

Sustainability *in the equity story*



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What is an equity story?

Companies are expected to tell an authentic equity story to investors that succinctly articulates value proposition, performance, and strategy, consistent with market and financial disclosures.

It serves as a fundamental reference for investors, providing *"a combination of all the compelling reasons why investors should buy your stock"* and *"should position the issuer as an attractive investment"*.¹

A typical equity story may contain the following substantial company and market aspects.²

- Market and industry development
- Company development
- Future potential
- Market position and competitive environment
- Services, products and competitive advantages
- Industry, cost and technology leadership
- Customer structure
- Patents and licences
- Profit outlooks
- Management qualities
- International connections and integration



¹ Euronext <https://www.corporateservices.euronext.com/blog/equity-story>

² As an example, BDO lists a few key elements of an equity story <https://www.bdo.de/en-gb/topics/capital-markets/capital-markets/equity-story>

Purpose *of the guide*

In light of investor interest and the crucial role of sustainability in corporate performance and strategy, this guide supports companies in the process of integrating material sustainability factors into their equity stories, outlining key concepts, examples from company communications and questions for reflection, on the following themes.

- Purpose
- Business model
- Strategic focus & ambition
- Market positioning
- Product/service offering
- Capabilities & assets
- Revenue & growth
- Innovation and R&D
- Capital allocation
- Societal context
- Operating practice & culture

It intends to help companies develop investor relations communications, as sustainable business transformation, supported by the Corporate Performance and Accountability System (CPAS), is being integrated into investor relations strategy, messaging and activities.

The guide does not provide comprehensive mapping to current or emerging reporting standards and requirements or criteria associated with fixed income engagements and products.



Integration categories, *questions and company* *examples*

Purpose

What it entails

The company refers to sustainability as (part of) the reason that it exists or as (part of) its primary objective

Questions to reflect on:

- Does our business have a social, environmental or economic purpose (beyond our purpose of delivering financial returns to shareholders)?
- Have we articulated this? If not, how might we do so?
- How do we assist people, organizations, society to address key challenges?
- How can we succinctly communicate our "Why?"

Company examples

Our aspiration

Our Purpose
To re-imagine global agriculture and food systems.

Our vision
To be the most differentiated and valuable global food and agri-business by 2040.

Our governing objective
To maximise long-term intrinsic value for our continuing shareholders.

Source: Olam Investor Presentation

PHILIPS

As a health technology company, it is our purpose to improve people's health and well-being through meaningful innovation

Source: Philips IR webpage

Reimagining energy and reinventing bp
Long term value creation for all stakeholders

Purpose: Reimagining energy for people and our planet

Ambition: Our ambition is to be a net zero company by 2050 or sooner and to help the world get to net zero. We've set out 10 net zero aims, five to help bp get to net zero and five to help the world get there too.

Sustainability frame: 10 aims to Get to net zero, 5 aims to Improve people's lives, 5 aims to Care for our planet.

Financial frame: Resilient dividend, Strong investment grade credit rating, Disciplined investment allocation, Share buybacks.

Investor proposition: Profitable growth, Delivering long-term shareholder value, Committed distributions, Sustainable value.

Strategy: Resilient hydrocarbons, Convenience and mobility, Low carbon energy. From IOC to IEC. From an international oil company to an integrated energy company.

Source: BP Investor Pack

VEOLIA

A WORLDWIDE CHAMPION TO TACKLE ENVIRONMENTAL CHALLENGES

THE ECOLOGICAL TRANSFORMATION, THAT'S OUR PURPOSE

Source: Veolia IR webpage

ABB Purpose

We enable a more sustainable and resource-efficient future with our technology leadership in electrification and automation

Source: ABB IR webpage

Business model

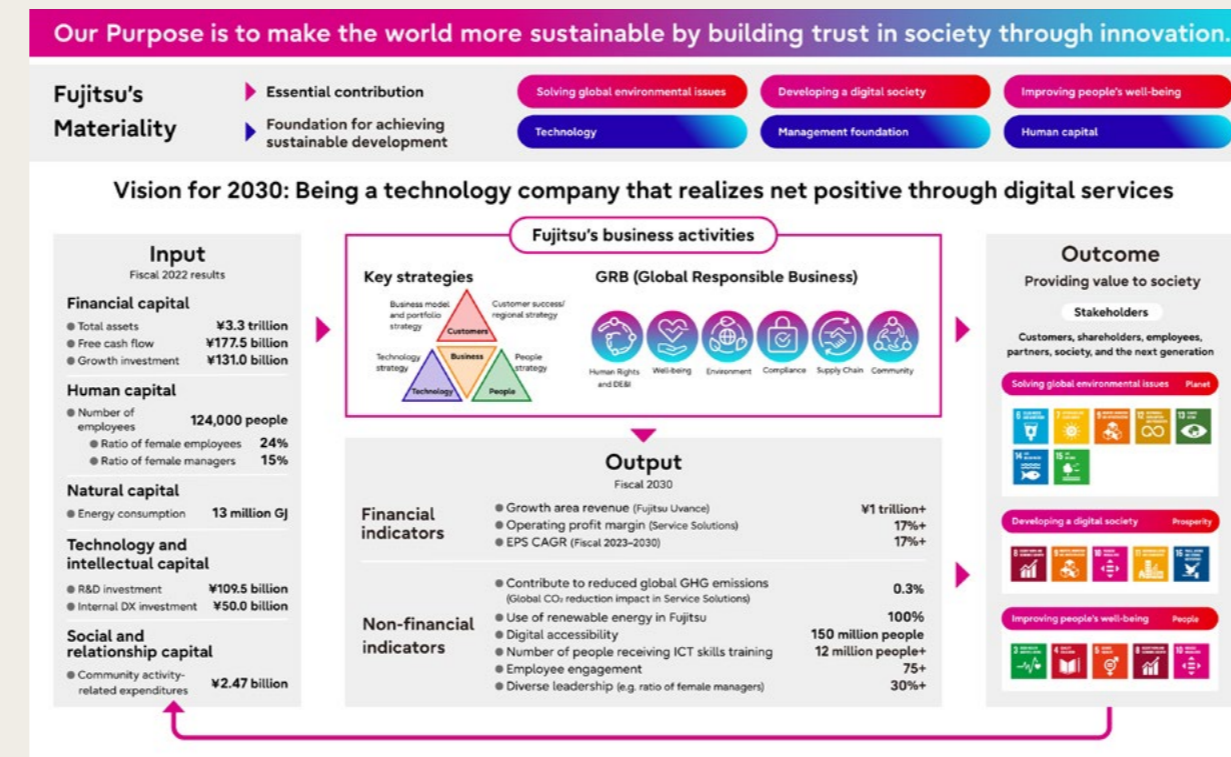
What it entails

The company includes sustainability clearly in the description of the way that it creates, delivers and captures value

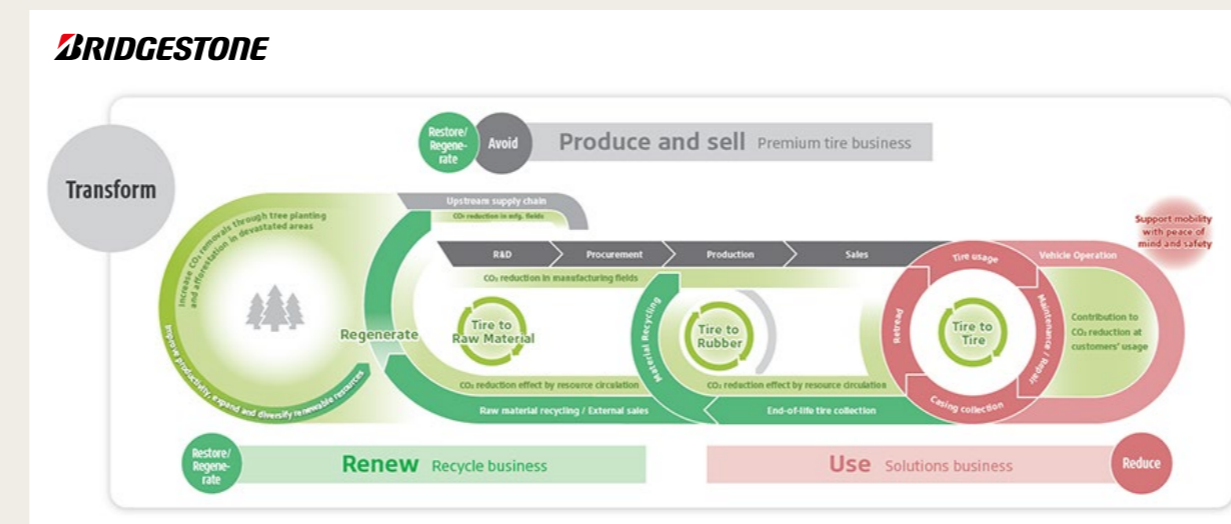
Questions to reflect on:

- Have we articulated a clear model for the way we create revenues and value to the business?
- (How) does sustainability affect the different aspects of this? (consider links to ISSB S1 29 (b))

