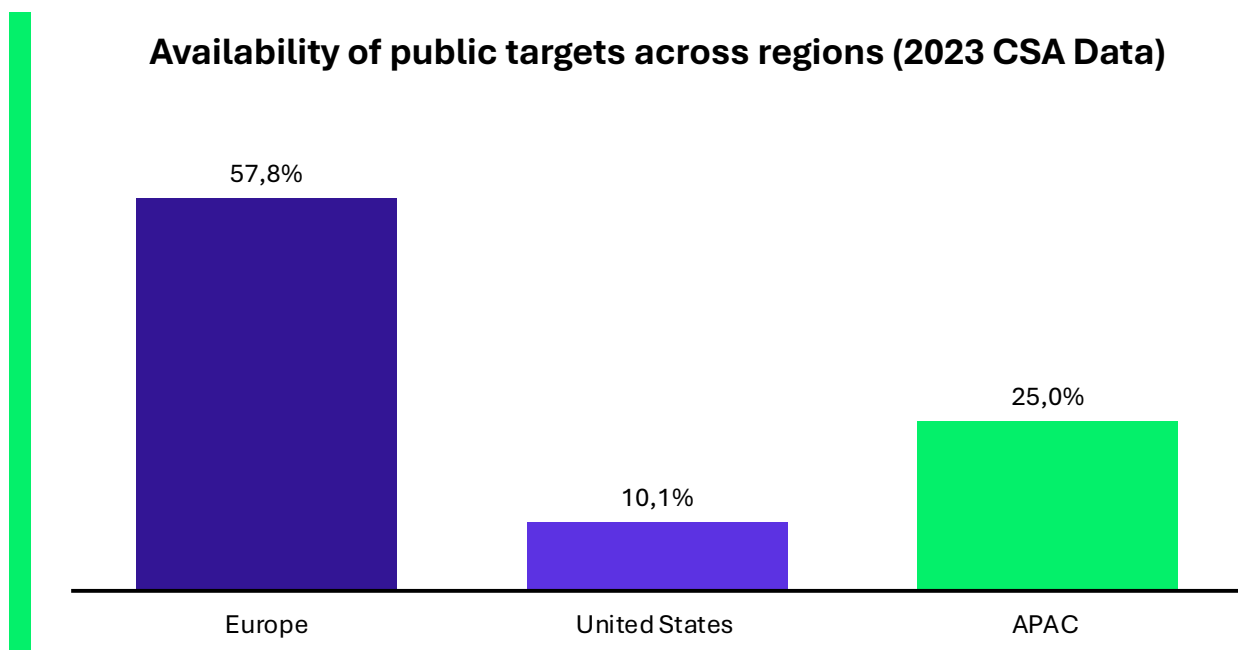
The data shows that in 2023, 32.5% of surveyed banks had established a company-wide absolute emissions target and/or an emissions intensity target that is publicly available and covers scope 1, scope 2, and/or scope 3 emissions, or a combination of scoped emissions. Note that this question requires entities to disclose this information publicly, together with the scope covered, target timeframe and other details which specify the target further. Most banks committed publicly to reducing scope 1 and scope 2 emissions.

The year 2030 emerges as the most prevalent target year, with 15.42% of institutions setting goals for this timeframe. Following closely behind is the year 2025, with 4.95% of institutions aligning their targets accordingly. This pattern mirrors recommendations put forth by organizations like the Net Zero Asset Owner Alliance (NZAOA) and other leading entities in target-setting, which recommend setting near-term targets in addition to long-term targets.

Moreover, several institutions have chosen to maintain separate targets for scope 1, 2, and 3 emissions alongside a combined target. This approach reflects ongoing strategic target revisions and alignment efforts with methodologies such as the Science-Based Targets initiative (SBTi). The decision to set and work towards different targets reflect the complexity of carbon emissions management and shifting stakeholder expectations and reporting standards.

Moreover, substantial differences between regions have been observed. In Europe, 57.78% of institutions disclose a target, in the US 10.09% of institutions dis-

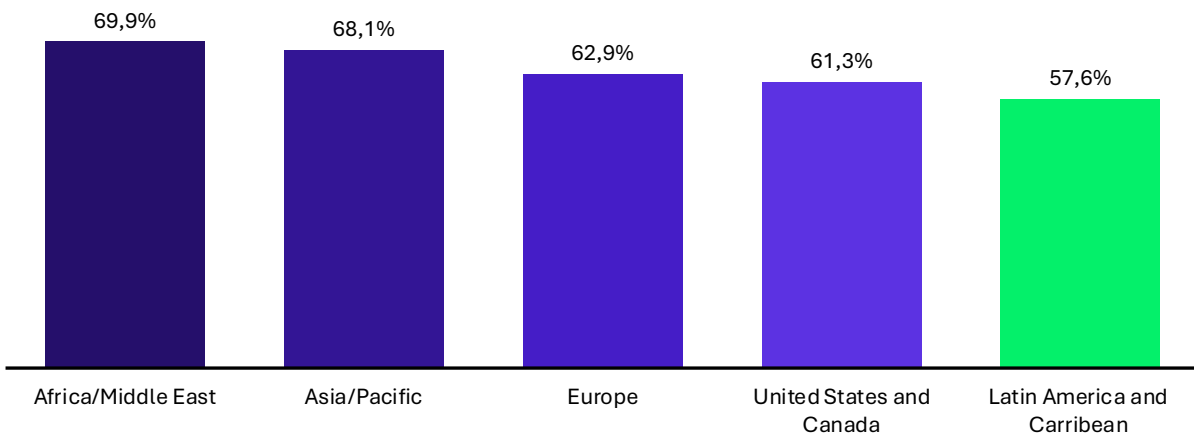
close a target and in APAC, 45.45% of institutions disclose a target. With quickly changing regulatory requirements around the globe, especially within the EU, where the CSRD will require companies to disclose a transition plan in case climate change has been identified as material, this picture is likely to change in the coming years.



Data from the Net Zero Commitments Tracker shows that institutions in Africa/Middle East and Asia/Pacific have set the most ambitious targets in terms of average target emissions reductions, aiming for reductions of 69% and 68% respectively, across the bank's chosen target. This means, that S&P looks at the target and checks how many emissions shall be reduced under that target. European institutions follow closely with a 63% reduction goal, while those in the US and Canada target a 61% reduction. Latin American and Caribbean institutions have slightly lower targets, averaging a reduction goal of 57.5%.

