

Climate Bonds INITIATIVE

The role of CFOs in low carbon Transition

Fabrizio Palmucci, Senior Advisor



About the research



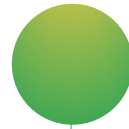
**CFO
COALITION
FOR THE SDGs**

- Companies worth USD1 TN market cap
- CFO best practices to net-zero Transition
- 50 interviews/12 sectors/4 regions



Climate Bonds

We create **standards** that provide definition to **credible** climate-aligned activities or whole decarbonisation plans.



Companies, bonds or loans aligned to these definitions.



C. \$300bn bonds and loans certified

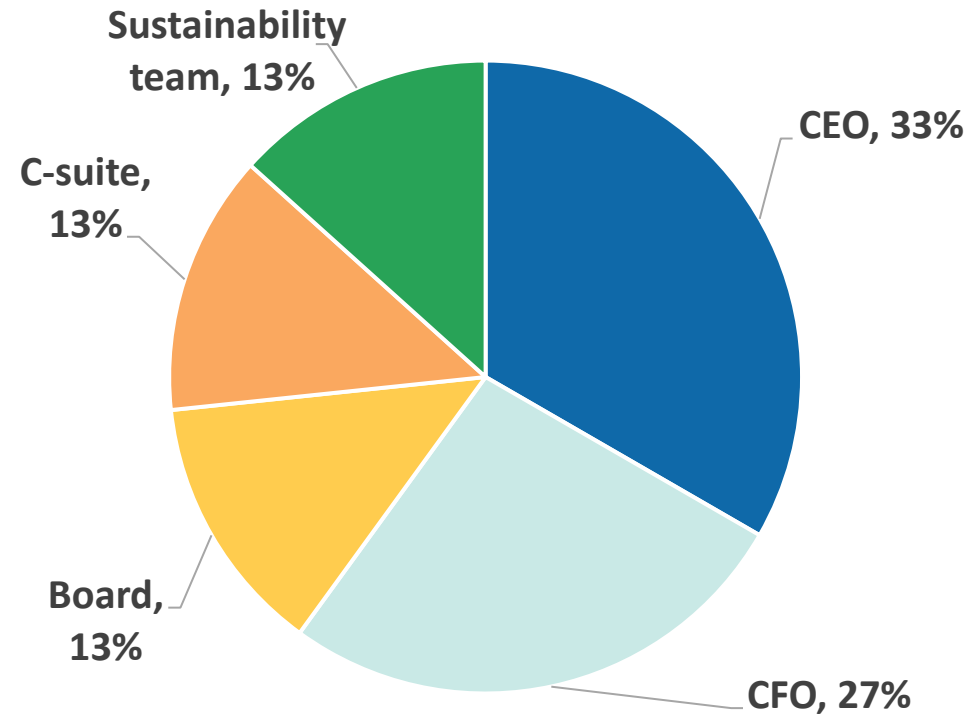


- Founder of Impactivise
- Advisor for Corporates & Investors on climate transition financing and frameworks
- 22 years of experience (Jupiter AM, PIMCO, Moody's)
- Senior Advisor Climate Bonds Initiative
- Senior Associate University of Cambridge

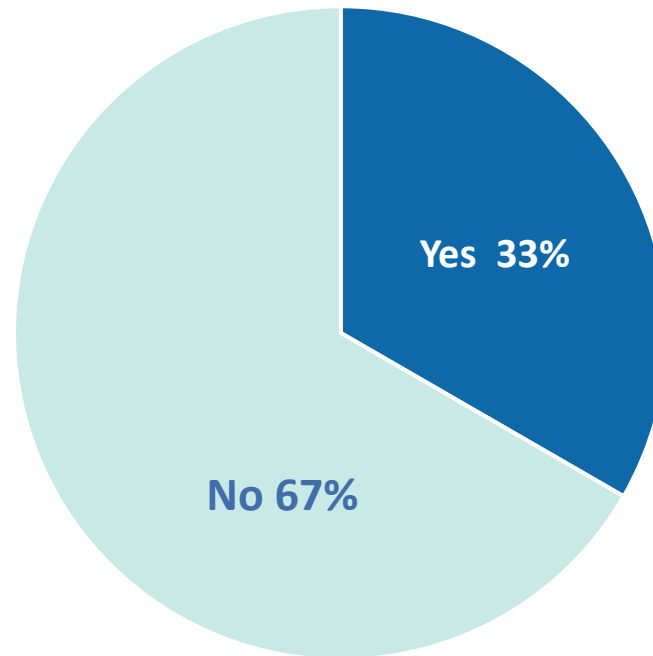
Agenda

1. How are leading CFOs thinking about climate and investments
2. Opportunities & challenges
3. Regional/sectorial differentiations

Who is leading the climate strategy within your organization?



Did you know precisely how to get to the 2030 climate target when committing?



An expanded role for the CFO. Why?