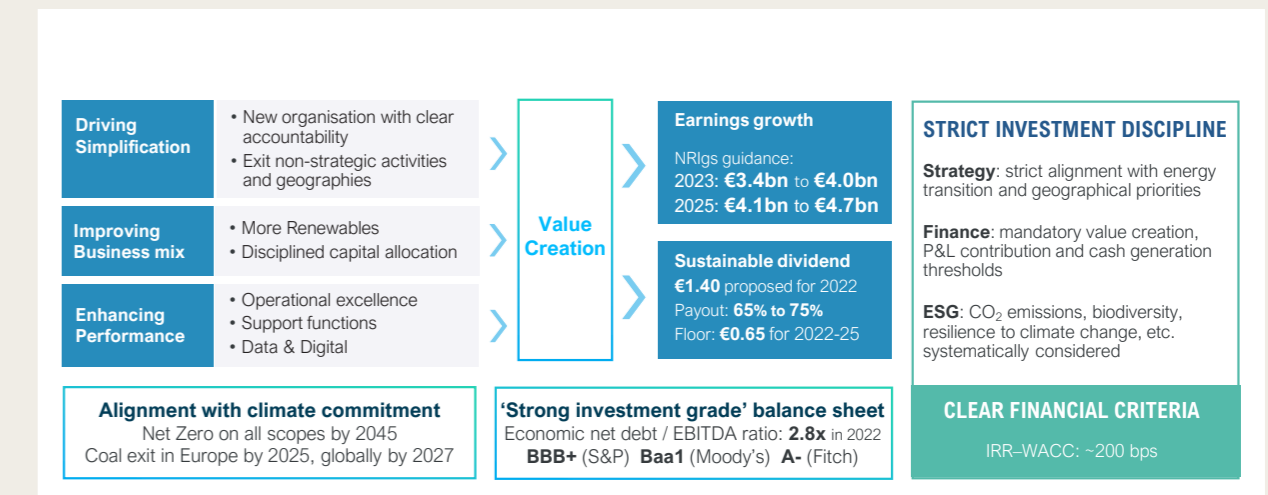
Company examples



Source: Fujitsu Integrated Report



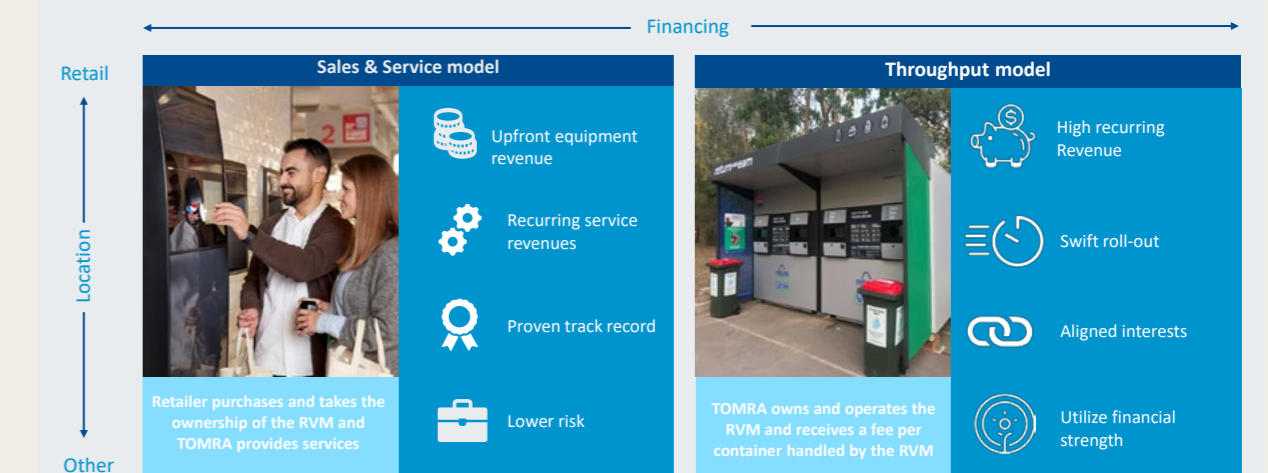
Source: Bridgestone Sustainability Business Framework



Source: Engie Investor Relations Fact Sheet

TOMRA
The global leader in reverse vending

- 50 years of experience
- 81 000 machines in operation
- Collecting 44 billion containers a year in operation
- 70% global market share
- 5.7bn NOK revenues, 19% EBITA margin
- Represented in more than 60 countries



Source: TOMRA Investor Presentation

Strategic focus and ambition

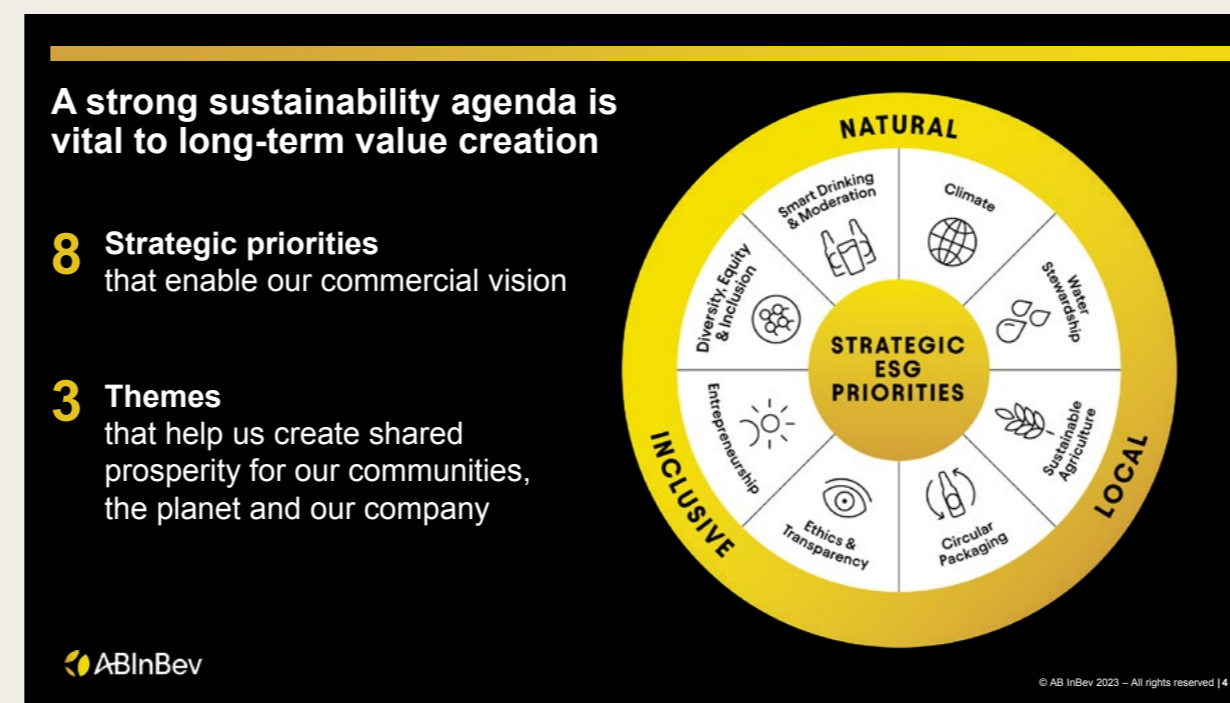
What it entails

The company highlights sustainability as the reason for or a factor behind its decision to focus its activities on particular market segments, 'verticals' or levels within chosen value chains

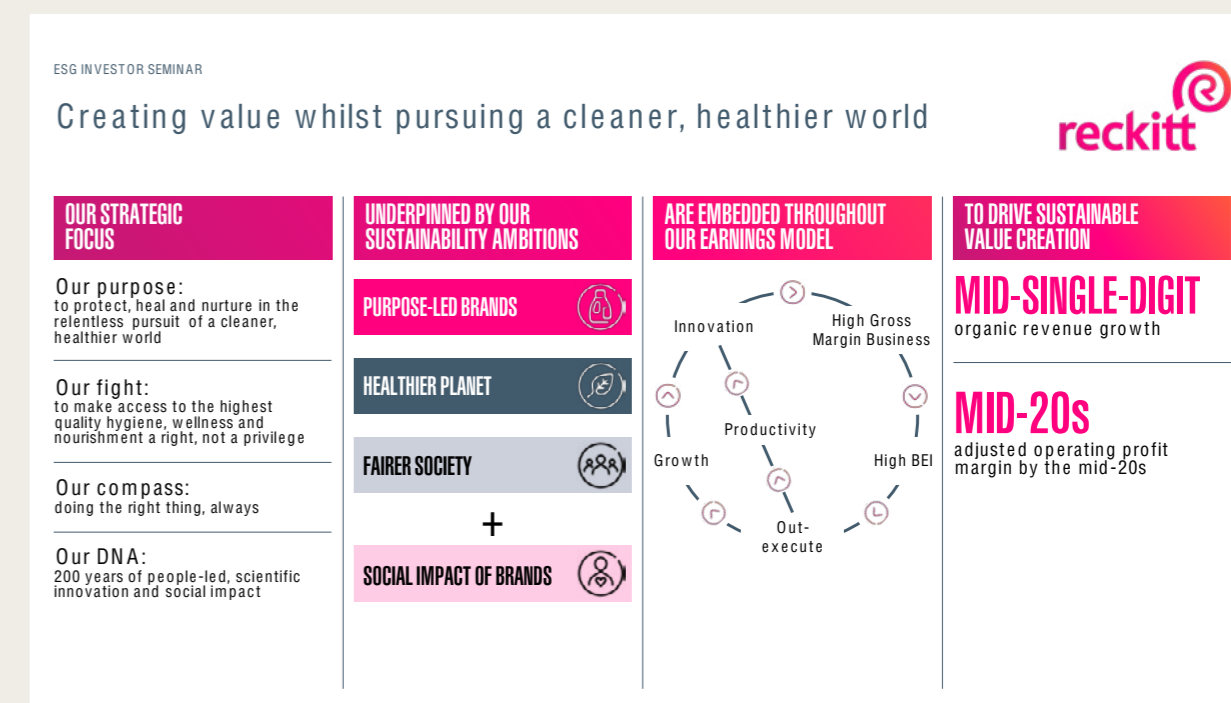
Questions to reflect on:

- (How) have sustainability factors influenced our decision over which 'verticals' to prioritize?
- How is sustainability integrated in our core business strategy? (consider links to ISSB S1 29 (c))
- How can we describe and provide evidence of that integration?

