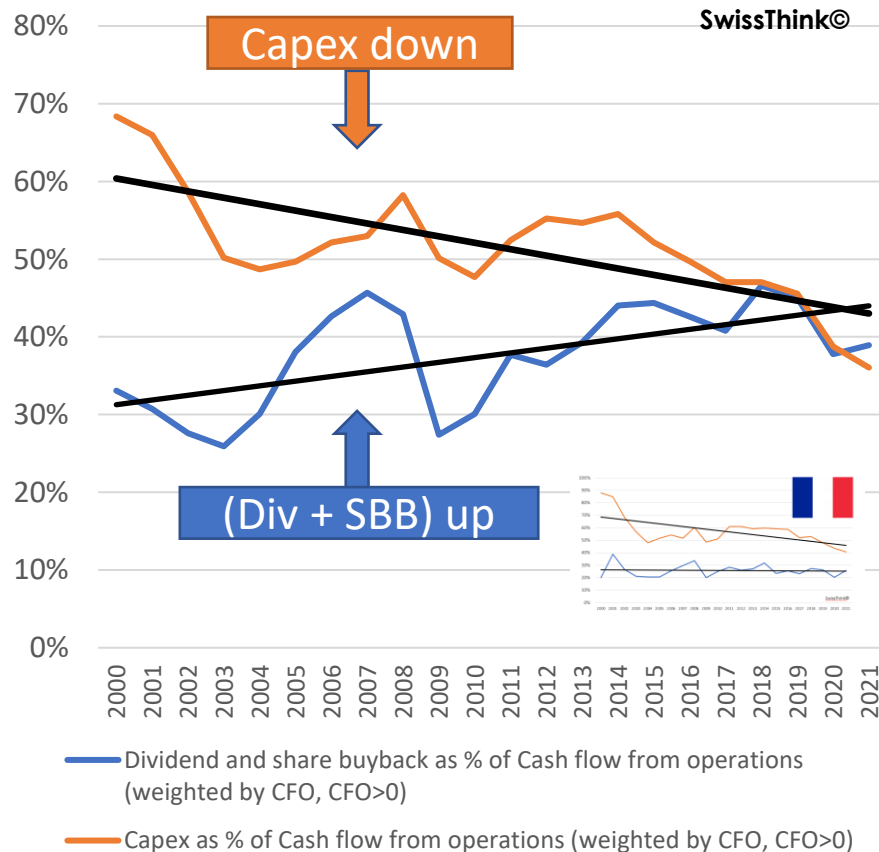
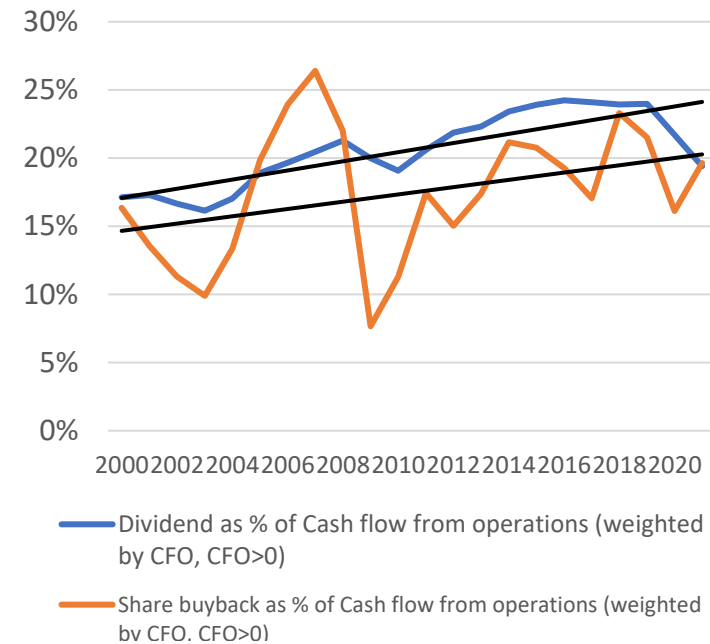