Variations highlight the diverse approaches and priorities across regions in addressing climate change through emissions reduction initiatives. However, while the average target reduction indicates a bank's level of ambition, it does not necessarily reflect the quality of that target. Consequently, there may be a significant gap between ambition and actual emissions reductions, warranting further research.

### Average of Target Emission Reduction (2024 Net Zero Commitments Tracker Data)



Our analysis shows that only a minority of banks have science-based targets. Only 10.47% of institutions with combined targets, 2.65% with scope 1 targets, 2.31% with scope 2 targets, and 2.76% with scope 3 targets have either validated their targets with the SBTi, publicly sought validation, or consider their target to be science-based.

Regarding intermediate targets, 5.77% of companies consider their targets to be science-based, while 2.19% have committed to seeking validation for their targets. Additionally, only 0.35% have undergone independent third-party verification, and a mere 1.96% have verified their intermediate targets with the SBTi.

As the need for robust decarbonisation strategies grows, so too does the need for strategies grounded in science. With regulators quickly moving towards stricter regulations against so-called “greenwashing” and society becoming more aware of sustainability-related issues, the market might also become more vigilant in scrutinising companies’ claims and actions. This heightened scrutiny can drive companies to adopt more transparent and verifiable decarbonisation efforts, ensuring their commitments are both credible and impactful. As a result, we may see an increase in the adoption of science-based targets and third-party verifications, fostering a more genuine and accountable approach to achieving Net Zero.

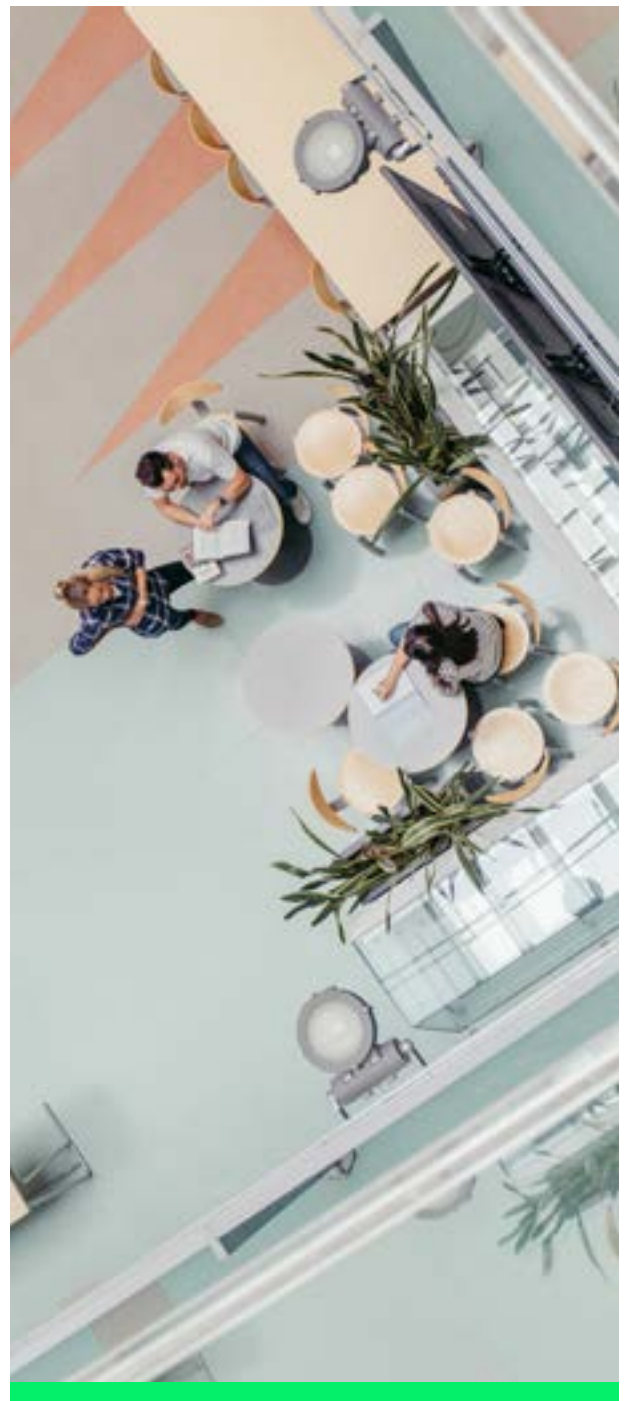
# 5.

## Decarbonisation Plans for Scope 3 Emissions

---

A decarbonisation plan for scope 3 emissions entails the identification, measurement, and reduction of indirect emissions, which includes emissions from investments (category 15). Addressing scope 3 emissions is crucial for banks due to the significant portion of their carbon footprint attributed to this scope.

By actively managing and reducing scope 3 emissions, setting targets, and minimising their carbon exposure, banks can effectively mitigate transition risks stemming from regulatory changes, shifts in consumer preferences, and other factors. This approach not only aligns with sustainability goals but also enhances resilience and competitiveness in an evolving market landscape.



