

COP24: 10 climate-related facts you should be aware of

By Gerrit Dubois, Responsible Investment Analyst

For those who are not convinced yet, scientific evidence is compelling...

1. Our planet's **average surface temperature** has risen about 0.9 °C compared to pre-industrial averages. The largest anomaly occurred in 2016, to date the warmest year on record. Moreover, out of the 19 warmest years on record, 18 have occurred since 2000.
(Source: NASA)
2. **Global sea level** has risen about 20.3 centimeters in the last century and the rising rate is increasing every year. Moreover, the rate in the last two decades is nearly double that of the last century. Rising sea level is caused by global warming and can be attributed to three main factors: thermal expansion of seawater, melting glaciers/polar ice caps and ice loss from Greenland and West Antarctica.
(Source: NASA & National Geographic)
3. Scientists widely agree on the anthropogenic nature of climate change: over 97 percent of **climate scientists** state that climate-warming trends which occurred over the past century are most likely due to human activity.
(Source: NASA)

People and assets are at risk...

4. An estimated **800 million people** are currently **exposed to physical climate change impacts** such as droughts, wildfires, floods, storms, extreme temperature, etc.
(Source: Conservation International)
5. The UN Refugee Agency estimates that, since 2008, each year an average of **21.5 million people** became climate migrants as they were **forcibly displaced by weather-related events** such as floods, storms, wildfires and extreme temperature. According to World Bank estimates, this number could increase to 143 million by 2050 in just three regions (Sub-Saharan Africa, South Asia and Latin America).
(Source: UN Refugee Agency & World Bank)
6. According to a study published by the Economist Intelligence Unit in 2015, the estimated **value at risk** due to climate change impacts, to the total global stock of manageable assets, ranges from \$4.2 trillion to \$43 trillion between today and the end of the century. To make the transition to a lower-carbon economy, an estimated \$1 trillion of investments annually are required, posing significant challenges and opportunities for investors and asset managers.
(Source: The Economist Intelligence Unit & Task Force on Climate-Related Financial Disclosure)

The Paris pledges are the fundamentals, but will not be sufficient...

7. Total annual **greenhouse gases (GHG) emissions** reached a **record high** of 53.5 GtCO₂e in 2017 and do not seem to peak yet. Moreover, GHG emissions increased by 0.7 GtCO₂e compared to 2016. The Paris pledges are estimated to reduce global emissions in 2030 by ca. 6 GtCO₂e (from an estimated 59 GtCO₂e under

8. current policies to 53 GtCO₂e under the Paris Agreement). However, if we want to keep global warming below 2°C or even below 1.5°C, current ambitions need to be tripled to align with a 2°C scenario and quintupled to align with a 1.5°C scenario. Hence, based on current pledges, we face a 2030 **emissions gap** of respectively 13 or 29 GtCO₂e.
(Source: UN Environment Programme)
9. The main goal of COP24 is to finalize the **Paris Rulebook**, which sets out the implementation guidelines of the Paris Agreement to ensure a just and effective energy transition. However, since current pledges are not sufficient and pose a significant emissions gap, nations will need to commit to review and revise their National Determined Contributions to align them with the required global decarbonisation target which is estimated to keep global warming well below 2°C.
10. To meet the Paris pledges, the EU needs to end the use of **unabated coal** by 2030. This requires major actions for a number of countries such as Poland, the host of COP24, since half of the country's total energy mix depends on coal. This will undoubtedly impede the COP24 talks, as such a target puts an estimated 100,000 Polish jobs in the coal and energy industry at risk.
(Source: Enerdata & Principles for Responsible Investment)
11. Belgium and France were recently faced with severe riots and strikes due to increased taxes on fossil fuels. Baring this in mind, the climate change transition does not only need to be **fast, but also fair and just**. COP24 will therefore also focus on the positive and negative implications of the climate transition for workers and communities, and as such, take the social dimension of the transition into account.
(Source: Principles for Responsible Investment)

IMPORTANT INFORMATION - FOR AUTHORIZED USE ONLY

The information contained in this document and attachments (hereafter the 'documents') is provided for pure information purposes only. Present documents do not constitute investment advice nor do they form part of an offer or solicitation for the purchase of shares, bonds or mutual funds, or an invitation to buy or sell the products or instruments referred to herein. Applications to invest in any fund referred to in these documents can only validly be made on the basis of the Key Investor Information Document (KIID), the prospectus and the latest available annual and semi-annual reports. These documents can be obtained free of charge at Degroof Petercam Asset Management sa, the financial service provider or on the website funds.degroofpetercam.com.

All opinions and financial estimates herein reflect a situation at the date of issuance of the documents and are subject to change without notice. Indeed, past performances are not necessarily a guide to future performances and may not be repeated. Degroof Petercam Asset Management sa ("DPAM") whose registered seat is established Rue Guimard, 18, 1040 Brussels and who is the author of the present document, has made its best efforts in the preparation of this document and is acting in the best interests of its clients, without carrying any obligation to achieve any result or performance whatsoever. The information is based on sources which DPAM believes are reliable. However, DPAM does not guarantee that the information is accurate and complete. Present documents may not be duplicated, in whole or in part, or distributed to other persons without prior written consent of DPAM. These documents may not be distributed to private investors and their use is exclusively restricted to institutional investors.