- 1 Steward of the business model
- 2 Driver of capital allocation / fund raising
- 3 Reporting coherence between Financial/Non-Financial

Biggest challenges

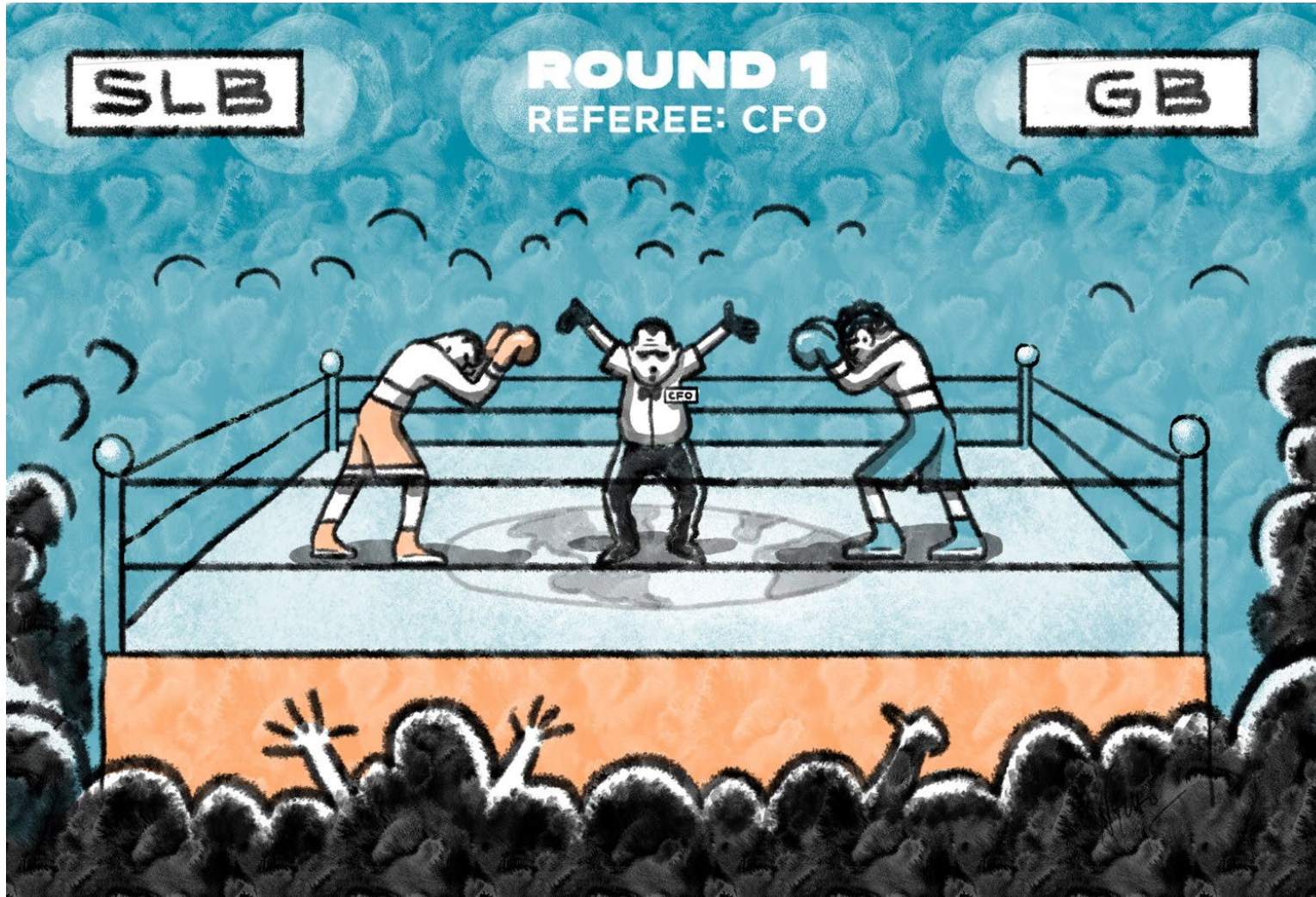
- 1 Setting targets
- 2 Costs/CAPEX
- 3 Scope 3 emissions

From risk to strategic advantage

- 1 Potential for commercial, technological, regulatory advantage
- 2 Business case to be made (scenario analysis, cost of inaction)
- 3 A balancing act between long-term & short-term objectives

Finance as a catalyst for net-zero plans





Blog Capital Matters

<https://impactivise.com/blog/>

Regional & sector differentiation

- 1 Carbon intensive businesses Vs others
- 2 EM versus DM and role of development banks
- 3 The US

Next frontier for CFOs

- Green company versus an issuer of green bonds
- Finance ecosystem (Investors, rating agencies and others) to price transition risk
- Lower risk, lower cost of capital for transition leaders

Thank you

Fabrizio.Palmucci@climatebonds.net

Scan the QR code to download our report:



THE LABELLED BOND MARKET

	Opportunities	Challenges
Green bonds	<ul style="list-style-type: none">▪ Well established asset class with strong demand from dedicated investors.▪ Well established format and frameworks.▪ Excellent reputation benefits.▪ Enhances dialogue with investor base.▪ Potential for Greenium.	<ul style="list-style-type: none">▪ Requires qualifying green projects with critical mass.▪ May require long lead time to prepare framework and structure. From idea to raising capital.▪ Constraints in terms of cashflow allocation of proceeds.
Sustainability-linked bonds	<ul style="list-style-type: none">▪ Strong demand for climate-aligned assets.▪ As a general-purpose finance instrument, relatively easy to issue once a framework has been defined.	<ul style="list-style-type: none">▪ Credibility of the climate benefits of the instrument currently being challenged.▪ Requires significant internal work to align all parts of the business.