# 5.1

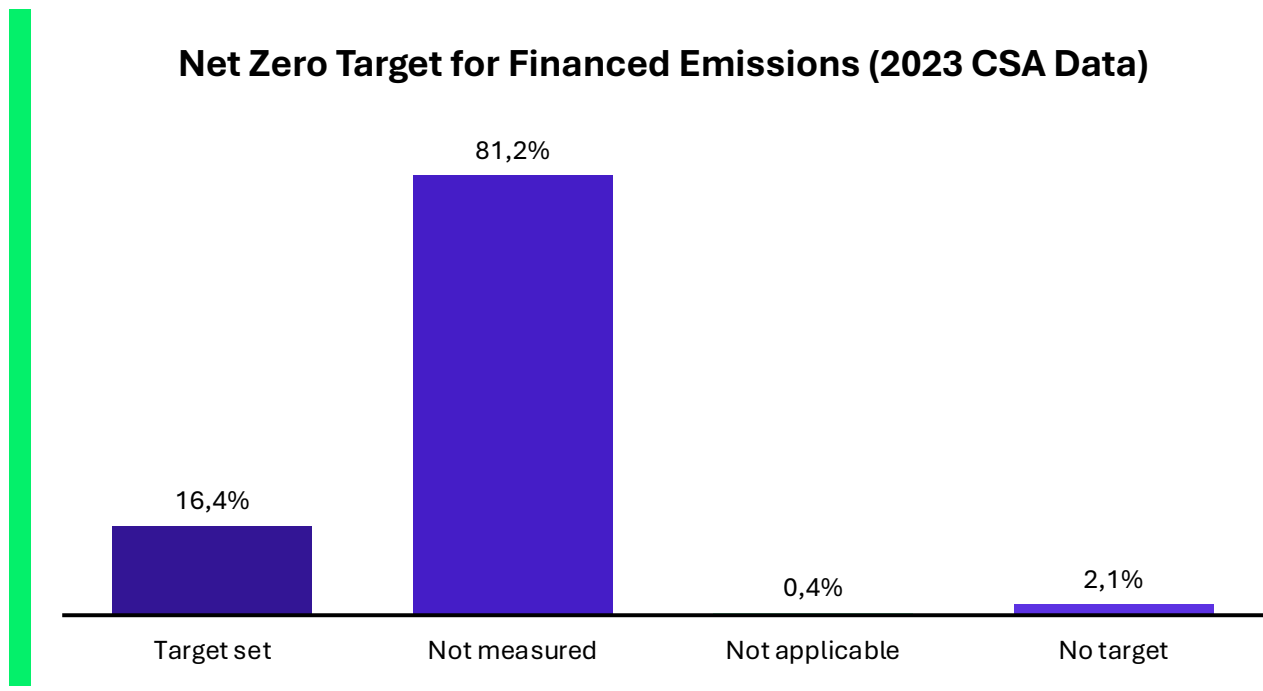
## Data Analysis

---

Only 16.4% of companies have established Net Zero targets for scope 3 emissions. Meanwhile, a significant 81.18% appear as “not measured,” indicating that these institutions have not taken measures to report on a target for scope 3 emissions. The assessment criteria require banks to publicly share information on their net-zero and intermediate reduction targets for scope 3 emissions, including the methodologies and protocols used.<sup>11</sup> If essential elements are missing, they are categorised as “not measured”, as the provided information will not be factually substantiated. It is also possible that some banks have Scope 3 targets but do not publish details about those targets, including the methodology used. Consequently, they are not recognized as having an adequate scope 3 target.

11 Protocols and methodologies include the Science-based Targets Initiative, Net Zero Asset Owner Alliance Target Setting Protocol, Paris Aligned Investment Initiative Net-Zero Investment Framework and UNEP FI Guidelines for Climate Target Setting for Banks. If any other methodology is used, details need to be provided.

The lack of reporting on scope 3 targets could pose a challenge for stakeholders who increasingly expect transparency and accountability regarding climate ambitions. However, addressing scope 3 emissions is challenging for banks, as the clients they lend to or companies they invest in would need to measure their emissions and implement their own transition plans. Alternatively, while modeling Scope 3 data is widely accepted, it comes with its own set of challenges, such as making the right assumptions and methodological choices. A clear example of this challenge is the variation in Scope 3 emissions figures reported by different data providers. According to a 2023 article by Robeco, an asset manager, Scope 3 emissions data from MSCI, S&P Global, and the CDP show significant discrepancies.<sup>12</sup>

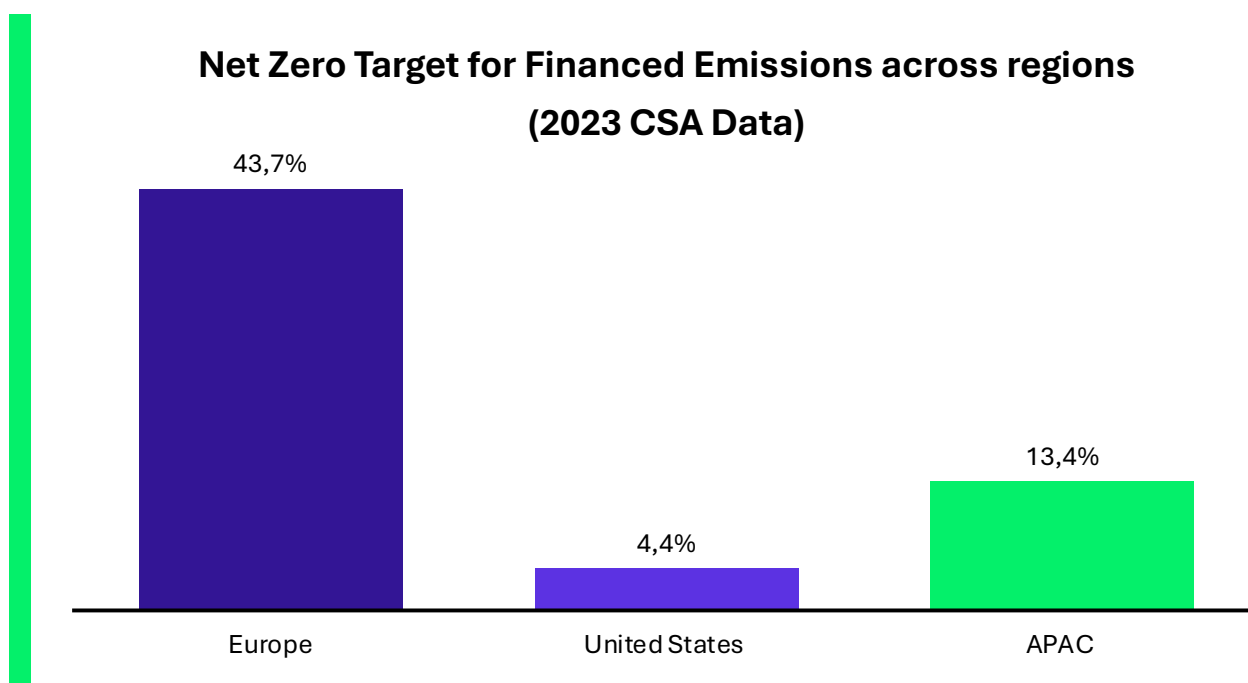


12 Homer, Emily and Markwat, Thijs. "The challenges of mapping carbon emissions: Scope 3 emissions – Part two." <https://www.robeco.com/en-uk/insights/2023/09/the-problem-child-of-carbon-emissions-scope-3-part-two>. 08 September 2023.



Besides the existence of an emissions reduction or Net Zero target for scope 3 emissions, the scope covered is an important element to assess in terms of target maturity. Amongst the surveyed banks which provide data regarding scope 3 emissions covered by the target, only half cover 70% or more of their Scope 3 emissions. This indicates that even banks with established targets may have limitations in the scope of emissions they address.

Regional analysis reveals that targets for financed emissions are not common, even in Europe. Only 43.70% of European institutions have set targets for financed emissions. This figure drops to 4.36% for the US and 13.38% for APAC.



