



European Commission

Sustainable finance

Investing in a sustainable future

June 2023 | #SustainableFinanceEU



The **EU sustainable finance agenda** aims to support companies and the financial sector in the transition to a climate-neutral and sustainable economy, by encouraging private funding of sustainable projects and technologies.



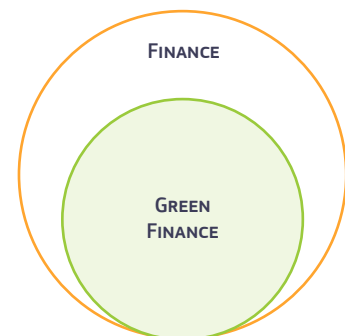
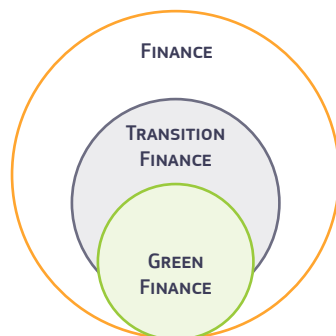
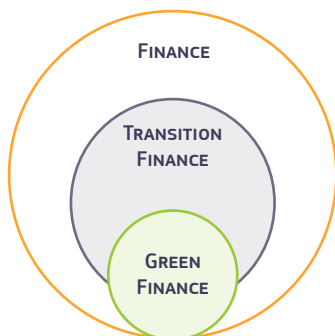
This package is a major step towards **completing the EU sustainable finance framework**, while ensuring that its elements are easier to use with minimum costs and help **finance the transition**.



The priority is **helping market participants** implement the EU Taxonomy and the overall framework, and to enhance its usability.

INVESTING IN THE TRANSITION

Sustainable finance is about financing both what is already environment-friendly today (green finance) and the transition to environment-friendly performance levels over time (transition finance).

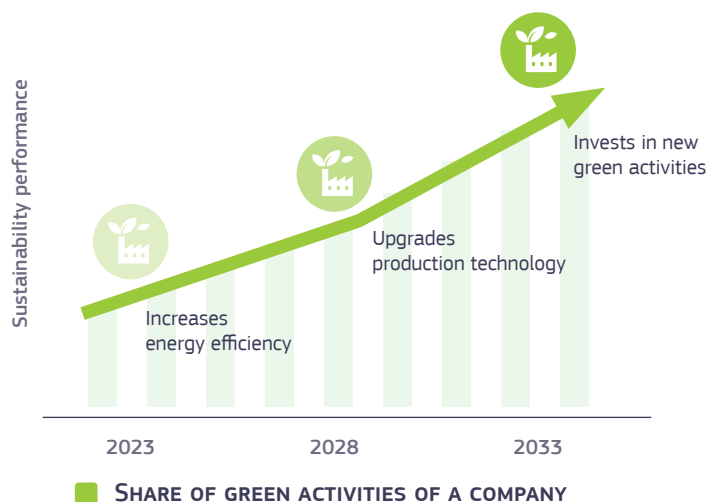


- General finance without sustainability objectives
- Finance to transition to EU objectives and become green in the future
- Financing of investments that are green



TOOLS FOR FINANCING THE TRANSITION

EXAMPLE OF A COMPANY IN TRANSITION



Voluntary tools that companies can use to finance their transition towards sustainability over time include:

- EU Taxonomy
- EU climate benchmarks
- European Green Bond standard
- Science-based targets
- Transition plans