Company examples



Source: AB InBev Sustainability Webcast

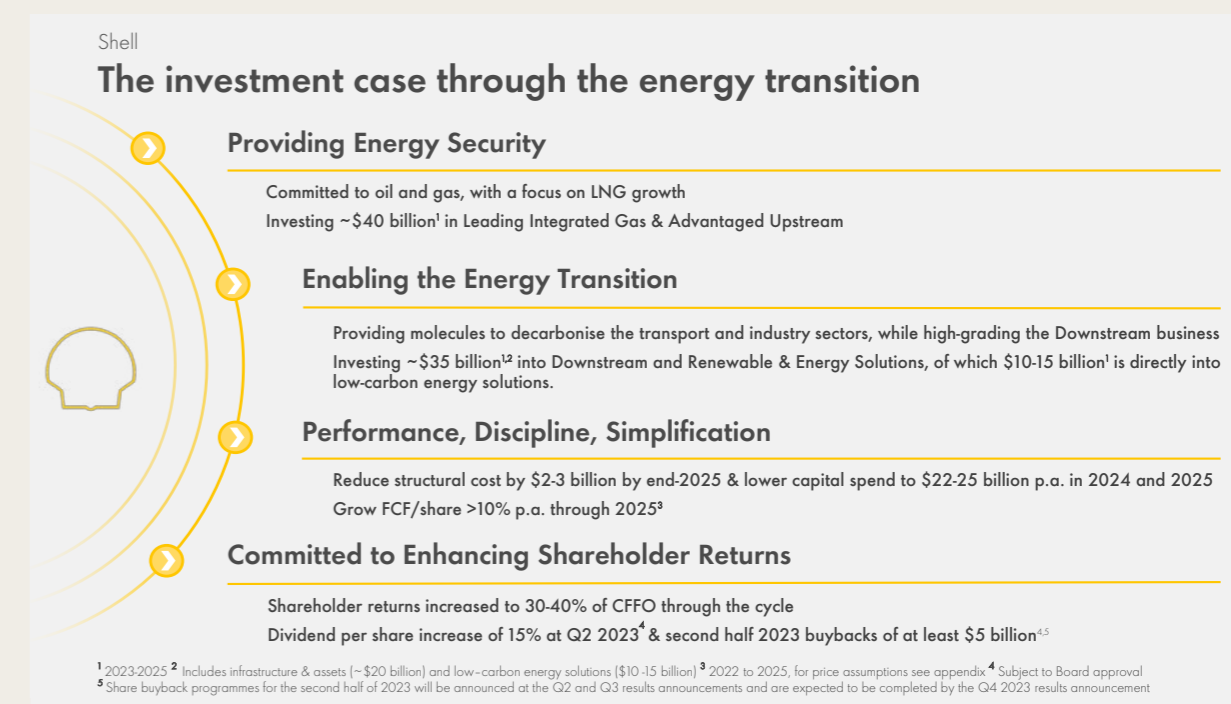


Source: Reckitt ESG Investor Seminar

Progressing on our drivers

Safety Journey	<ul style="list-style-type: none"> Technology enhancements supported a 77% reduction in incidents on critical activities. Peneirinha dam removed from emergency level 1.
Iron Ore Operational Stability	<ul style="list-style-type: none"> Iron ore production reached 70.8 Mt, highest output for Q1 since 2019. Iron ore shipments increased 15% y/y, driven by improved operating stability.
Iron Ore Growth and Quality	<ul style="list-style-type: none"> Vargem Grande project is 89% completed. On track to start-up in Q4. C1 cash-cost¹ slightly lower y/y, despite FX and inflationary impacts. Briquette plant project awarded negotiation for IRA funding in the US.
Energy Transition Metals Transformation	<ul style="list-style-type: none"> Copper production increased 22% y/y driven by Salobo complex performance. Sudbury operations delivered stronger performance y/y. ETM partnership: all the regulatory approvals secured; closing in the upcoming weeks.
ESG Leadership	<ul style="list-style-type: none"> 100% renewable electricity consumption in Brazil, 2 years ahead of schedule. Aliança Energia: asset-light energy platform to accelerate decarbonization. Mariana: R\$ 36 billion disbursed and ~85% of housing solutions delivered.
Stay disciplined	<ul style="list-style-type: none"> US\$ 2.3 billion dividend paid in March.

Source: Vale Investor Presentation



Source: Shell Investor Relations Slide Deck

Market positioning (industry trends)


What it entails

The company highlights how sustainability trends (e.g. consumer preference) influence market or the sectoral dynamics that it is exposed to

Questions to reflect on:

- How are sustainability factors affecting value chains and markets relevant to our company?
- Are new products, services and markets being created?
- What's the market size and potential?


Company examples



Urbanization

The world's cities are continuing to grow and there is also an increasing need to modernize existing buildings. We want to help our customers in making cities smart, sustainable, and better places to live.


There are 4 billion people living in urban areas today and 200,000 people are moving to urban areas every day. By 2050, around 7 billion people are expected to move to urban areas.



Sustainability

Climate change is the biggest challenge of our lifetime. There is also increasing interest in health and well-being and growing expectations around human rights and diversity and inclusion.


We want to be the leader in sustainability – not only in our own industry, but also beyond.



Technology

Advancements in technology are rapidly changing our lives.

We can harness technology to resolve many of the challenges brought by rapid urbanization and climate change. We can also bring new solutions and value to our customers and smarter ways of working to our employees.



Source: KONE Equity Story

We want to grow at Sack Kraft to take advantage of the opportunity to replace plastic while meeting the increasing demands of conscious consumers

Why grow?

- Sack market is US\$ 7Bn with 32Bn units.
- This market is expected to grow 2-3% annually.
- Global trends positively impact the business.
- Sack Kraft has created value for CMPC with an average overall ROIC of 12%.
- Opportunity to leverage on Iguacu to grow in LatAm & other markets (forest+pulp+paper+sacks)
- Integrated business with a stable EBITDA Mg



Source: CMPC Investor Day Presentation

CIRCULARITY AS A DRIVER OF PROFITABLE GROWTH


ECOCYCLE: LEADER IN UPCYCLING CONSTRUCTION DEMOLITION MATERIALS IN EUROPE

Growth Enablers


- Accelerating Circular Construction by 2030:**
 - 150 ECOCycle circular technology platforms in operation
 - Recycling 20 million tons of Construction Demolition Materials
- Invest in advanced technology**
Deploy advanced crushing to reduce by up to 40% the CO2 footprint of cement
- Develop new standards**
Lead engagement & advocacy to evolve building norms

Construction and Demolition Materials (CDM) in Europe

Year	Volume (million tons)	Revenue (million CHF)
2020	1	20
2023E	6	180
2025	11	400
2030	20	800



Source: Holcim Decarbonization Day Presentation



ELECTRIC. Resolutely optimized for electric drivetrains. Aim of matching range and contribution margins with ICEs.

DIGITAL. Completely novel and immersive user experience with a new quality of human-car-connection.

CIRCULAR. Further enhanced use of innovative materials and processes to reduce the carbon footprint.¹

Source: BMW Investor Relations Presentation

Product and service offering

What it entails

The company refers to products and services that it provides that contribute to sustainable outcomes (and is ready to prove the authenticity of the claim, given the potential legal and regulatory risks)

Questions to reflect on:

- Which of the product categories / services that we offer enable sustainable transitions?
- How is our product mix expected to shift towards more sustainable product categories?
- How is sustainability embedded in the evolution of our product/service offering?
- How can we best describe our portfolio and the sustainable transitions that it is exposed to?