# 6.

## Case Study – France, DACH and the UK

---

The following case study illustrates the differences between European regions at a more granular level. Both the UK and DACH-region sample sizes were 25 institutions, allowing us to make inferences about the overall market. To enhance coverage for France, the GICS category “Diversified Capital Markets” was added. This inclusion increased the sample from 6 to 10 companies. Among these 10 banks, the largest by assets were represented, allowing us to make broader inferences about the French market.

Each country operates within a distinct regulatory framework that influences the extent of Net Zero commitment disclosures. Below is a summary of notable climate-related disclosure laws, highlighting the environment in which banks are transitioning to Net Zero. This list is not exhaustive, and its purpose is to offer context rather than comprehensive coverage of climate-related disclosure rules.

## Main climate-related financial disclosures in sample countries:

- **United Kingdom**

<b>Name</b>
Companies Act 2006 (sections 414C, 414A, and 414CB)
<b>Scope of Applicability</b>
<p>Applies to:</p> <ul style="list-style-type: none"><li>• UK companies that have more than 500 employees and have either transferable securities admitted to trading on a UK regulated market or are a bank or insurance company (Relevant Public Interest Entities (PIEs))</li><li>• UK registered companies with securities admitted to AIM with more than 500 employees</li><li>• UK registered companies not included in the categories above, which have more than 500 employees and a turnover of more than £500m</li><li>• Large LLPs, which are not traded or banking LLPs, and have more than 500 employees and a turnover of more than £500m</li><li>• Traded or banking LLPs which have more than 500 employees</li></ul>
<b>Main climate-related mandated disclosures</b>
<ul style="list-style-type: none"><li>• TCFD-aligned disclosures mandatory.</li></ul>
<b>Name</b>
Streamlined Energy and Carbon Reporting framework

## Scope of Applicability

Companies that meet the following definitions must comply unless they qualify for specific exemptions:

- Quoted companies of any size that are already obliged to report under mandatory greenhouse gas reporting regulations.
- Unquoted companies incorporated in the UK that meet the definition of 'large' under the Companies Act 2006 will have new reporting obligations.
- 'Large' Limited Liability Partnerships (LLPs) will be required to prepare and file a 'Energy and Carbon Report'.

## Main climate-related mandated disclosures

All companies in scope must report

- Energy use and GHG emissions figures from previous year (exempt in first year)
- At least one emission intensity ratio
- Narrative on energy efficiency measures
- Details of methodology used

For listed Companies:

- Annual global GHG emissions from activities for which the company is responsible, including combustion of fuel and operation of any facility, and the annual emissions from the purchase of electricity, heat, steam or cooling by the company for its own use.

Large Unquoted Companies and LLPs:

- UK energy use (as a minimum gas, electricity and transport including UK offshore area)

- **DACH Region**

<b>Name</b>	<b>Country</b>
Corporate Sustainability Reporting Directive	Germany/Austria
<b>Scope of Applicability</b>	
<p>Phased in applicability.</p> <p>For 2025:</p> <ul style="list-style-type: none"> <li>• Listed companies with more than 500 employees</li> </ul> <p>For 2026 out of three requirements apply:</p> <ul style="list-style-type: none"> <li>• Net turnover of more than €40 million</li> <li>• Balance sheet assets greater than €20 million</li> <li>• More than 250 employees</li> </ul> <p>Scope expands over time.</p>	
<b>Main climate-related mandated disclosures</b>	
<p>If climate change is identified as material to the entity, ESRS E1 applies. ESRS E1 (climate change) mandates:</p> <ul style="list-style-type: none"> <li>• Scope 1, 2 and 3 emissions reporting</li> <li>• Disclosure of climate-related governance, risks, scenario analysis</li> <li>• Disclosure of 1.5-degree aligned transition plan</li> <li>• Effects of climate on business strategy</li> <li>• Disclosure of use of carbon offsets</li> </ul> <p>Amongst other ambitious climate-related disclosures</p>	

Name	Country
German Commercial Code	Germany
<b>Scope of Applicability</b>	
Companies with more than 500 employees.	
<b>Main climate-related mandated disclosures</b>	
<ul style="list-style-type: none"> <li>• Non-financial information is required to supply financial statements in case this is material.</li> <li>• Examples: Climate-related information such as the effects of climate change on the business and the usage of carbon offsets.</li> </ul>	
Name	Country
Swiss Code of Obligations	Switzerland
<b>Scope of Applicability</b>	
<p>Large public companies and financial entities with over 500 employees and at least one two:</p> <ul style="list-style-type: none"> <li>• A balance sheet of more than 20 million Swiss francs,</li> <li>• or a turnover of more than 40 million Swiss francs</li> </ul>	

## Main climate-related mandated disclosures

- TCFD- aligned disclosures mandatory including sector-specific guidance
- Transition plan in line with Swiss climate goals, including quantitative CO2 targets
- Take account of double-materiality, rather than simple financial materiality

### • France

#### Name

Energy Transition Law – Article 29 (formerly article 173)

#### Scope of Applicability

- Financial entities whose balance sheet exceeds €500 million (or belonging to a group establishing consolidated or combined accounts whose total consolidated balance sheet amount exceeds €500 million) and funds over €500 million.
- Concerned credit institutions and companies, investment providing activities, management on behalf of third parties (including discretionary management) and investment advice; reinsurers; additional professional retirement fund.
- Deposit and consignment funds.

## Main climate-related mandated disclosures

- Investors must disclose how they factor ESG criteria and carbon-related aspects into investment policies.
- Listed companies need to disclose financial risks related to effects of climate change, measures adopted by company to reduce them and the consequences of climate change on the company's activities.
- Banks and credit providers need to disclose the risk of excessive leverage and the risks exposed by regular stress tests

### Name

Corporate Sustainability Reporting Directive

### Scope of Applicability

Phased in applicability.

For 2025:

- Listed companies with more than 500 employees

For 2026 out of three requirements apply:

- Net turnover of more than €40 million
- Balance sheet assets greater than €20 million
- More than 250 employees

Scope expands over time.