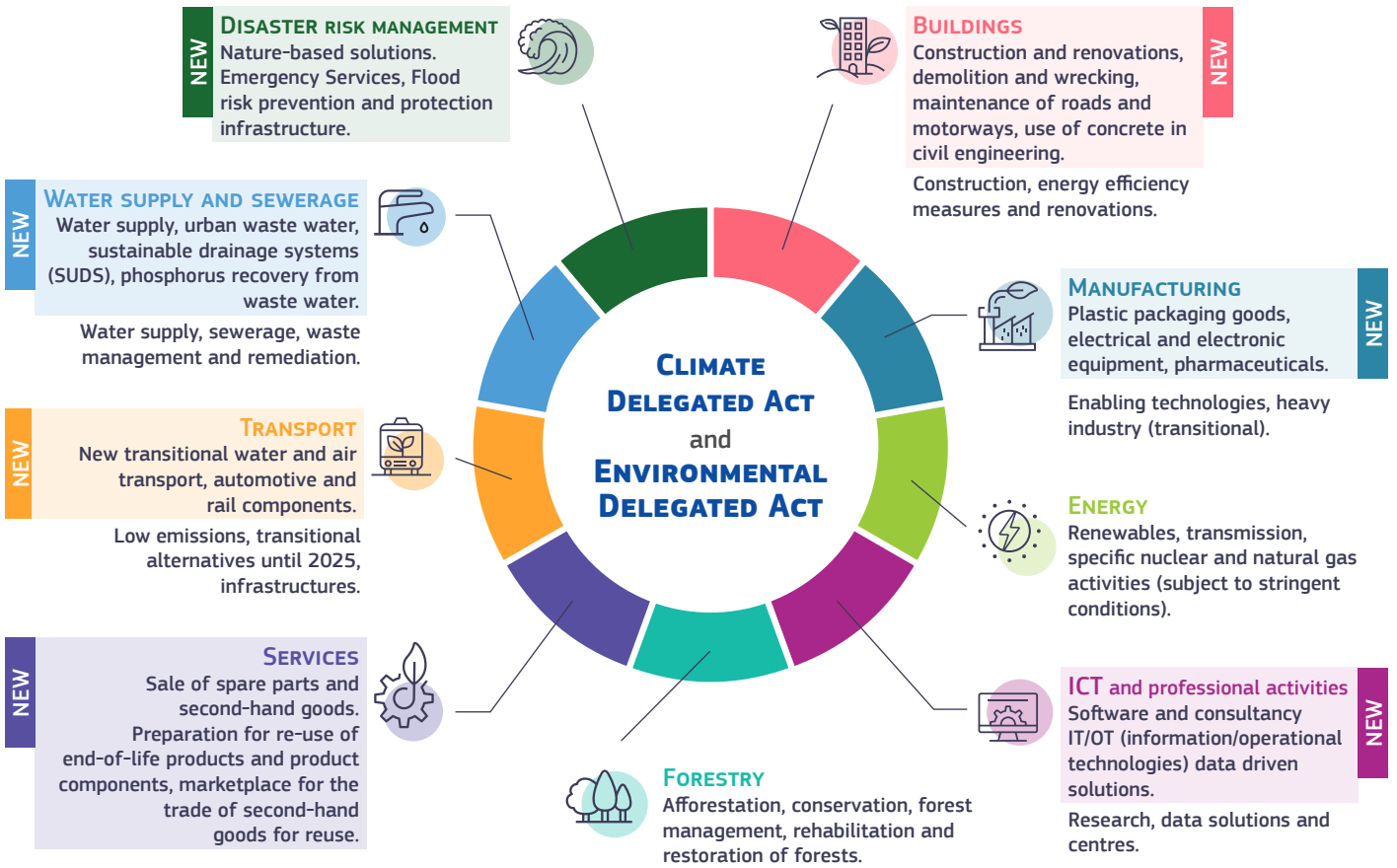
TODAY'S PACKAGE: EU TAXONOMY DELEGATED ACTS

Amendments to existing
Climate Delegated Act

New: Environmental
Delegated Act
(including amendments to
the Disclosures Delegated Act)