Company examples

Attractive client offerings
Strong demand for our foundational solutions. New Solutions to accelerate growth further

Our GBAs¹⁾ | Resilience | 36% | Places | 40% | Mobility | 22% | Intelligence | 2%

Growth accelerators

- Energy transition
- Sustainable operations
- Smart sustainable buildings
- New Mobility & transportation hubs
- Intelligence offerings

Source: Arcadis Capital Markets Day

AT THE FOREFRONT OF GREEN BUILDING SOLUTIONS
INNOVATING TO ACCELERATE GREEN GROWTH

Low Carbon	Circular Economy	Build More with Less	Buildings Efficiency
<p>ECOPACT The Green concrete</p> <p>ECOPLANET The Green cement</p>	<p>SUSTENO Cement with recycled demolition waste</p> <p>AGGNEO Recycled aggregates from construction demolition waste</p>	<p>DYNAMAX The Ultimate Performance Concrete</p> <p>DUCTAL Ultra light weight & High-Performance Concrete</p>	<p>FIRESTONE Building Products roofing membranes and ISO boards for cool, green and solar roofs.</p> <p>AIRIUM Insulating foam for energy efficiency</p>
<p>MAESTRO Low Carbon cement designed for high-quality masonry jobs</p> <p>TERRAFLW Green cement for efficient backfilling</p>	<p>GEOCYCLE PLANET Socially-driven waste collection for plastic neutrality</p> <p>ROOFING RECYCLING Membranes & ISO boards used as Alternative Fuels</p>	<p>3D PRINTING Building more & faster with less</p> <p>BASE VIAL Cement for improved and stabilized soils</p>	<p>THERMEDIA Concrete solution reducing heat loss</p> <p>HYDROMEDIA Purifiable concrete</p>

Source: Holcim Capital Markets Day

New Business

- Capture growth opportunities in renewables and cleaner, less emission-intensive energy solutions, including wind and solar, hydrogen and green mobility.

<p>Specialty Chemicals</p> <ul style="list-style-type: none"> Strengthen presence in the specialty chemicals business segment, with an emphasis on strong sustainability attributes. 	<p>Carbon Capture and Storage (CCS)</p> <ul style="list-style-type: none"> Position Malaysia as a leading CCS hub in Asia by offering CCS as a service for high emitting industries around the region. 	<p>Bio-based Value Chain</p> <ul style="list-style-type: none"> Scale up bio-based products and offerings to meet changing customer preference. 	<p>Renewable Energy, Hydrogen and Green Mobility</p> <ul style="list-style-type: none"> Establish Gentari as our clean energy solutions arm with strong growth portfolio in renewables, hydrogen and green mobility.
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Source: Petronas Integrated Report

Driving the transition to a circular economy with our customers

CURRENT PACKAGING SOLUTIONS

FIT-FOR-PURPOSE PACKAGING

Helping customers consider all packaging trade-offs including:

Functionality	Cost
Quality	End-of-life
Emissions	Brand appeal
Current production line capabilities	Product protection including barrier requirements

OUR UNIQUE PORTFOLIO OF SUSTAINABLE SOLUTIONS

- PAPER WHERE POSSIBLE...**
 - Mono-material paper recyclable in paper stream
 - Hybrid solutions recyclable in paper stream
- ...PLASTIC WHEN USEFUL**
 - Mono-material plastics recyclable in plastic stream

Source: Mondi Result Presentation

Taste, Texture & Health

Accelerating diet transformation with unrivalled taste and texture

Products we love. But healthier. More delicious. And better for the planet

39 global launches in 2023

Featured innovations

- Enhanced sensation in carbonated drinks**
TasteGEM® Carbonation Flavors modulating carbonation perception in low-sugar sparkling beverages
- up to 30% sugar reduction**
- Augmented dairy-like experience**
Best-In-Class Milk Solutions combining flavors and maskers portfolio powered by sensory & consumer insights, and Dynamome® DA optimized flavor/mouthfeel delivery system
- Plant Power toolkit**
Solutions for optimized taste and texture in plant-based fermented products
- 22%** of Europeans think plant-based drinks taste good
- 82%** would buy such products if they tasted like cow's milk.
- Making alternative proteins truly delicious and sustainable**

Source: dsm-firmenich Capital Markets Day

Capabilities & assets

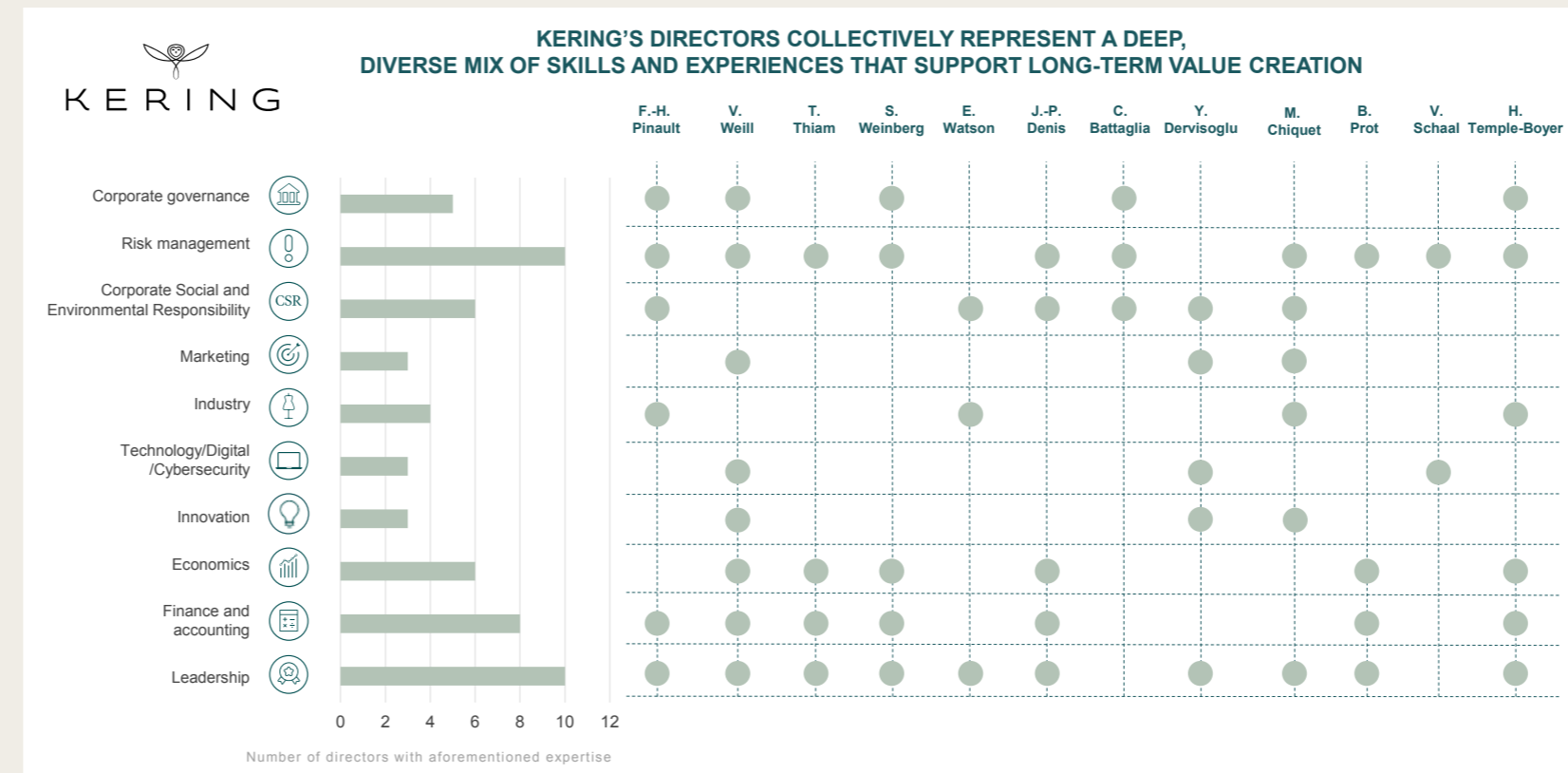
What it entails

The company highlights how it has or plans to develop capabilities or assets that enable it to position and respond to sustainability factors and their impact on industry trends