## Scope of Applicability

If climate change is identified as material to the entity, ESRS EI applies. ESRS EI (climate change) mandates:

- Scope 1, 2 and 3 emissions reporting
- Disclosure of climate-related governance, risks, scenario analysis
- Disclosure of 1.5-degree aligned transition plan
- Effects of climate on business strategy
- Disclosure of use of carbon offsets

Amongst other ambitious climate-related disclosures

In the UK, 84% of surveyed institutions publicly report Scope 3 emissions, compared to 76% in the DACH region. Within the DACH region, Swiss banks lead in public reporting, with 12 out of 14 banks disclosing Scope 3 data, in contrast to 3 out of 6 in Germany and 4 out of 5 in Austria. This discrepancy may be due to mandatory TCFD disclosures in Switzerland, which would apply to banks. Regarding the UK, TCFD disclosures are mandatory for a wide range of companies, contributing to higher disclosure rates for climate-related information, including Scope 3 emissions.

In France, 9 of the 10 institutions reported scope 3 data. France was the first country in the world to introduce mandatory carbon reporting for financial institutions in 2015.<sup>13</sup> This explains the high level of reporting. Even though the sample contains only 10 banks, it can be assumed that most banks will report their scope 3 emissions.

13 <https://www.assemblee-nationale.fr/14/ta-pdf/2736-p.pdf>

In the UK and the DACH region 32% of institutions set Net Zero targets for financed emissions. In France, 5 out of the 10 banks have targets for financed emissions, highlighting France as the most advanced. This reflects the high levels of mandatory climate-related disclosures, as shown in the table above.

Hence, the case study confirms the importance of regulatory frameworks such as mandatory TCFD disclosures. Higher prevalence of science-based targets and detailed emission reporting in the UK underscores contribution of robust regulatory environments in fostering a proactive approach towards sustainability and Net Zero objectives. As climate-related financial disclosures are becoming increasingly mandatory, the picture around Net Zero might quickly change; Countries which are deemed as “laggards” might increase regulatory requirements and therefore become top-performers.



# 7.

## Best Practice

---

The study suggests that institutions in countries with more rigorous disclosure requirements demonstrate more robust performance in terms of Net Zero targets. This includes the French market, where article 29 has introduced ambitious disclosure requirements for banks, as well as Switzerland and the UK, where TCFD requirements have been extended to financial institutions.

However, Net Zero is more than a tick-the-box exercise involving setting the right targets. It is a strategic undertaking involving ongoing commitment, continuous improvement, and proactive engagement with all stakeholders. The best practice section allows us to examine three banks that employ robust approaches to achieving Net Zero, highlighting qualitative elements not included in the statistical analysis.

To select institutions, we reviewed all top-scoring institutions from the CSA assessment. The chosen banks excelled in their environmental scores as part of the CSA assessment. They also had strong targets for financed emissions, operational emissions, and extensive publicly available information. No banks from the DACH region were selected, as they did not perform as well as the selected banks.

The three banks selected, as well as corresponding information can be found in the table below<sup>14</sup>:

<b>BNP Paribas</b>	
<b>Headquarters</b>	Paris
<b>Ticker</b>	ENXTPA:BNP
<b>Business model</b>	Corporate & Institutional Banking, Commercial Banking, Commercial, Personal Banking & Services, Investment and Protection Services
<b>S&amp;P Global Environmental Score</b>	77
<b>CSA Assessment Type</b>	Survey Respondent
<b>Total revenue FY 2023</b>	46,359 million E
<b>Total revenue FY 2023</b>	2,591,499,000 million E
<b>Nordea</b>	
<b>Headquarters</b>	Helsinki
<b>Ticker</b>	OM:NDA
<b>Business model</b>	Personal Banking, Business Banking, Large Corporates and Institutions and Asset & Wealth Management

13 Data provided by S&P Global Capital IQ Pro, as of 05 July, 2024.

<b>S&amp;P Global Environmental Score</b>	73
<b>CSA Assessment Type</b>	Survey Respondent
<b>Total revenue FY 2023</b>	11,763 million E
<b>Total revenue FY 2023</b>	584,702 million E
<b>NatWest</b>	
<b>Headquarters</b>	London
<b>Ticker</b>	ENXTPA:BNP
<b>Business model</b>	Retail Banking, Privat Banking and Commercial & Institutional Banking
<b>S&amp;P Global Environmental Score</b>	73
<b>CSA Assessment Type</b>	Survey Respondent
<b>Total revenue FY 2023</b>	14,752 million GBP
<b>Total revenue FY 2023</b>	692,673 million GBP

The three banks selected, as well as corresponding information can be found in the table below :

## Overview of BNP Paribas, Nordea and Nat West's Emissions Reductions Targets

<b>BNP Paribas</b>	
<b>Operational Emissions</b>	<p>Reducing emissions from 3.21tCO<sub>2</sub>e/FTE in 2012, to 1.85tCO<sub>2</sub>e/FTE by 2025 (ca. 57%).</p> <p>Target has been achieved.</p>
<b>Financed Emissions</b>	<p>Intermediate Target:</p> <p>Reducing carbon footprint (scopes 1 and 2) of investments in scope by 30% by 2025 and by 50% by 2030.</p> <p>Alignment with Net Zero:</p> <p>60% of investment in companies that are aligned with Net Zero in 2030 and 100% in 2040.</p>
<b>Sectoral Portfolio Targets</b>	<p>Sectoral targets apply to the credit portfolio only. Baselines vary (2020-2022).</p> <p>Sectoral targets available for:</p> <ul style="list-style-type: none"> <li>• Oil &amp; gas</li> <li>• Power Generation</li> <li>• Automotive</li> <li>• Steel</li> <li>• Aluminium</li> <li>• Cement</li> </ul>

<b>Nordea</b>	
<b>Operational Emissions</b>	-40% reduction in 2025 compared to 2019. -50% reduction in 2030 compared to 2019
<b>Financed Emissions</b>	Intermediate target: 40-50% carbon emissions reduction across lending and investment portfolios by 2030, compared to 2019. Alignment with Net Zero: 2050 Net Zero target.
<b>Sectoral Portfolio Targets</b>	Sectoral targets apply to the lending portfolio only. Varying baselines (2019-2022) as well as varying target years (2025 or 2030). Sectoral targets available for: <ul style="list-style-type: none"> <li>• Oil &amp; gas</li> <li>• Power Generation</li> <li>• Mining</li> <li>• Shipping</li> <li>• Residential Real Estate</li> <li>• Agriculture</li> <li>• Motor vehicles</li> </ul>
<b>NatWest</b>	
<b>Operational Emissions</b>	-50% emissions reduction from operational value chain <sup>15</sup> by 2030, against 2019 baseline.

