



(UBS)

Another transformative year for Sustainable Investing

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In our 2024 year-end review, we reflect many significant developments in the realm of sustainable investing (SI).

This year has been transformative for Sustainable Investing (SI), marked by crucial advancements in the performance and flow of SI strategies, progress in the energy transition, and notable shifts in climate and social change. Because of the important milestones and progress that occurred in 2024, we have broken down the year's key events and topics by month.

January: China Relaunches Carbon Market

China's carbon market activity surged with the relaunch of its domestic voluntary carbon market, bolstered by a new governance system. These developments underscore China's commitment to enhancing the standardization and credibility of its carbon markets.

February: US Labor Force Participation Gender Gap Reaches All-Time Low

The gender gap in labor force participation fell to 10.1%, marking a significant milestone in gender equality. This progress reflects increased workforce participation among women and the positive impact of policies promoting gender equality in employment.

April: Record EU and US Renewables Generation

Renewables accounted for 54% of the EU's and 31% of the US's electricity generation, setting new records. This shift highlights the growing commitment to renewable energy and reducing reliance on fossil fuels.

May: Microsoft and Brookfield Sign USD 10bn Deal for Renewable Energy

Microsoft and Brookfield's landmark deal for 10.5GW of clean energy underscores the tech industry's commitment to sustainability. This agreement reflects the increasing importance of sustainability in corporate strategies and the role of major corporations in advancing clean energy.

June: Swiss Electricity Law Adopted

Switzerland's plan to increase renewable electricity generation sixfold by 2035 demonstrates its commitment to decarbonization. This ambitious plan requires significant investment in renewable infrastructure, underscoring the importance of policy support in achieving decarbonization targets.

July and August: Record Hot Summer

2024 is on track to be the hottest year on record, with rising global temperatures posing significant risks to sectors like agriculture and health. The record heat highlights the urgent need for action to mitigate global warming effects.

September: UK Switches Off Last Coal-Fired Power Plant

The UK's closure of its last coal power plant marks a significant step toward its net-zero emissions goal by 2050. This move reduces reliance on fossil fuels, emphasizing the shift toward cleaner energy sources and the UK's commitment to a low-carbon economy.

October: Extreme Weather Affects US East Coast and Spain

The US experienced 24 extreme weather events costing over USD 1 billion, highlighting the financial impact of climate change. These events underscore the increasing frequency and severity of extreme weather, emphasizing the need for strategies to enhance resilience and mitigate climate risks.

November: Trump Re-elected, Implications for Sustainability Vary

Despite political changes, the US is expected to add 43GW of new renewable capacity, indicating continued growth in the renewable sector. This growth reflects the resilience of the renewable energy industry amid changing political landscapes and highlights the ongoing commitment to expanding renewable energy infrastructure.

December: Further signs of evolution for Sustainable Investment

Sustainable investing has continued to evolve, even in the face of political uncertainties and negative headlines. Total assets under management (AUM) have risen, global capital flows have stayed positive, and tangible results have demonstrated consistent advancement, reinforcing the strong investment rationale and enduring trends propelling sustainable investing forward.

Despite negative headlines and political rhetoric in 2024, global sustainable investing saw total assets under management recover to record highs and, most important, steady progress in real world outcomes.

For more, see our [Sustainable investing perspectives: 2024 in Review](#), and the [SI year in Charts: Year in review](#).

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