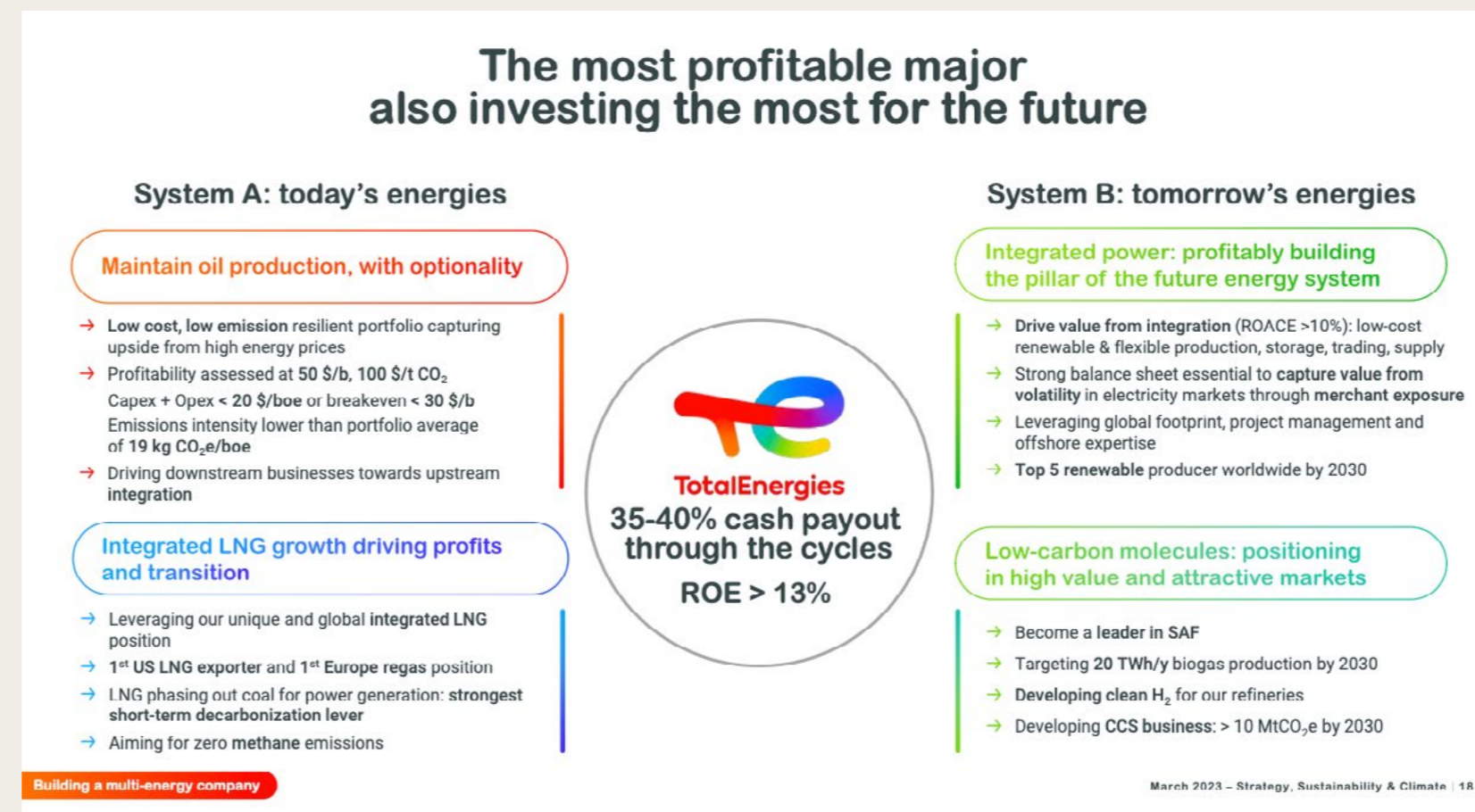
Questions to reflect on:

- What assets (physical, technological, human, brand, etc.) does our company have (or plan to develop) that will enhance our resilience and enable us to respond profitably to sustainability trends?
- How can we implement resources so we can provide solutions for addressing key sustainability challenges and opportunities?
- How can we describe what we have and do well to support sustainable business transformation?

Company examples



Source: Kering ESG Presentation



Source: TotalEnergies Strategy, Sustainability & Climate

Ayala leverages various relationships and resources to achieve its medium- to long-term ambitions and deliver value to its stakeholders.



Financial

- Strong financial position
- Diversified business portfolio
- Affordable and reliable access to capital



Intellectual

- Long and rich corporate history
- Deep expertise of the Philippine economy
- Corporate culture of innovation and lifelong learning



Human

- Best-in-class local and global talent
- Diverse workforce with multi-disciplinary backgrounds



Social and Relationship

- Relationships with partners, investors, communities, academe and other institutions
- Strong, recognizable and trusted brand



Source: Ayala Integrated Report

4. Our forest assets create a solid and valuable foundation for our business

Stora Enso is one of the largest global private forest owners, our forests are strategically important to us.

Our forest holding is a scarce real asset and a guarantee of a solid balance sheet as well as a driver of shareholder value. It is also an important raw material which provides us with competitive wood supply, giving us tactical flexibility, synergies, and value. Our forests both initiate our integrated value chain and our sustainability credentials throughout the whole product line.

We create value with best-in-class forestry and biodiversity management. Our innovation in precision forestry and biotechnology supports both increased yield and a sustainable forest.



Source: Stora Enso as an investment

Revenue & growth

What it entails

The company refers to the ways in which sustainability expands existing or opens new revenue growth opportunities

Questions to reflect on:

- (How) do we earn revenue from sustainability-driven solutions and value chains?
- How do sustainability opportunities effect my financial performance and cash flow? (consider links to ISSB S1 29 (d))
- What proportion of my revenue is aligned with green and greening criteria? (consider links to taxonomy criteria)
- What's the sales growth potential of key parts of my business addressing sustainability imperatives?

Company examples

A powerful growth platform

Decarbonization: An outstanding year for Local Decarbonizing Energy

Revenues up 19.9%⁽¹⁾ to €12 260M and EBITDA up 35.3%⁽¹⁾ to €1 497M

District Heating networks growth boosted by new decarbonizing local energy services

- Energy costs are passed through into tariffs with lag effect into 2024
- New high efficiency biomass cogeneration in Germany
- Starting of operations in Tashkent (Ouzbekistan)
- New flexibility services in electricity (support to the grid)

Increased demand for Energy Efficiency Services to Buildings and Industries
New contracts in Italy (PPP)

Continued strong performance expected in 2024

(1) at constant scope and forex



Source: Veolia Results Presentation

SUSTAIN EXCELLENCE

INTEGRATED GROWTH STRATEGY

- PORTFOLIO: PERFORMANCE DRIVES BRAND CHOICE
- ORGANIZATION: EMPOWERED-AGILE ACCOUNTABLE
- CONSTRUCTIVE DISRUPTION: ACROSS OUR BUSINESS
- SUPERIORITY: TO WIN WITH CONSUMERS
- PRODUCTIVITY: TO FUEL INVESTMENTS

AREAS OF FOCUS

- SUPPLY CHAIN
- ENVIRONMENTAL SUSTAINABILITY
- DIGITAL ACUMEN
- EMPLOYEE VALUE EQUATION

Source: Procter & Gamble Investor Presentation

Our investment thesis

Growth opportunities from early moves in Sustainability

Annual sustainability banking revenue pool of >US\$30b in Asia through 2030¹

Transition pathways allow us to create innovative solutions for our clients

Sustainability-linked revenues quadrupled over the last three years to c. S\$300m

¹McKinsey Global Banking Annual Review 2022: Banking on a Sustainable Path

Source: DBS Investor Day

DELIVERING ON OUR LONG-TERM EARNINGS GROWTH LEVERS

Near-Term Growth Investments
Pipeline of organic, high-value growth projects

Growth Investments in 2024:

- ✓ Producing higher-value elastomers and ethylene copolymers in Tarragona
- ✓ Expanded PG capacity in Thailand by 80KTA for food, personal care and pharma applications
- Continued downstream silicones growth in liquid silicone rubber and adhesives
- **In flight through mid-decade**, including:
 - Enhancing feedstock flexibility and PE/functional polymers incremental growth
 - Additional alkoxyates capacity

~\$2B of EBITDA by mid-decade
Achieved ~\$0.8B/yr between 2021-2023

Fort Saskatchewan Path2Zero
World's First Cracker and Derivatives Complex with Net Zero Emissions

Recent and Upcoming Key Milestones:

- ✓ All long lead time equipment has been secured
- ✓ Majority of ethane supply secured from diversified sources with long-term agreements
- ✓ Construction activity continued in 2Q24:
 - Site development, fire and cooling lines, and fiber optic installation progressing well and safely
 - Piling program started in Apr'24 – well underway to support cracker foundations schedule
 - Major foundations construction to begin in 3Q24 to support cracker furnaces

~\$1B of EBITDA by 2030

Transform the Waste
Commercialize 3MM mta of circular and renewable solutions

Partnerships & Targeted Investments YTD:

- ✓ Partnered with SCG Chemicals to transform 200KTA of plastic waste in Asia Pacific by 2030
- ✓ Announced supply agreement with Freepoint Eco-Systems for 65KTA of circular pyrolysis oil beginning in ~2026
- ✓ Signed agreement to acquire Circulus, a U.S.-based PE recycler, with a capacity of 50KTA
- Expect to commercialize circular products using offtake from both the Valoregen and Mura recycling facilities in the 2H24

>\$0.5B of EBITDA by ~2030

On Track to Deliver >\$3B/yr of Earnings Growth at Mid-Cycle Levels by 2030

Source: Dow Results Presentation

MEETING CUSTOMERS' SUSTAINABILITY NEEDS

FAST-GROWING MULTI-BILLION BRANDS DELIVERING PREMIUM MARGINS

ECOPACT
A "One-Billion" Brand in 2023

19% of Group Ready-Mix Net Sales in 9M 2023

ECOPACT in Europe

>55% of Ready-Mix Net Sales by 2030

ECOPLANET
A "Two-Billion" Brand in 2023

19% of Group Cement Net Sales in 9M 2023

ECOPLANET in Europe

>50% of Cement Net Sales by 2030

Source: Holcim Decarbonization Day Presentation

Innovation and R&D

What it entails

The company describes how sustainability factors (and anticipation of demand that will respond to these) are directing its innovation, research and development

Questions to reflect on:

- (How) are sustainability considerations directing the company's approach to innovation?
- What proportion of the company's R&D budget is directed towards delivering sustainable outcomes?
- How is the role of sustainability integrated within the company's R&D practices?

