



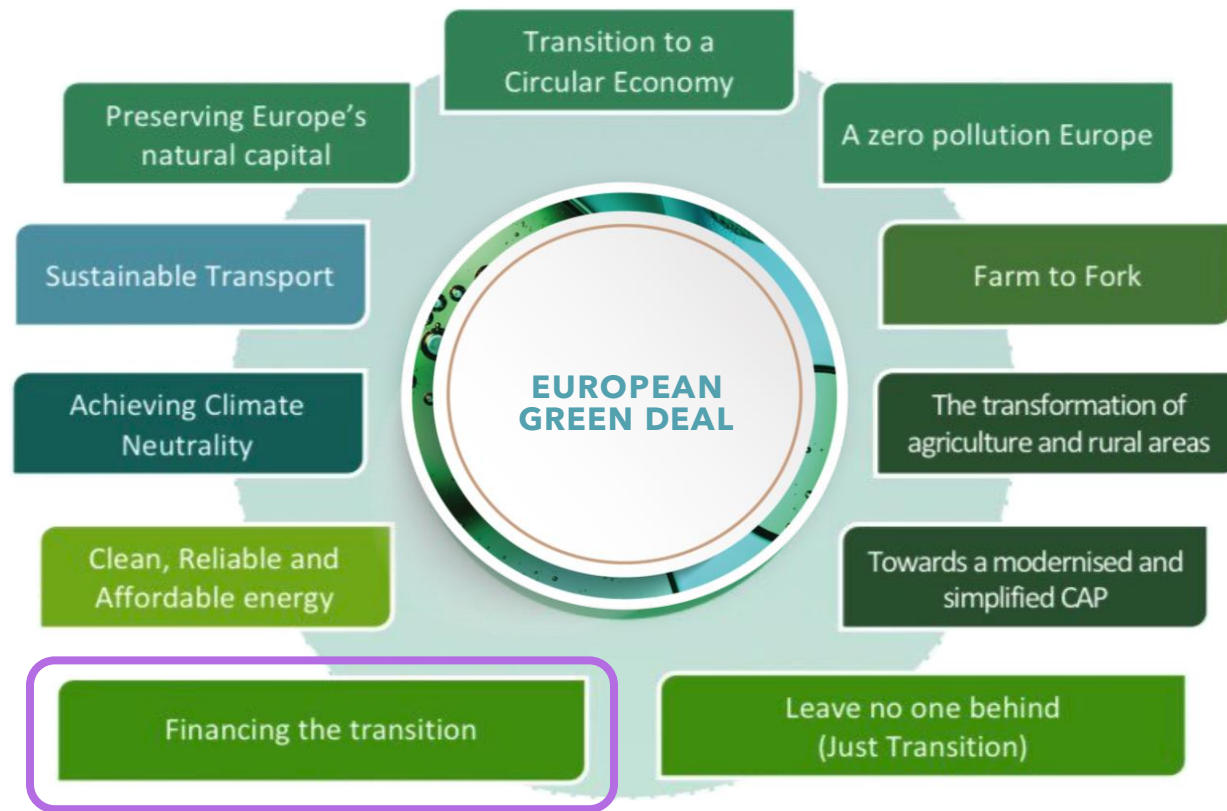
Understanding the EU's sustainability agenda

October 2021



Sustainability: what's on the EU's table

The EU green deal: a cross-cutting impact



Green Deal headline initiatives



Climate neutrality by 2050: headline target with raised interim target in 2030 to 55%



A **decarbonised and digitalised energy** system with smart and clean **transport** infrastructure



A **new industrial policy** based on a **clean and circular economy**, with a focus on resource-intensive sectors and sustainable products



A **Chemicals Strategy for Sustainability**, pursuing a zero-pollution ambition for a toxic-free environment