<sup>15</sup> Operational value chain captures greenhouse gas emissions Scopes 1, 2 and 3 (Categories 1-14, excluding Categories 8, 10, 14)

<p><b>Financed Emissions</b></p>	<p>Intermediate target:  -50% climate impact across funding activity by 2030, compared to 2019.</p> <p>Alignment with Net Zero: Net Zero in 2050 across financed emissions, assets under management and operational value chain.</p>
<p><b>Sectoral Portfolio Targets</b></p>	<p>The baseline year for all targets is 2019 and the target year is 2030. Sectoral targets apply to various categories:</p> <p>Project finance:</p> <ul style="list-style-type: none"> <li>• Electricity generation project finance</li> </ul> <p>Lending:</p> <ul style="list-style-type: none"> <li>• Residential mortgages</li> <li>• Commercial real estate</li> <li>• Electricity generation</li> <li>• Land transport</li> <li>• Automotive manufacturing</li> </ul> <p>Cement</p> <p>Aluminium</p> <p>Iron and steel</p> <ul style="list-style-type: none"> <li>• Oil and gas</li> <li>• Other sectors including aviation, shipping and agriculture</li> </ul> <p>Listed equity, and corporate bonds, private equity</p>



Given that BNP Paribas, Nordea, and NatWest have different decarbonisation baseline years, different business models and portfolio exposures, like-for-like comparison is not possible. However, the three banks all demonstrate strong commitments to reducing emissions and aligning with Net Zero. They can be considered as leaders, insofar as they demonstrate irreversible and credible decarbonization plans which span from short- to long-term targets. These plans also include strong sectoral decarbonisation targets, essential for a holistic approach to Net Zero.

All three banks have extensive sectoral targets for financed emissions, which consider that not all sectors will decarbonize at the same rate. Within the respective chosen sectoral targets, NatWest covers the broadest diversity of sectors. However, this might be due to the respective portfolio exposure and business model. BNP Paribas focuses its sectoral targets on its credit portfolio, while Nordea targets its lending portfolio. NatWest covers lending, project finance, listed equity, corporate bonds, and private equity. A significant distinction between BNP Paribas and the other banks is BNP Paribas' aim to achieve Net Zero within its financed emissions by 2040, ten years ahead of most institutions in the sector. The following section delves deeper into elements of BNP Paribas's and Nordea's climate strategies. All banks incorporate elements of various strategies. However, the specific examples were selected because they were particularly well detailed in their respective ESG reports. Moreover, the study wanted to highlight diverse qualitative elements of Net Zero strategies, which enhance and further strengthen quantitative targets contained in the table further above.

## Overview of BNP Paribas, Nordea and Nat West's Emissions Reductions Targets

The first institution assessed is BNP Paribas, identified as the largest French bank by revenue and total assets based on data from S&P Global Capital IQ Pro. Within its 2022 Climate Report, it was visible that the French bank BNP Paribas had strong commitments to phasing down or phasing out certain sectors.

They have also restricted financing of oil and gas in ecologically sensitive regions such as the Arctic and Amazon. To give a few examples:

- BNP announced its exit from the thermal coal value chain in 2020 and is well underway to complete this exit.
- In 2022, BNP Paribas restricted support to energy companies involved in the Arctic and Amazon regions, tightening financing, and allowing it only under strict conditions.
- As regards gas exploration and production, in 2023, BNP Paribas committed to cease all financing dedicated to the development of new fields.

This approach allows banks to limit their exposure to transition risks. Companies in the energy sector within the bank's portfolio are particularly vulnerable, as they may face higher carbon taxes or bans on activities such as thermal coal production. Another transition risk for high-carbon sectors is the possibility of regulatory changes rendering certain assets 'stranded,' requiring companies to write them off. Phasing out or down such assets and sectors can minimize bank's risks.

Phasing out or reducing investments in certain sectors is also an efficient way to align with climate goals. Divestment or phasing out positively impacts a portfolio's overall emissions profile. In this context, the phase-down and phase-out of

high-carbon sectors support BNP Paribas' Net Zero targets and overall climate strategy, while minimizing risk and sending a strong message to the market. BNP Paribas continues to advance this strategy by introducing new financing restrictions each year, thereby demonstrating a steadfast commitment to achieving Net Zero.

## **Spotlight – Nordea's Approach to Active Ownership**

The Finnish Bank Nordea's 2022 responsible investment reports highlight its ongoing efforts to be an "active owner." According to the Principles for Responsible Investment, active ownership involves "the use of the rights and position of ownership to influence the activities or behaviour of investee companies." In the context of climate change, active owners support and encourage the transition of their portfolio companies.

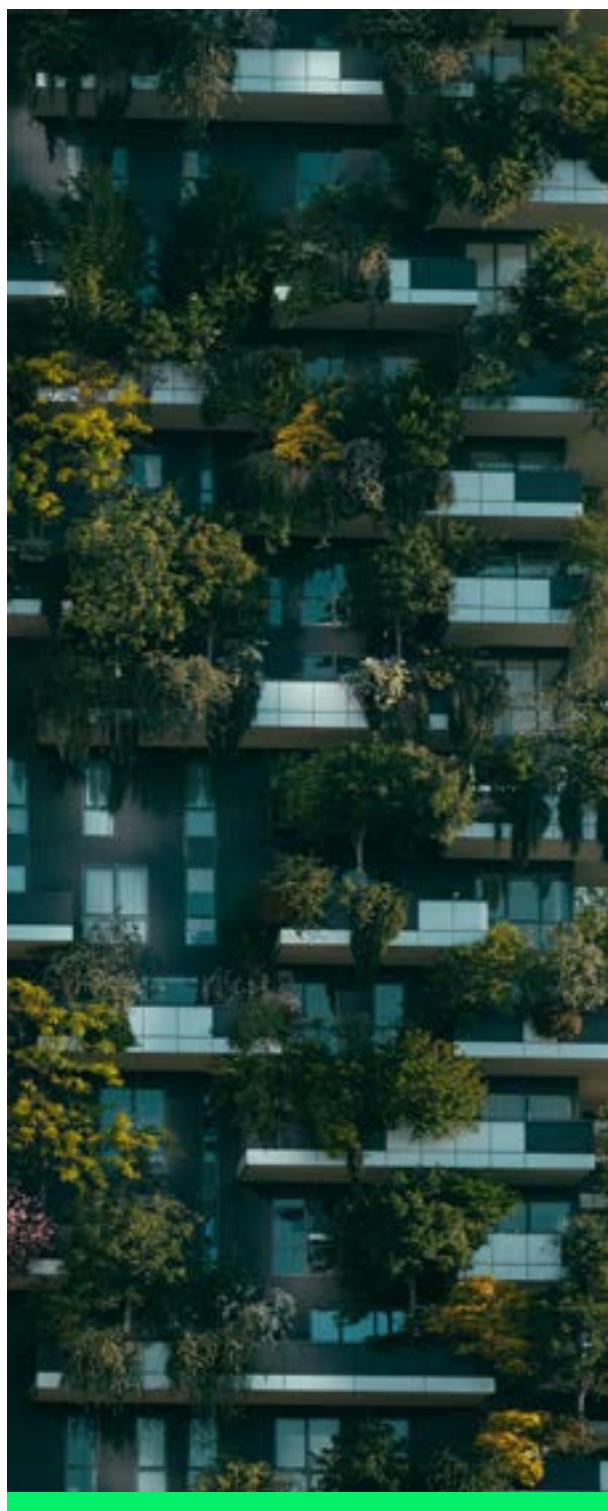
Through engagement, Nordea communicates its expectations and addresses sustainability risks and opportunities. This approach is supported by diligent voting at annual general meetings and engagement meetings, where Nordea can clearly convey its investment expectations. Via the engagement process, financial institutions can craft relationships and obtain more information regarding climate governance, strategy, and performance of portfolio companies. This therefore enables more effective risk management to be put in place by investors.