Company examples

GROWTH AND INNOVATION
Generate innovative solutions which complements our product portfolio designed to satisfy specific needs of our customers

- NATURAL & RENEWABLE RAW MATERIALS
- PROCESSES BASED IN CIRCULARITY
- BIOECONOMY BASED PRODUCTS
- OPTIMIZATION AND CONTINUOUS IMPROVEMENT
- SOCIAL INNOVATION

Best 4.0

Source: CMPC Corporate Presentation

Innovation and Technology Driving Growth

Increasing Investment in Talent, Capabilities, and Collaborations to Add Opportunities and Growth

Continued Leadership

- Germplasm
- Crop Protection

Building Strength

- Proprietary biotech pipeline
- Differentiated crop protection

Investing for Growth

- New breeding techniques
- Digital enablement
- Biologics and Seed
- Applied Technology
- Energy and specialty protein/oil

How We Win

Seed

- Increase yield
- Biotech trait royalty neutrality
- Growth from new breeding techniques

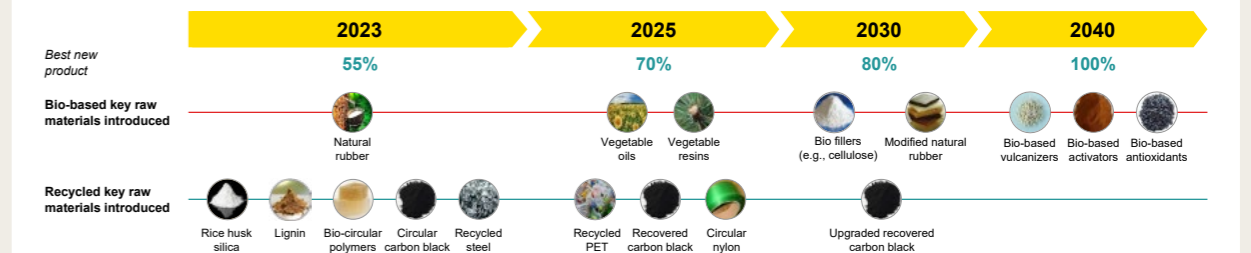
Crop Protection

- Increase yield protection
- Differentiated, sustainable crop protection
- Growth from enhanced biologicals

Source: Corteva Investor Day Presentation

Materials Roadmap

Innovation coming both from bio-based and recycled raw materials



Recycled raw materials coming from different industries

- End of life Tyres: Pyrolysis
- PET: Recovery process
- Rice Husk: Burning, ash recovery
- Used cooking oils: Recovery process
- Pulp & Paper waste: Bio-refinery

Source: Pirelli Results Presentation

Example for New Growth Area: Hydrogen Economy

Tapping into a major opportunity with our DURAION® membrane

Challenge	Evonik Proposition	Market potential scenarios
<p>Currently two major technologies in place for hydrogen electrolysis – both with major downsides:</p> <ul style="list-style-type: none"> State of the art Proton Exchange Membrane (PEM) electrolysis requires rare precious metals and expensive materials Established Alkaline Electrolysis (AEL) does not require precious metals, but is not very flexible 	<p>Evonik's novel Anion Exchange Membrane (AEM) is the most cost-efficient way to ramp-up green hydrogen with key advantages:</p> <ul style="list-style-type: none"> High production rates Dynamic operation Pressurized H₂ production Inexpensive materials & electrodes 	<p>Sales potential 2030: >€100 m</p> <ul style="list-style-type: none"> 118 GW² → ~5.8 Mio m² membrane (EU) 77 GW² → ~3.8 Mio m² membrane (EU) 44 GW² → ~2.2 Mio m² membrane (EU) 5 GW¹ → ~0.2 Mio m² membrane (DE) <p>Evonik assumption: 49 [m²/MW] membrane area required for 1MW</p>

1. Study IndWEde- NOW GmbH, 2018 2 Green Hydrogen for a European Green Deal A 2 x 40 GW Initiative, Hydrogen Europe, Translation with internal assumptions (Creavis)

64 | Sustainability at Evonik

Source: Evonik Company Presentation

Capital allocation

What it entails

The company refers to its intention / ability to direct capital investment towards sustainability-related outcomes aligned with its strategic focus

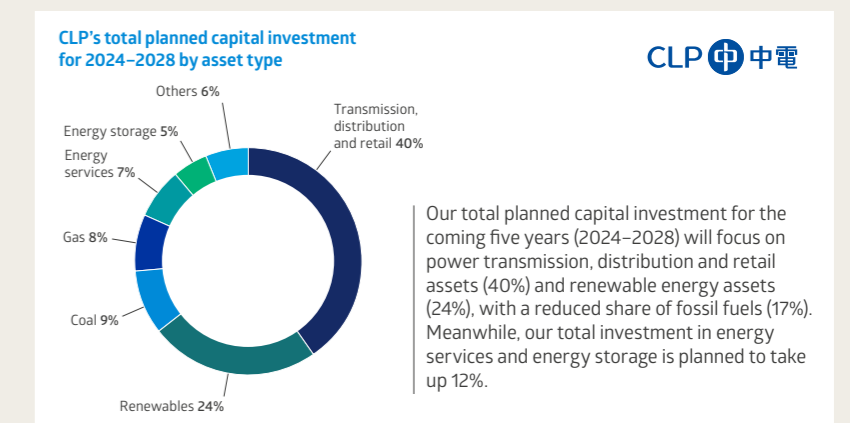
Questions to reflect on:

- How do we consider sustainability factors in our capital allocation process?
- Why should this give confidence to equity investors that we are a reliable and effective allocator of (their) capital?
- How does sustainability feature in our CapEx, OpEx plans? (consider links with ISSB S1 35 (c))
- What and how much visibility can we provide on future resource allocation?