# HISTORICAL PERSPECTIVE (GLOBAL)

## Shareholder distribution vs Capital Spending (% of Cash flow from Operations)



## Dividend payout vs Share Buybacks (% Cash flow from Operations)



### Universe:

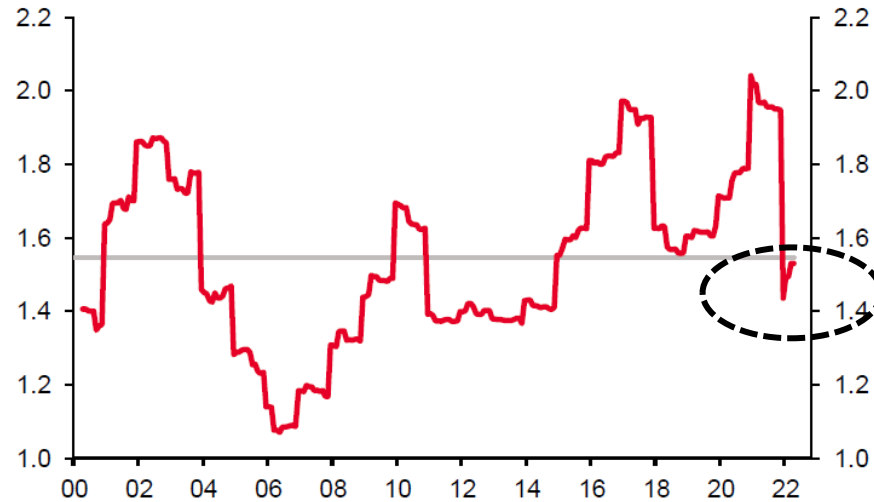
20 countries (US, Canada & Western Europe)  
Over 8000 companies with revenues > \$30m S&P Cap IQ

### Source:

Research project from **SwissThink** and University of Nottingham

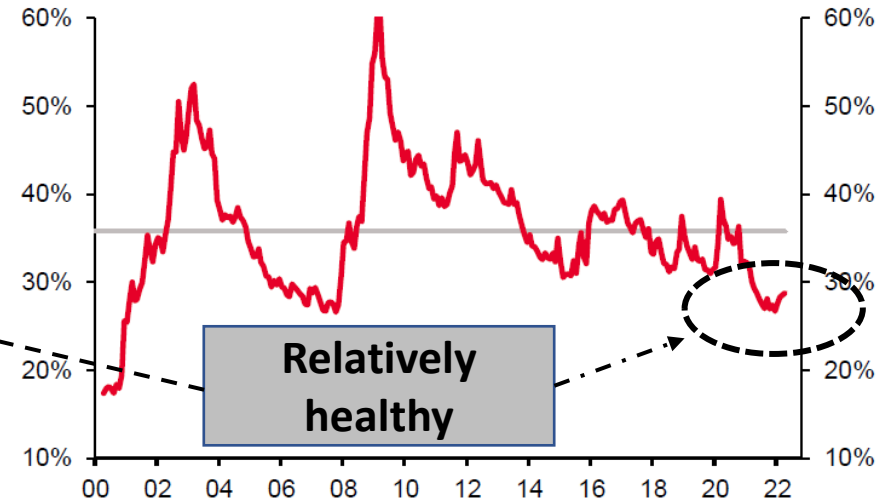
# CURRENT SITUATION (EUROPE)

**MSCI Europe: net debt/EBITDA**



Debt excluding all leases, MSCI Europe excluding Financials & Automotive sector.  
Source: FactSet, SG Cross Asset Research/Equity Strategy