Whereas Nordea conducts engagement on various topics, climate is one of the ESG focus areas in this regard. As part of its climate strategy, Nordea committed to ensuring that by 2025, 80% of their top 200 largest contributors to financed emissions shall be assessed as Paris-aligned, or else be subject to engagement to become so. Nordea pledges to increasing to the target to 100% by 2030.

A case study illustrating engagement involves Nordea's engagement with the state-owned Brazilian oil producer Petrobras. Nordea emphasised the urgency of reducing methane emissions to achieve alignment with the Paris Agreement. This engagement contributed to Petrobras joining the Oil and Gas Methane Partnership 2.0, a reporting and mitigation program of the United Nations Environment Programme.

### **Spotlight – Capitalizing on Green Opportunities: NatWest's Efforts to Support Customer's Journey to NetZero**

As one of the UK's major brick-and-mortar banks, NatWest offers a range of solutions to support their retail customers' transition to Net Zero. As a retail bank, NatWest has significant exposure to the residential mortgage market. Leveraging green opportunities, NatWest has set a target to provide £100 billion in climate and sustainable funding and financing between 1 July 2021 and the end of 2025. Of this, £10 billion will be allocated to lending for EPC A and B rated residential properties, which are the most energy efficient. Additionally, via their Home Energy Plan portal, NatWest provide customised suggestions to help homeowners make their residen-



tial properties more energy efficient.

NatWest has also introduced a carbon tracking tool for personal customers, enabling them to view a rolling monthly summary of their carbon footprint and commit to quantifiable actions, which then appear as personalized carbon savings. This tool has also been made available to commercial and institutional clients. Hence, by combining both financing and offering relevant tools, NatWest supports their retail customers' transition, thereby reducing their own transition risk as well.

The bank also supports the transition of corporate clients by providing funding for green transport assets, such as electric and hybrid vehicles, and offering sustainability-linked loans, as well as green and sustainability bonds. These initiatives provide climate and sustainable funding options to the market.

# 8.

## Where do we go from here?

---

The effects of climate change and the associated structural changes in the economy will have a major impact on the financial industry in general, and banks in particular, in the near and distant future. Those institutions that anticipate opportunities and risks from this rapidly will have an advantage.

The present study deals with the Net Zero commitments of banks from a global sample of a total of 869 institutions. The results hold some surprises: Only 16% of the institutions surveyed have a public Net Zero target for financed emissions. Scope 3, Category 15 targets are the core business of every bank. However, there are strong regional differences. While 44% of the market players surveyed in Europe have corresponding public targets, certainly partly due to increasing regulatory requirements, this figure currently stands at only 4% in the United States. It can be assumed that regulatory pressure will continue to increase globally in the future. Accordingly, a first, conclusion of this study is that globally, the financial industry still has a long way to go.

In the present study, the regulatory framework is highlighted at various points as an important reason for the regional differences between disclosures. The implementation of legal requirements is often an operational challenge for the banks concerned. Other challenges on the way to implementing Net Zero commitments include:

- **Implementation Knowledge Gap:** Many banks lack the necessary implementation knowledge and experience to achieve Net Zero commitments, particularly in climate scenario risk modelling and understanding specific requirements.
- **Management Prioritization and Awareness:** Top management often lacks urgency regarding climate change prioritization and resource allocation, as immediate challenges like digitalization, cyber security, and regulatory requirements dominate their attention.
- **Resource Constraints and Financial Implications:** Despite increases in sustainability teams, capacities are often stretched, especially in Europe, where legal reporting requirements and associated projects consume available resources alongside routine operations.

One of the main challenges for many institutions is that the economic impacts of climate change are only gradually becoming evident and are less apparent for financial institutions than for other industries. Implementing forward-looking Net Zero strategies implies immediate costs and specialized expertise. So how should those banks with no or only very basic Net Zero strategies tackle the challenge? In this study, we have identified three examples of banks that developed good Net Zero strategies compared to the overall research sample. The given banks excel in sector-based decarbonisation strategies such as BNP Paribas, or comprehensive active ownership approaches as observed with Nordea. One can learn from the examples mentioned and recommend striving for the following minimum requirements for a Net Zero commitment:

- Credible emissions baseline: This should encompass Scope 3 emissions, with assured data to enhance credibility. Having this data audited by a third party is considered the gold standard.
- Short-, medium- and long-term targets: These should be underpinned by a science-based methodology.
- Inclusion of financed emissions (Category 15): These typically constitute the largest portion of a bank's overall Scope 1, 2, and 3 emissions.

As indicated by the results of the study, developing a Net Zero commitment that meets minimum requirements is feasible for many financial institutions. However, it is not an easy task and requires a professional approach to ensure satisfactory outcomes.

We recommend a step-by-step approach that includes scenario analysis, building internal capabilities, developing green products, fostering collaboration and partnerships, and conducting regular peer analysis. In implementing a sound Net Zero strategy, we advocate considering these seven steps, rooted in the philosophy of continuous improvement.