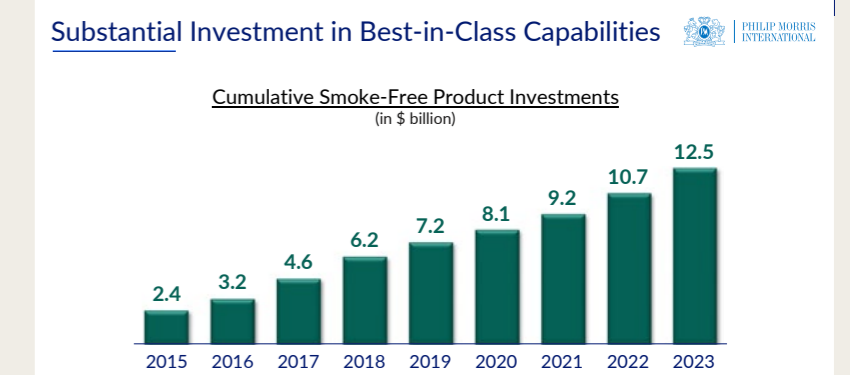
Company examples



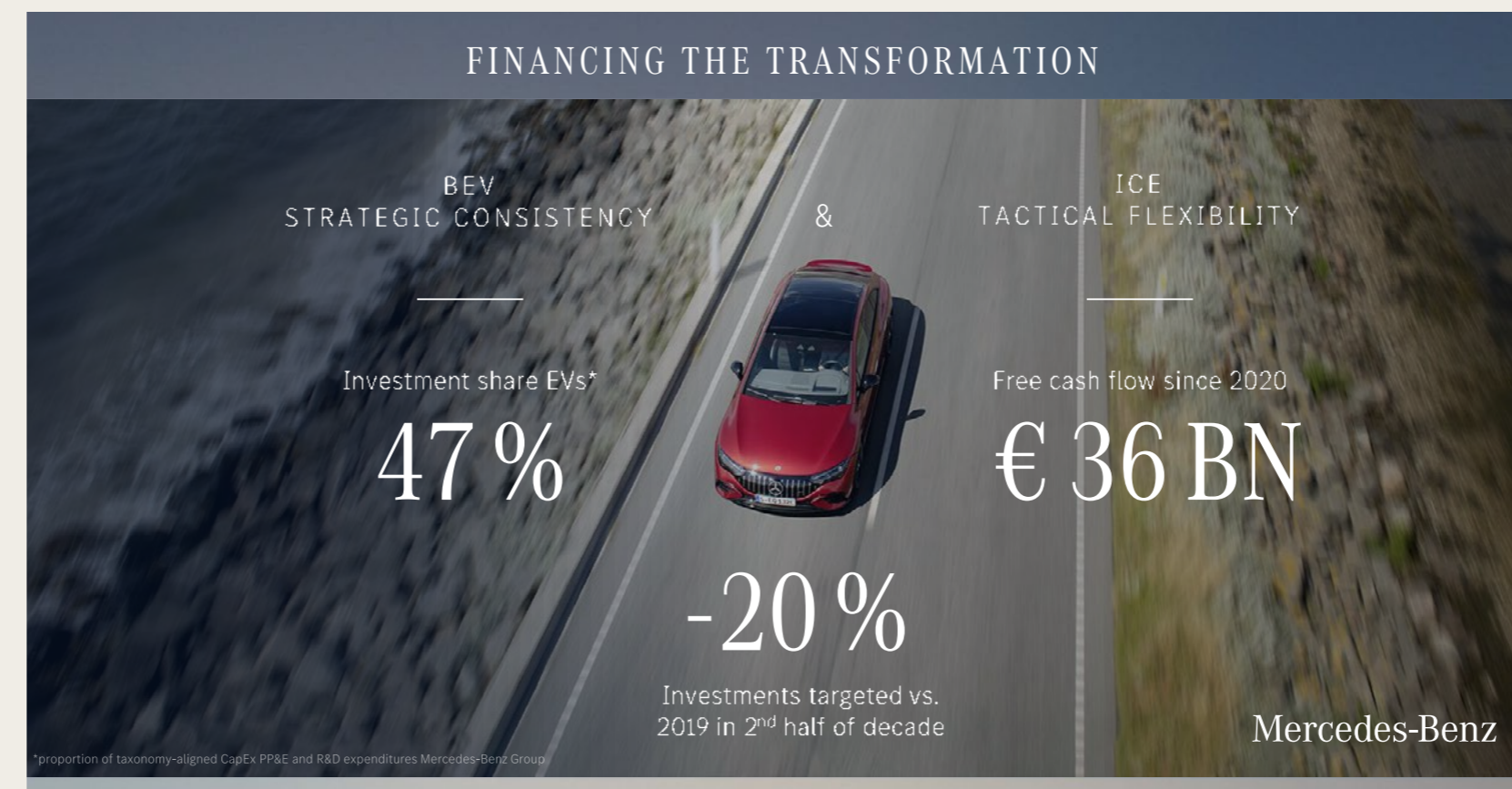
Source: Sabanci Investor Presentation



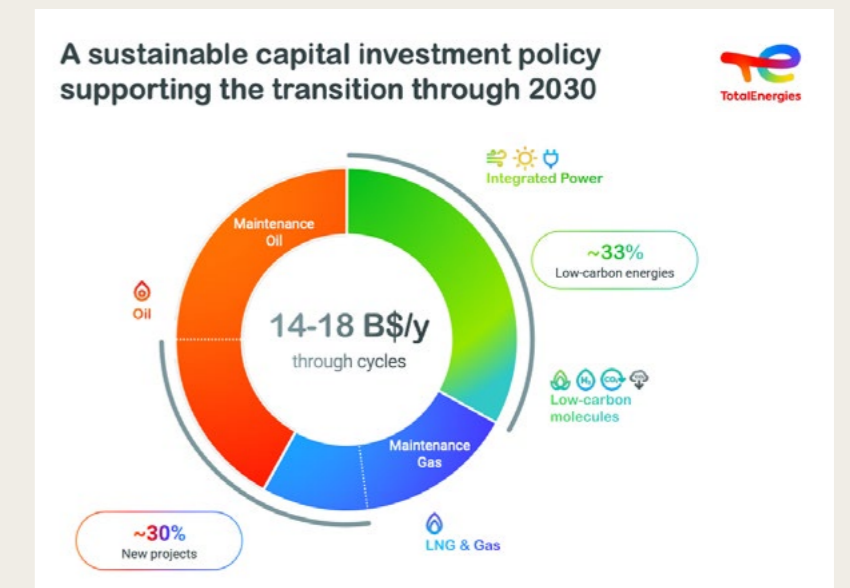
Source: CLP's Climate Vision 2050



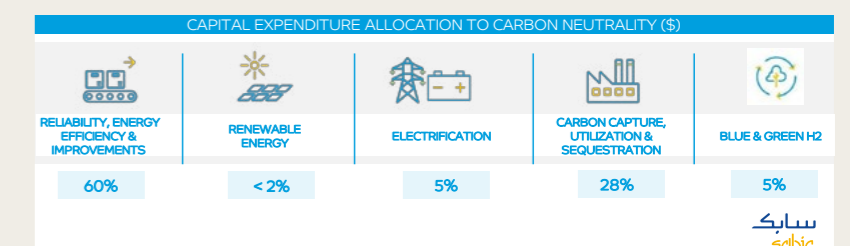
Source: PMI Investor Presentation



Source: Mercedes-Benz Group Capital Market Presentation



Source: TotalEnergies Strategy, Sustainability & Climate



Source: SABIC Investor Day Presentation

Societal context (response to)

What it entails

The company refers to wider social and environmental trends (including 'megatrends') as context for its strategic focus

Questions to reflect on:

- How are social, environmental or economic trends affecting the society within which we operate?
- How (financially)-exposed are we, or could we be to these trends?
- What processes do we have in place so we can benefit from / respond to trends?
- What key statistics and data can we communicate to help make the case for our role and priorities?

Company examples

Expected trends in coming months

Demand environment

- A continuation of **strong and dynamic market demand**, supported by secular trends of electrification, digitization and sustainability
- Strong demand for Systems offers across end-markets notably driven by trends in **Data Centers**, **Grid Infrastructure** investment and increased investments across **Process Industries** served by both businesses
- Continued pressure on demand in **residential buildings** and a moderation from elevated levels in **discrete manufacturing** (particularly in China and Western Europe)

Geographical trends

- U.S.** expected to contribute strongly to growth through a combination of strong demand, industrial reshoring and backlog execution
- China** to continue to rebound from slow start to the year with progressive recovery in market demand
- Middle East** and **India** to lead growth dynamic in emerging markets
- Government incentives** across the world centered around digitization, energy transition, decarbonization and improved energy efficiency to support growth

Supply chain

- Backlog execution** to support growth
- The improved supply environment should support **stronger industrial productivity** in H2

Investor Relations – Schneider Electric | Page 28

Source: Schneider Electric Investor Relations Presentation

Europe and the Single Use Plastic Directive (SUPD) will be the main driver of new deposit markets towards 2030

All EU member states to collect 90% of plastic beverage bottles by 2029

Existing DRS markets* EU countries

* In addition, some markets have refillable deposit systems such as: Austria, Belgium, Czech Republic, France, Hungary and Poland

Source: TOMRA Capital Markets Day

2.8% World economic growth estimated for CY2023 (IMF)

6.5% India economic growth estimated for FY 2024 (RBI)

172 GW Current installed renewables capacity

USD 1.4 TRILLION Budgeted towards National Infrastructure Pipeline (NIP) for infrastructure development

50% Proportion of installed capacity in India to be achieved from non-fossil fuel-based energy source by 2030

JSW

Source: JSW Energy Integrated Annual Report

Sustainability accelerates growth, enables margin expansions, and opens new business opportunities

Megatrends	Drivers	Opportunities for substitution
<ul style="list-style-type: none"> Demographics Urbanisation Climate change Resource scarcity Digitalisation 	<ul style="list-style-type: none"> Circularity Carbon neutrality Renewability Biodiversity 	<ul style="list-style-type: none"> Innovative materials Transformed value chains Novel end use customers New product ecosystems

Source: Stora Enso Capital Markets Day

Megatrends are forcing our markets to transition and creating opportunities for Accelleron

	Now	Future
Decarbonization	<p>If maritime industry was a country, it would be the world's 6th largest CO₂ polluter</p> <ul style="list-style-type: none"> Trends: synthetic fuels, fossil fuel decarbonization, bio fuels, blends, increased efficiency Power: grid balancing for intermittent renewables Heavy-duty: carbon neutral fuels where batteries are not a solution 	<p>1% reduction in maritime industry fuel use is equivalent to:</p> <ol style="list-style-type: none"> ~\$2bn of annual savings CO₂ reduction from taking ~2 million cars off the road
Digitalization	<p>Frequent manual data collection</p> <ul style="list-style-type: none"> Device connection & data collection Smart service contracts & monitoring Shared benefits & risks model Operational knowledge drives design 	<p>Remotely connected engines</p>