**Europe (excl. financials): total debt/market capitalisation**

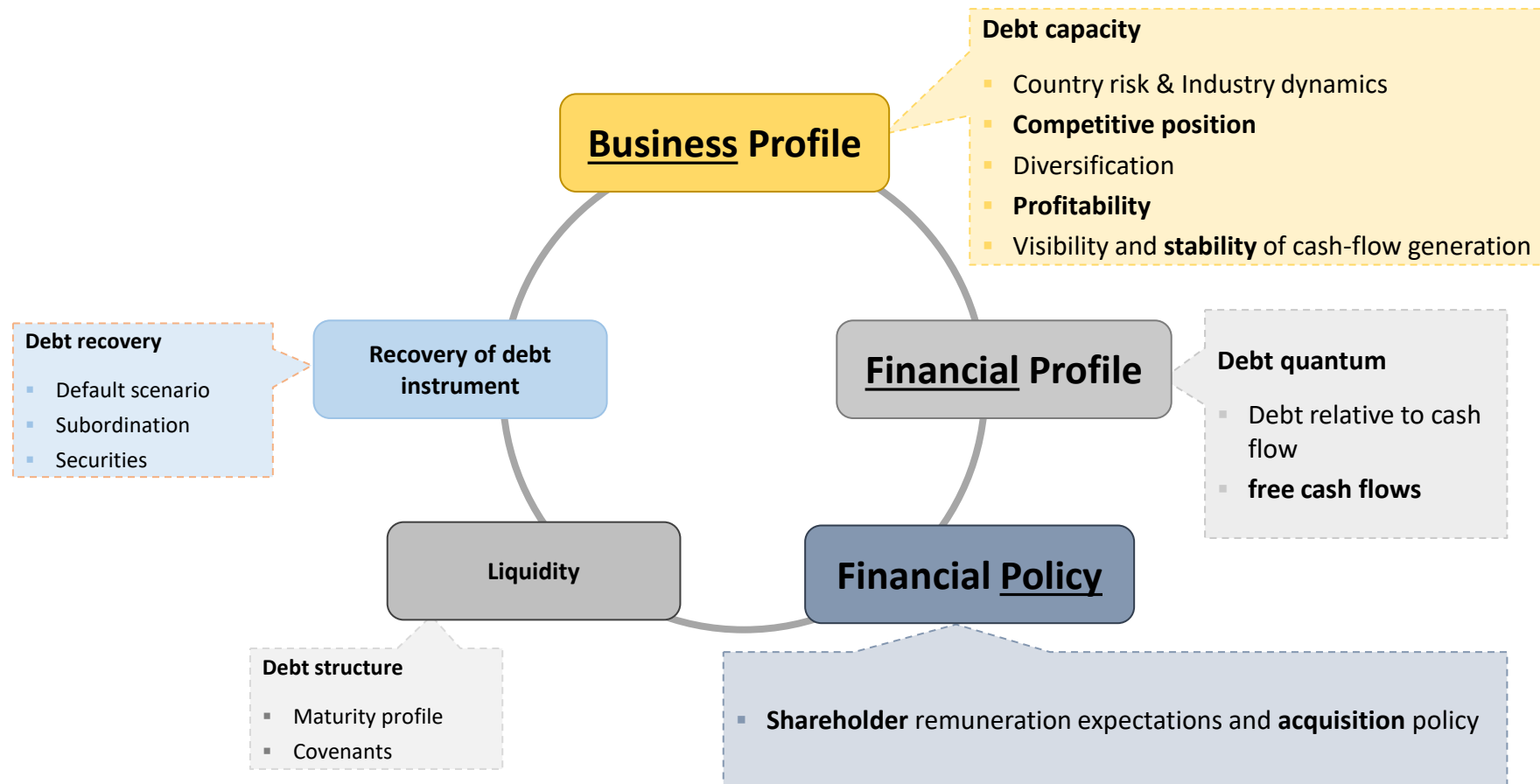


Debt excluding all leases, MSCI Europe excluding Financials & Automotive sector.  
Source: FactSet, SG Cross Asset Research/Equity Strategy