EU TAXONOMY ECONOMIC SECTORS AND ACTIVITIES COVERED



PROPOSAL FOR A REGULATION ON ESG RATINGS

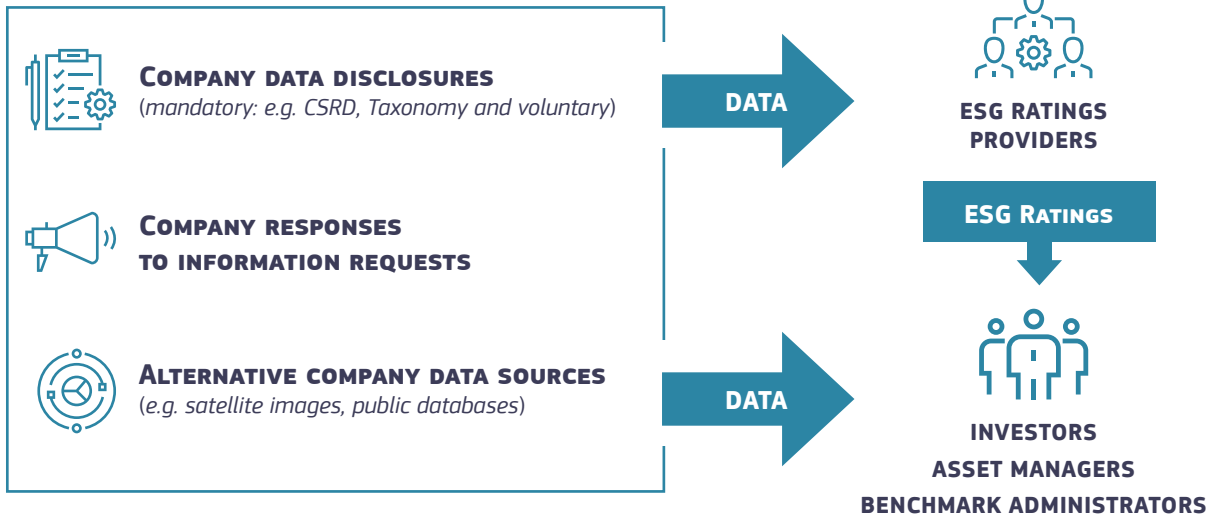


We are taking further steps to make it easier to invest in a more sustainable economy by bringing more transparency to the Environmental, Social and Governance (ESG) ratings market and introducing rules on ESG rating agencies' operations.

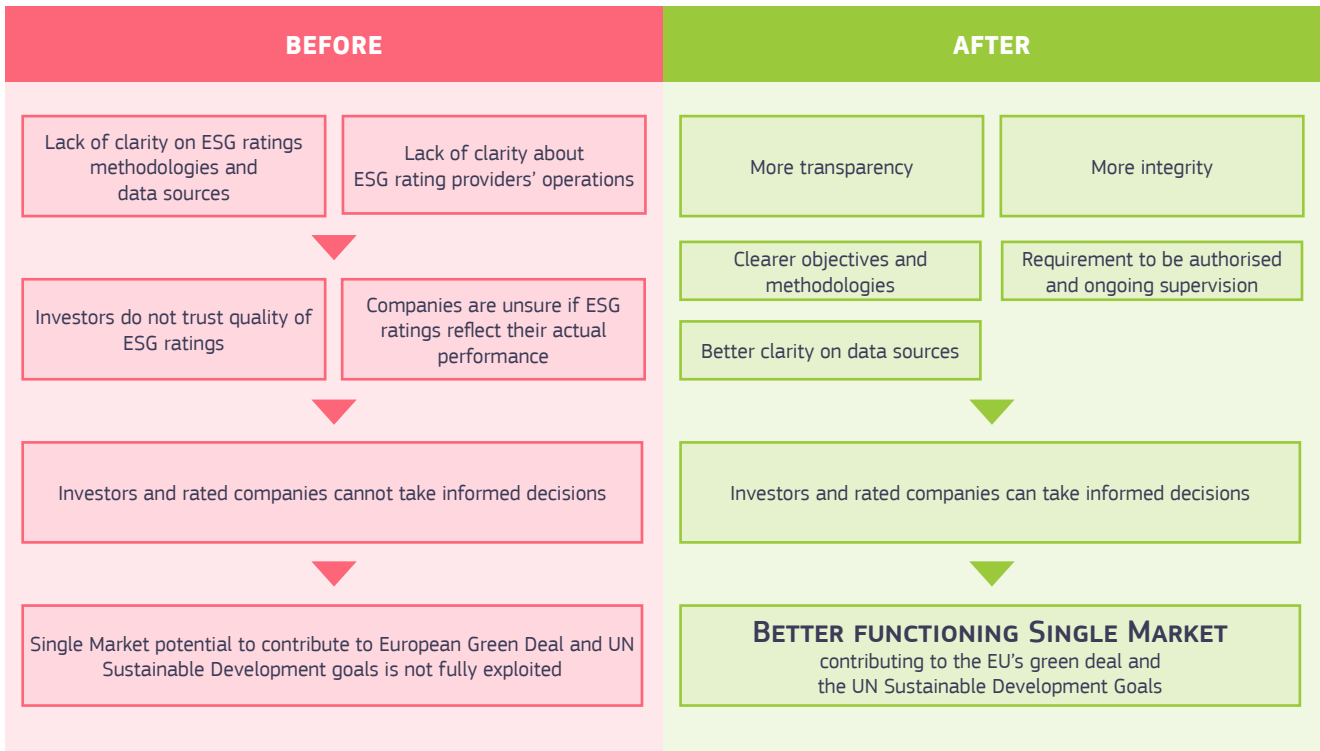


ESG ratings assess the **environmental, social, and governance** characteristics, exposures to ESG risks or the impact on the environment and society in general of an entity, a financial instrument or a financial product.

HOW ESG RATINGS WORK



WHAT IS CHANGING WITH TODAY'S ESG RATINGS PROPOSAL?



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