

Climate-Aligned Issuers now displayed on the Luxembourg Green Exchange



Mr. Cédric Raffoul

Partner

cedric.raffoul@loyensloeff.com

The Luxembourg Green Exchange has recently added to its labelled bond section, a brand-new section dedicated to Climate-Aligned Issuers, built on the Climate Bonds Initiative's issuer screening and research. This new segment will give visibility to environmentally friendly issuers of debt securities that are not necessarily labelled as green, social or sustainability bonds, but which finance low-carbon activities with a positive environmental impact.

[Climate-Aligned-Issuers-LGX]

In February 2021, the Luxembourg Stock Exchange (LuxSE) teamed up with the Climate Bonds Initiative (an international non-profit organisation aimed at mobilising the \$100t bond market for climate solutions - CBI) to display on the Luxembourg Green Exchange (LGX) a brand-new section dedicated exclusively to Climate-Aligned Issuers (CAI).

Defined and monitored by the CBI, CAI of debt securities are identified on the basis of their sector of activity and the percentage of their revenue streams derived from climate-aligned activities, as per the CBI Taxonomy.

CAI are public or private companies with outstanding debts that are not labelled as green, social or sustainability bonds, but which finance climate-aligned activities. This new section of the LGX will highlight whether CAI are either 'strongly aligned' or 'fully aligned' depending on whether they derive more than 75% or 95% of their revenues from climate-aligned activities.

CAI are identified by the CBI through an in-depth screening process and a detailed analysis of revenue streams, business activities and outstanding debt. Currently, the CBI defines eight climate-themes: renewable energy, low-carbon transport, smart buildings, water, waste, sustainable land use & agriculture, climate adaptation and ICT.

On the day of the launch, the Climate Bonds-LGX Climate-Aligned Issuers section included 23

CAIs in 16 different countries. Other CAIs are expected to join the LuxSE and LGX in the coming months.

With this move, the LuxSE complements its already extensive products section offering of labelled green, social, sustainability and sustainability-linked bonds on the LGX. This new initiative will allow investors to identify untapped opportunities in climate finance and support companies with climate-aligned business activities.

For further information, please consult the LuxSE's website: [LGX expands to welcome Climate-Aligned Issuers \(bourse.lu\)](#)