1. The initial implementation of a Net Zero strategy must be set up and accompanied as a tightly managed project, considering scope, costs and time budget, to achieve rapid initial successes.
2. Ongoing improvement includes, among other things, the further development of reporting in terms of scope, data availability, quality and mid-term also automation.
3. The foundation of a successful Net Zero strategy implementation is the development of the in-house capacities in the required quantity and quality. If needed, external temporary support should be involved.
4. The right governance defines roles, structures and clear responsibilities for management and specialist departments. It serves to anchor the topic permanently in the bank across all relevant departments.
5. Clearly defined processes ensure that the ongoing organization and implementation of the Net Zero strategy can be carried out efficiently on a run-the-bank basis for all stakeholders involved. The greatest potential for increasing efficiency lies in the CO2 data management. It is the basis for proper monitoring and risk management.
6. To ensure that the regulatory requirements in TCFD reporting are met, early and ongoing support from Legal & Compliance is key.

Climate change will, by design or default, drive transformation in the global economy worldwide in the coming decades. Therefore, the financial industry faces a significant journey ahead and can act as a powerful driver for change. This can be done by, for example, allocating capital in a forward-looking way, managing risks holistically, and setting binding climate goals. This study is meant to encourage the implementation of necessary steps and the adoption of continuous improvement mindset. By proactively addressing these elements, banks can play a pivotal role in advancing and influencing climate mitigation and adaptation in multiple sectors while ensuring their own economic resilience and success.

# 9.

## Appendix

---

### 9.1

#### Useful Links

---

##### **Spotlight – Nordea’s Approach to Active Ownership**

This study adheres to the Global Industry Classification Standard (GICS), a globally recognised framework that has guided investment research, portfolio management, and asset allocation since 1999.

The study focuses on institutions within these three GICS industry classifications:

- Diversified Banks (40101010)
- Regional Banks (40101015)
- Asset Management & Custody Banks (40203010)

GICS categorises companies based on their primary business activities, primarily determined by revenue. Earnings and market perception also play significant roles in classification.

The analysis relies on publicly available information, such as annual reports, 10-K filings, company websites, and other official documents. For more details on the GICS methodology, please visit the GICS: [Global Industry Classification Standard | S&P Dow Jones Indices \(spglobal.com\)](https://www.spglobal.com/gics).

## **GHG Protocol**

The Greenhouse Gas (GHG) Protocol is a widely used international accounting and reporting standard for greenhouse gas emissions. It provides comprehensive frameworks for measuring and managing GHG emissions from both public and private sector operations, ensuring consistency, transparency, and accuracy in emissions reporting. The protocol was developed through a partnership between the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD).

To read more about the GHG Protocol, please consider visiting [Homepage | GHG Protocol](#).

## **PCAF**

Measuring emissions is the starting point for taking action and managing risk. PCAF (the Partnership for Carbon Accounting Financials) is a financial industry initiative. They provide internationally recognized guidelines for the consistent and comparable assessment and calculation of financed emissions in the financial sector.

To learn more about PCAF, please visit: <https://carbonaccountingfinancials.com/>

## **NZBA and NZAOA**

The Net Zero Banking Alliance, led by the UN, is a coalition of banks committed to achieving net-zero emissions by 2050. The alliance provides guidance and frameworks to help banks set science-based targets. Similarly, the Net Zero Asset Owner Alliance is a membership-based coalition for asset owners aiming to reach net-zero emissions by 2050. Members of both alliances must set targets and report their progress annually.

To learn more about the two alliances, please consider visiting: [Net-Zero Banking Alliance – United Nations Environment – Finance Initiative \(unepfi.org\)](#) and [About – United Nations Environment – Finance Initiative \(unepfi.org\)](#).

# Disclaimer

---

S&P Global Market Intelligence (“SPGMI”) is a business division of S&P Global Inc. (“SPGI”). SPGI also includes the following businesses and divisions: S&P Global Ratings, S&P Sustainable, S&P Dow Jones Indices, S&P Global Engineering Solutions, S&P Global Commodity Insights and S&P Global Mobility, each of which provides different products and services. SPGI keeps the activities of its business divisions separate from each other in order to preserve the independence and objectivity of their activities and has internal policies in place to help maintain an appropriate separation between the different businesses and divisions. SPGMI division produces, among others, information including prices, indices and valuations and also provides certain data, research and analytics services to its clients. SPGMI maintains clear structural and operational separation between the activities carried out by SPGMI and the other businesses and divisions of SPGI to safeguard the quality, independence and integrity of its services and to help ensure they are free from any actual or perceived conflicts of interest.

Customer’s receipt of the SPGMI services, data and information may affect Customer’s ability to receive services and products from other SPGI divisions in the future. For the avoidance of doubt, the Deliverables provided hereunder have been created by SPGMI and not by S&P Global Ratings.

The report or any derived content incorporated herein (“Report” or “Deliverables”) shall not be modified, reverse engineered, reproduced or further distributed in any form by any means and by any third party. Any unauthorized use, facilitation, disclosure, reproduction, or dissemination, in full or in part, in any media or by any means, without the prior written permission of

SPGMI or any of its affiliates is strictly prohibited. All information, text, data, and analyses contained in the Deliverables have been prepared solely for information purposes and is owned by or licensed to SPGMI).

Customer acquires no rights or licenses in or to the Deliverables and any related text, graphics, information, data, logos, trade names and material therein, other than the limited right to utilize the Deliverables for agreed and accepted by S&P purposes.

While SPGMI has developed the Deliverables based on information obtained from sources it believes to be reliable, SPGMI does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Opinions, statements, estimates, and projections in the Deliverables (including other media) are solely those of the individual author(s) at the time of writing. Neither SPGMI nor the author(s) have an obligation to update the Deliverables to reflect changes or subsequent inaccuracies.

Accordingly, SPGMI and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively "S&P Parties") do not guarantee the accuracy or completeness of the Deliverables. The S&P Parties shall not be responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Deliverables, or for the security or maintenance of any data input by the Customer. The inclusion of a link to an external website by SPGMI should not be understood to be an endorsement of that website or the site's owners (or their products/services). SPGMI is not responsible for either the content or output of external websites.

THE S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, OR FREEDOM FROM ERRORS.

In no event shall the S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Deliverables even if advised of the possibility of such damages.

The Deliverables should not be considered investment advice or any form of recommendation to buy, sell or subscribe for any securities or make any other investment decisions or regarding Customer's corporate or legal structure, assets, liabilities or activities. Deliverables should not be relied on in making any investment or other decision.

Copyright © 2024, S&P Global Market Intelligence (and its affiliates, as applicable). All Rights Reserved.



WAVESTONE