**Sources:**

SG – "How are companies spending their cash?" Oct. 2022

# BUILDING BLOCKS OF CREDIT RATINGS



# FORWARD-LOOKING (EUROPE)

## INTRODUCING A CARBON-TRANSITION ANGLE

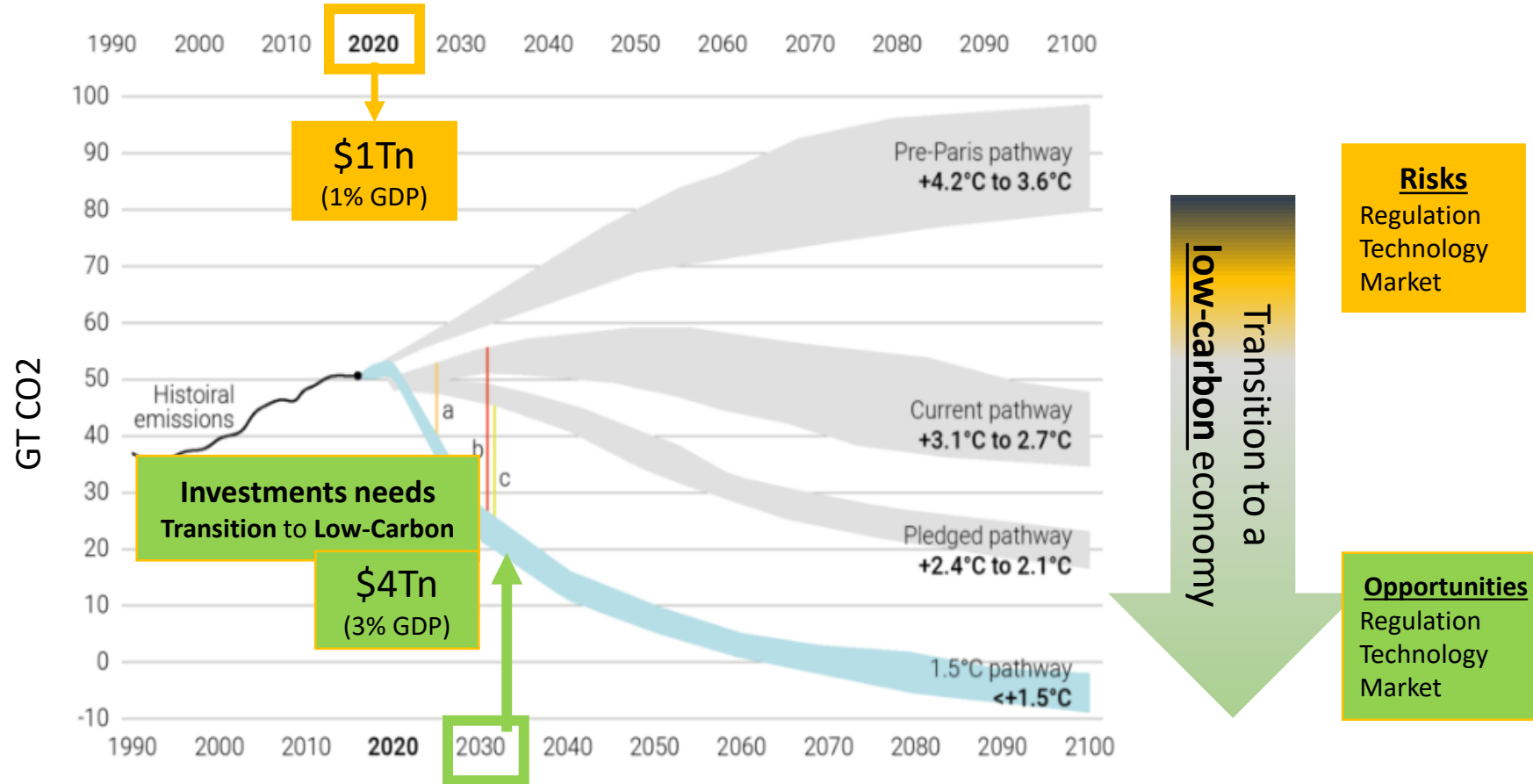


Illustration of scientific and real economy emissions pathway divergence

Sources:

UNPRI – Net-zero Asset Owner Alliance - Target Setting Protocol Second Edition – 2022

Bloomberg New Energy Finance