Restoring **ecosystems** and ensuring healthy **food** systems

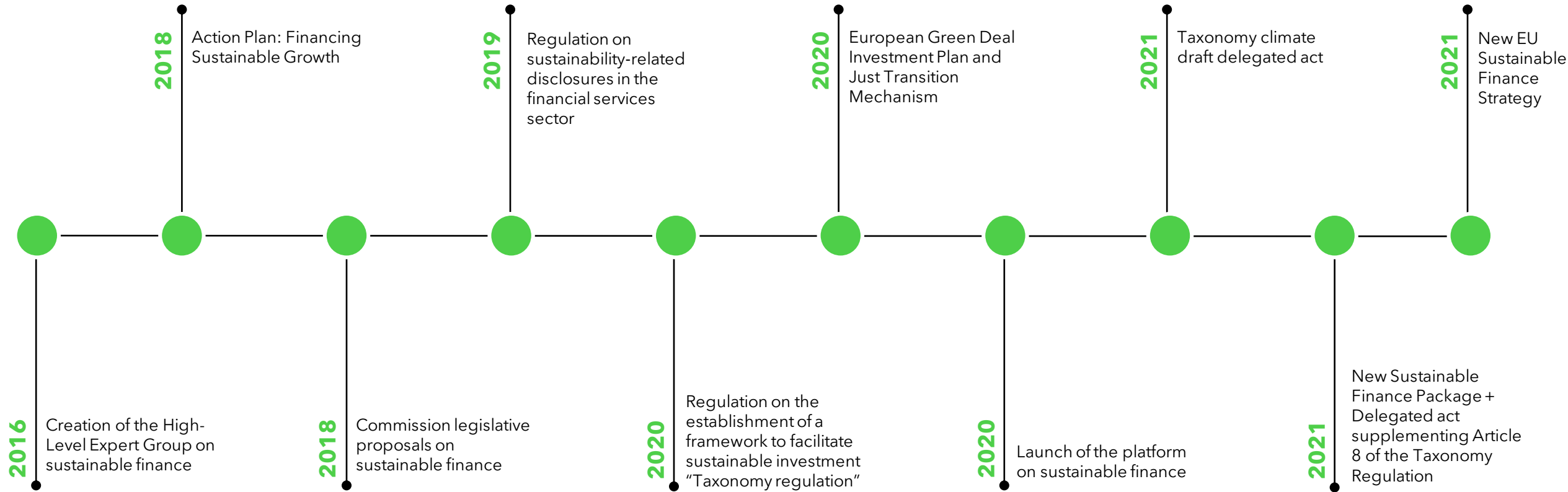


Financing the whole transition

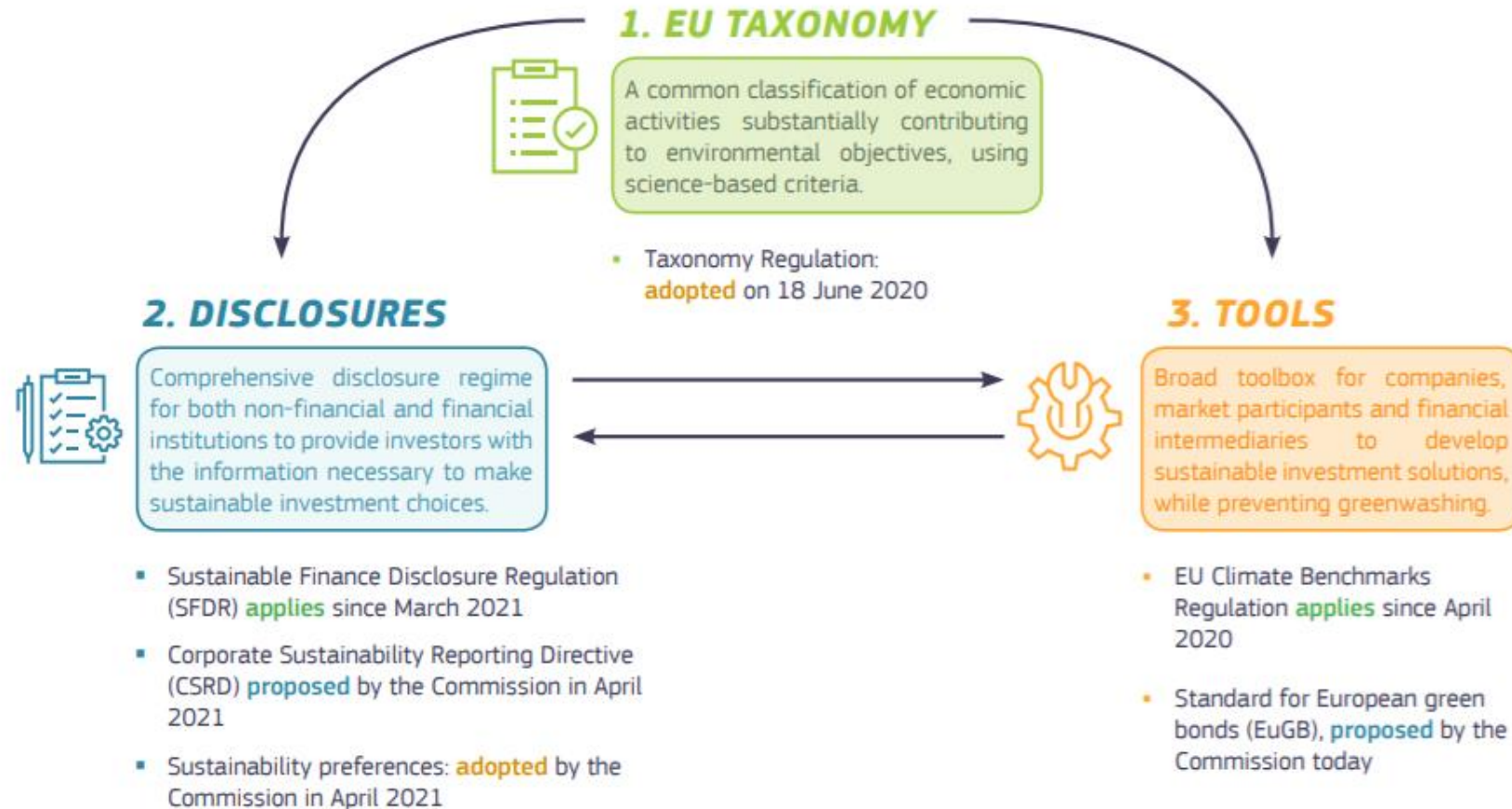


Sustainable finance

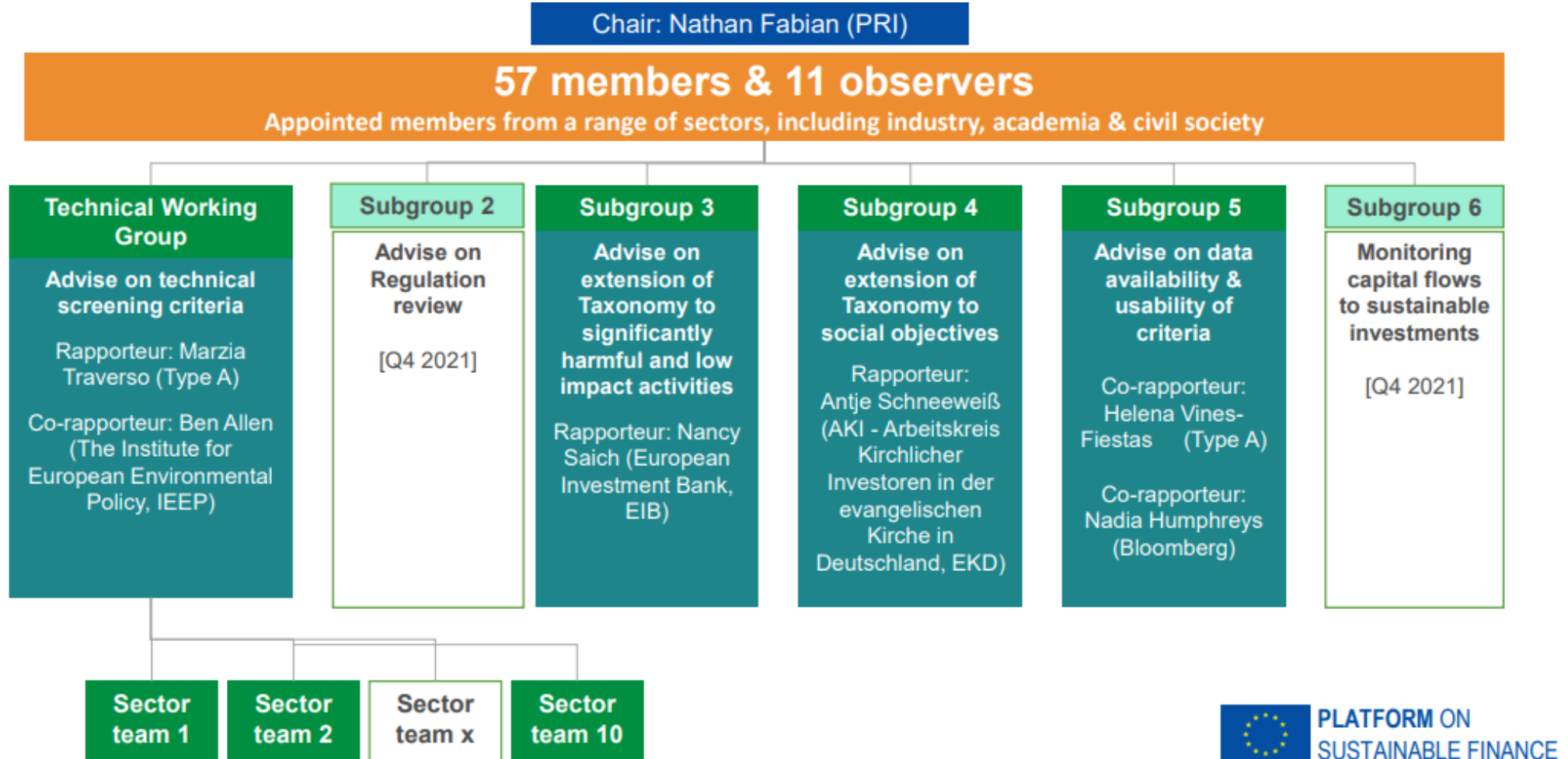
Timeline



Sustainable Finance - overview



The platform on sustainable finance



Taxonomy - objectives

“All investors and large corporations in Europe will be required from 2022 to report on the sustainable portion of their portfolios and activities; citizens will have the means to compare which companies are doing more than others to address climate change and environmental objectives” – Statement by Nathan Fabian, Chair of the Platform on Sustainable Finance

The EU Taxonomy Regulation sets six environmental objectives:

1. Climate change mitigation
2. Climate change adaptation
3. The sustainable use and protection of water and marine resources
4. The transition to a circular economy
5. Pollution prevention and control
6. The protection and restoration of biodiversity and ecosystems

Taxonomy - eligibility

To qualify as environmentally sustainable, an economic activity must meet four conditions:

- **Contribute substantially** to one or more of the six environmental objectives
- **Do no significant harm** to any of the other environmental objectives
- Be carried out in compliance with minimum **(social) safeguards**
- Comply with **technical screening criteria** established by the Commission through delegated acts in accordance. The technical screening criteria need to specify the performance requirements for any economic activity that determine under what conditions that activity :
 1. Makes a substantial contribution to a given environmental objective;
 2. Does not significantly harm the other objectives.