Accelleron

Source: Accelleron Capital Markets Day

Operating practices & culture

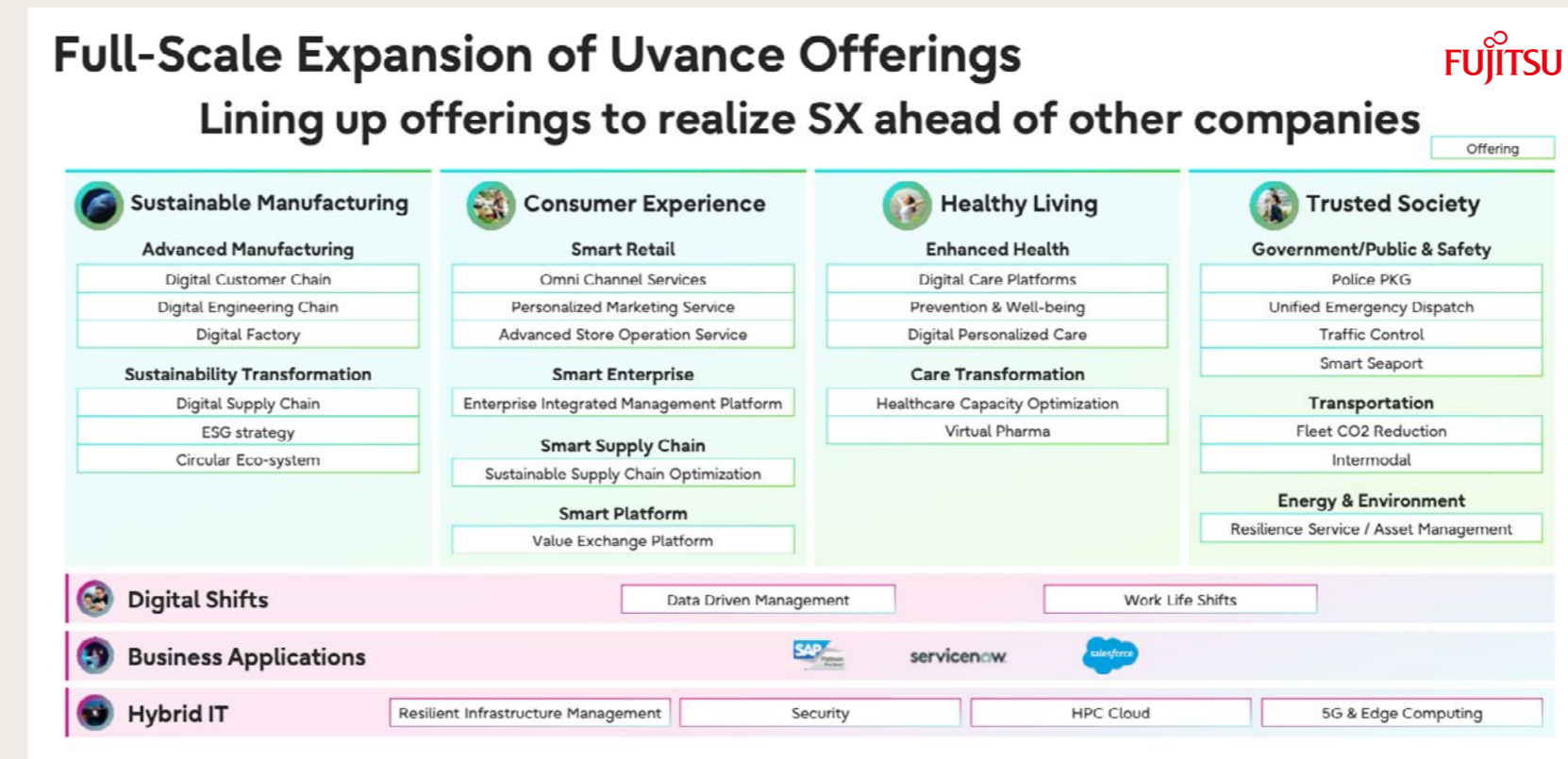
What it entails

The company describes how embedding sustainability into its operating practices and/or culture contributes to the investment case

Questions to reflect on:

- (How) do our internal sustainability-orientated practices enhance our business effectiveness? (e.g. through improved operating efficiency, client retention, regulatory relationships etc.)
- How is sustainability embedded in performance management and our ways of working?
- What examples can we provide of this integration?

Company examples



Source: Fujitsu IR Day



Source: AIB Investor and Analyst Update

Why invest in Yara



We believe Yara is a highly attractive long-term investment. Here's why:

Attractive opportunities

Resource and environment challenges require strong agricultural productivity improvements. We are broadening our core as a leading food solutions company with significant value creation potential. We are also enabling the hydrogen economy through **Yara Clean Ammonia**, where we use our leading position in ammonia trade and shipping to create a clean energy future in shipping and food production.

Focused strategy

We are an industry leader in our field. Our products, solutions and knowledge address global food security and climate change challenges, generating business opportunities for Yara. We provide climate-smart routes for optimizing resource inputs while maximizing the quantity and quality of our customers' output.

Driving sustainable performance

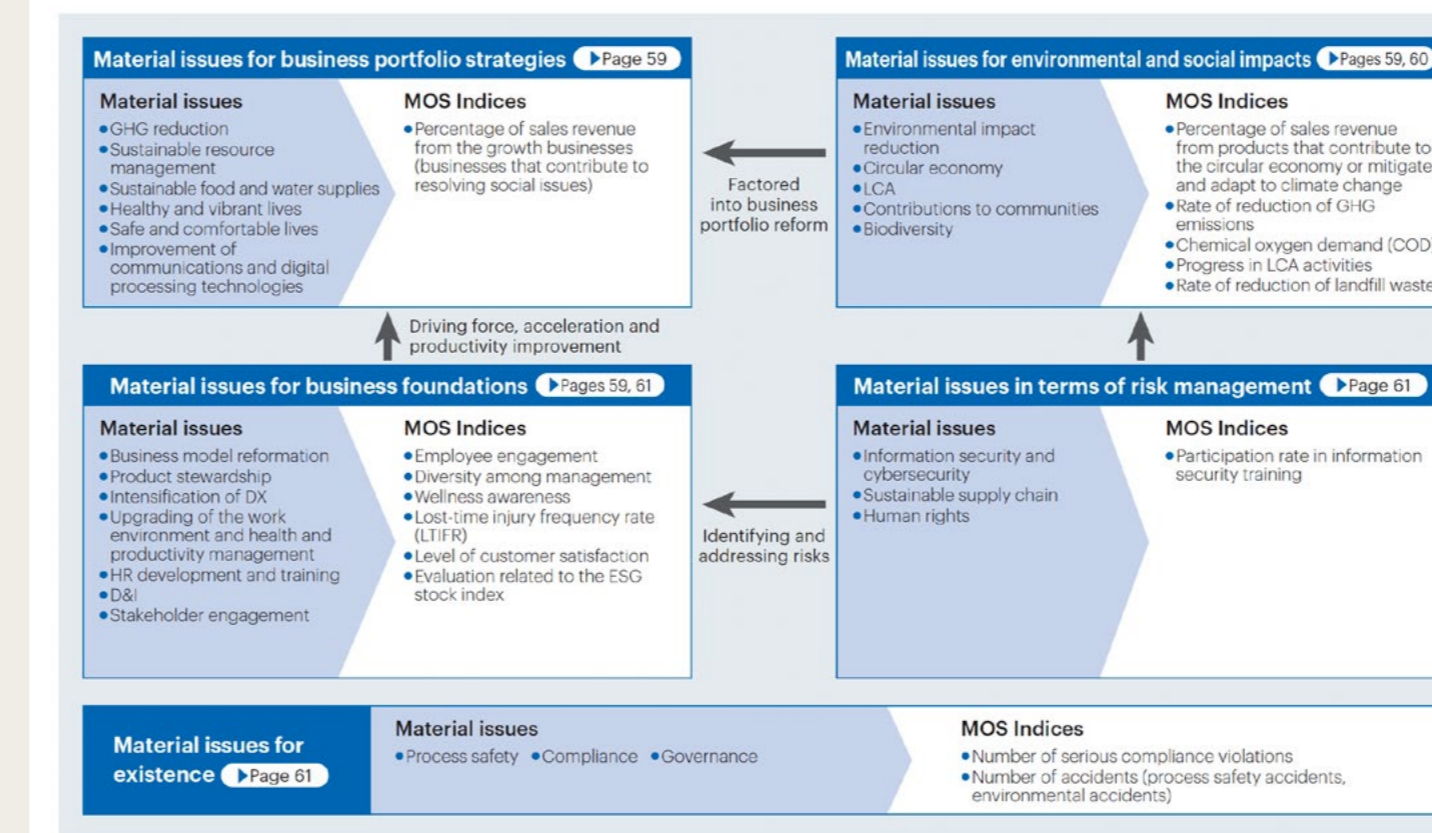
We believe that shareholder values are safer and performance will improve when diversity, human rights and environmental consideration form an integral part of our strategy and management, and we drive **sustainable performance** through an integrated scorecard with KPI's across the People, Planet and Prosperity dimensions.

Strong shareholder returns

We deliver strong shareholder returns through internal improvements, strict capital discipline and a clear capital allocation policy. We have a target of a >10% ROIC through the cycle. In addition, we see significant value creation potential in a climate-positive food future building on our baseline.

Source: Yara Investor Relations

Overview of material issues and sustainability indices (MOS Indices)



Source: Mitsubishi Chemical Group Kaiteki Report

Conclusions *and reflections*

This resource provides corporate investor relations teams with a synthesis of current practice and guidance for future practice encouraging and equipping the integration of sustainability in equity stories.

This integration to provide a sustainable equity story is now widely expected by investors and provides important context for corporate-investor engagement alongside enhanced transparency resulting from sustainability reporting developments.

Embedding sustainability in the equity story is not a one-size-fits-all exercise, there are various options and points of integration. But sustainable business transformation must be further integrated into investor relations strategy, messaging and activities, to differentiate and strengthen company investment cases and propositions to financial markets.

Key actions for companies

1. Assess potential communication connections between sustainability factors and components of the equity story (e.g. market positioning, capabilities & assets, innovation, capital allocation)
2. Develop internal engagement with colleagues across strategy, finance, communications, innovation, management
3. Review equity story examples from other companies, particularly those from peers
4. Understand investor interests and expectations through direct engagement
5. Consider connections and alignment with the evolving sustainability reporting landscape (e.g. ISSB, EFRAG, taxonomies)
6. Ensure relevance, balance, consistency, strategic focus, future orientation and connectivity of information



Acknowledgements

Disclaimer

This publication has been developed in the name of WBCSD. Like other WBCSD publications, it is the result of collaborative efforts by representatives from member companies and external experts. A wide range of member companies reviewed drafts, thereby ensuring that the document broadly represents the perspective of WBCSD membership. Input and feedback from stakeholders listed above was incorporated in a balanced way. This does not mean, however, that every member company or stakeholder agrees with every word.

The report has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, legal or other professional advice.

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About WBCSD

The World Business Council for Sustainable Development (WBCSD) is a global community of over 220 of the world's leading businesses, representing a combined revenue of more than USD \$8.5 trillion and 19 million employees. Together, we transform the systems we work in to limit the impact of the climate crisis, restore nature and tackle inequality.

We accelerate value chain transformation across key sectors and reshape the financial system to reward sustainable leadership and action through a lower cost of capital. Through the exchange of best practices, improving performance, accessing education, forming partnerships, and shaping the policy agenda, we drive progress in businesses and sharpen the accountability of their performance.

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