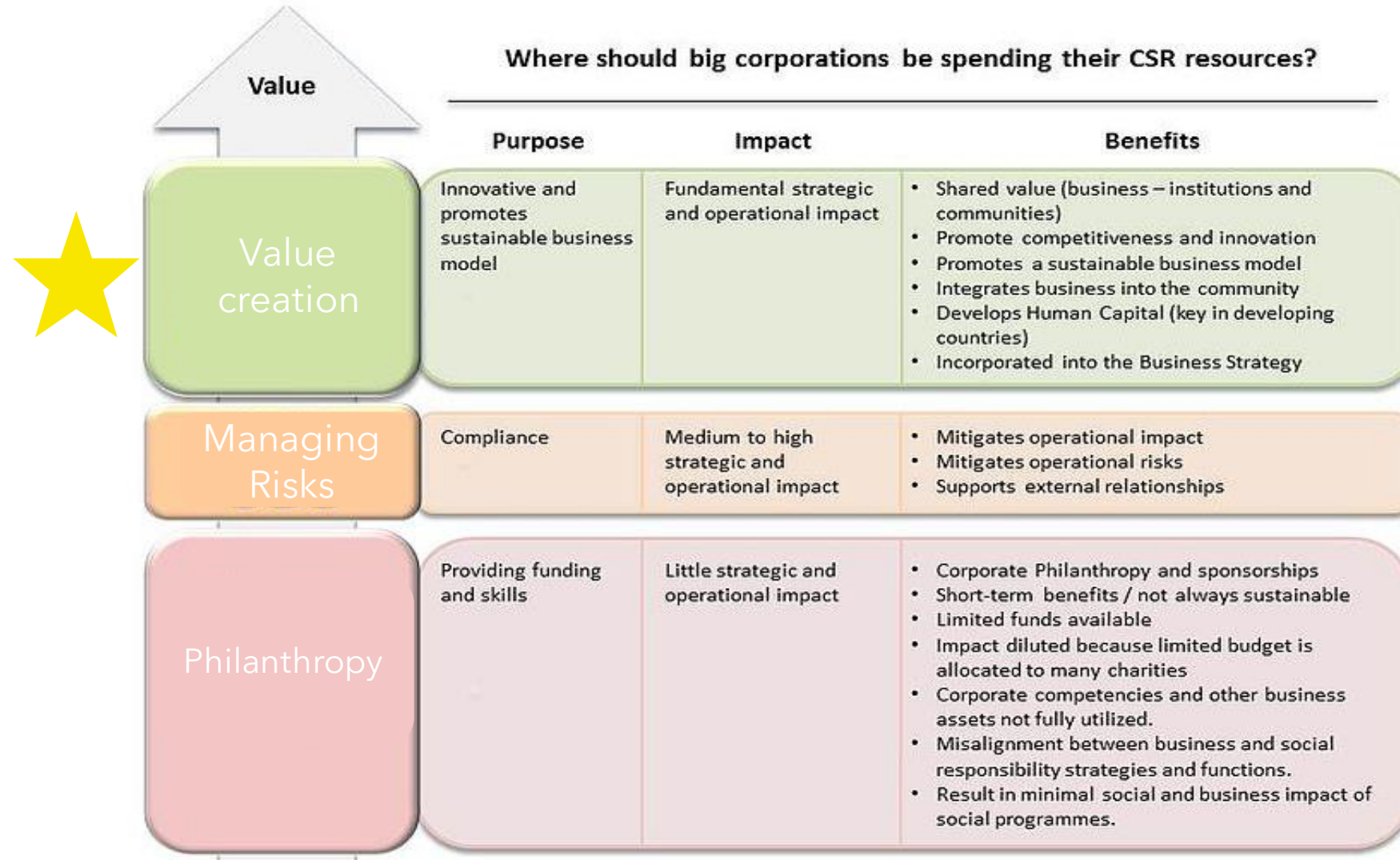


Sustainability: how can businesses hit the mark?

How can companies use the Taxonomy?

- **Mandatory disclosure:** Large financial and non-financial companies under the scope of the Non-Financial Reporting Directive have to disclose to what extent the activities that they carry out meet the criteria set out in the EU Taxonomy; financial market participants (such as asset managers) have to disclose to what extent the activities that their financial products fund meet the EU Taxonomy criteria
- **Attracting investment:** companies can meet the criteria of the EU Taxonomy with the aim of attracting investors interested in green opportunities
- **Green labels:** Taxonomy Regulation requires Member States and the EU to use the EU Taxonomy as the basis of any EU or national (public) labels for green corporate bonds or financial products that fall under the scope of the Sustainable Finance Disclosure Regulation. EU labels also rely on the taxonomy: EU ecolabel, EU Green Bond Standard (GBS), EU Climate Benchmark Regulation
- **Use taxonomy to transition towards sustainability!**

Three areas for business to embed sustainability



The 7 sins of greenwashing

1. Sin of the hidden trade-off
2. Sin of no proof
3. Sin on vagueness
4. Sin of irrelevance
5. Sin of lesser of 2 evils
6. Sin of misleading
7. Sin of worshipping false labels

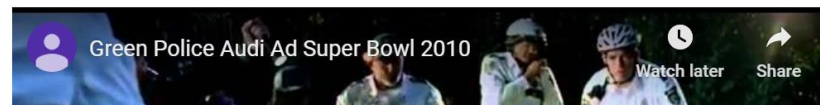
VW Hit with Another Law Suit, This One for Greenwashing



Kevin Tuerff [Follow](#)
Apr 16, 2016 · 4 min read



On March 29, 2016 the [Federal Trade Commission](#) sued Volkswagen (VW) for false advertising, citing millions of dollars in deceptive ads claiming diesel vehicles were environmentally-friendly. Below is the Audi (VW-owned) “Green Police” TV commercial which aired during the 2010 Super Bowl, promoting their “green car of the year.”



McDonald's paper straws cannot be recycled

5 August 2019



Good examples

How Interface realized that the carpet business as usual wasn't sustainable

By [Hunter Lovins](#)

September 1, 2018



Pioneering post-use recycling: a story with IKEA

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