HYBRIDAN
DEDICATED TO BROKING

Changing the way we treat the environment

In order for the human population to continue to thrive on this planet, changes are being made all over the world to try and become more environmentally friendly.

What is being done to protect our own environment?

China decided to ban importing 24 types of scrap materials as of January 2018, a decision which has left many waste exporters scratching their heads for an alternative to China.

In 2017, Britain set out its plans which involved banning the sale of all petrol and diesel cars and vans from 2040 by the then UK Environment Secretary, Michael Gove, due to the levels of air pollution rising which could pose a huge threat to public health. In fact, many regulations imposed around the world, such as the Chinese ban above, have driven the UK to act on areas such as bioplastics, recycling and use of renewable sources of energy, to conserve, protect and look after the environment.

Certain effects have been seen in the UK already. The electric vehicle trend is now one of them. In the last four years, the demand for electric vehicles rapidly surged with now approximately 166,000 'plug-in' cars in the UK, from 3,500 in 2013. The UK's commitment to carbon reduction has influenced this trend, ever since the government promised that almost all cars and vans will be zero-emission by 2050 at the 2016 Climate Change Conference in Paris. Councils in England have already agreed to have increased fines for littering and penalties as much as £150 per individual can now be issued.

The scourge of waste plastic hits the headline on almost a daily basis. According to the UN Environment Assembly, more than 8 million tonnes of plastic enter the world's oceans each year. Not all of it can be recyclable or are biodegradable, so just ends up sitting on land and in oceans for many years. A prime example of such devastation is the Great Pacific garbage patch, the largest accumulation of ocean plastic in the world, which is located between Hawaii and California. The Great Pacific garbage patch covers an estimated surface area of 1.6 million square kilometres, an area twice the size of Texas or three times the size of France, according to Lebreton, *et al* (March 2018). This can cause harm to the environment and the inhabitant species in marine waters especially.

So, what is being done in the UK?

The UK has set up a £20m fund (Plastics Research and Innovation Fund (PRIF)) to seek new innovations in the plastic industry, particularly in the field of bioplastics. More packaging is being made recyclable to reduce build-up of landfills which are a major source of pollution.

But why is this overall 'green' trend gaining publicity?

To the disappointment of many 'green' supporters and protesters, companies are following the trend less for the genuine care of the environment but more for the potential financial benefits that their own company can reap. This is known as Green Marketing. The last few years have seen consumers become more aware and understanding of the issues surrounding the environment.

AIM Statistics

Nine months ended 30 September 2018		2017
Number of UK Companies	792	808
Number of International Companies	145	152
Number of Companies	**937**	**960**
Market value (£'m)	**115,119.9**	**106,882.3**
Number of UK new issues	40	69
Number of International new issues	9	11
Number of new issues	**49**	**80**
Number of UK cancellations	**56**	**70**
Number of International cancellations	16	32
Cancellations	**72**	**102**
New Money Raised (£'m)	1,323.52	1,585.6
Further Money Raised (£'m)	3,183.85	4,788.2
Total money raised (£'m)	**4,507.4**	**6,373.8**
Top sector for new issues	Oil & Gas	Financials
	9 Companies	13 Companies
	£391.03m	£528.89m
Top sector for further issues	Financials	Basic Materials
	127	559
	£779.13	£556.79m

Source: London Stock Exchange

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Companies have used this as to their advantage knowing that, now people are willing to pay a premium for a 'green' product, explaining the rapid expansion of the Green Market.

Electric car manufacturer Tesla is a well-known example of how it is becoming more mainstream. From 2008 to 2017, revenue increased from $14.74**m** in 2008 to $11.8**bn** in 2017. However, huge questions marks remain over the company as regards to viability. Run by an eccentric, and somewhat controversial CEO, Tesla has struggled to crank out large numbers of its Model-3 electric car. While all this is important to the Company's future, of course, there is a more fundamental issue that currently seems to be overlooked: Tesla just cannot seem to make money. For six months ended 30 June 2018, the Company reported net losses of $1.43bn, burned through $1.8bn of cash and reported its largest ever quarterly loss beating the record set in Q1 2018.

All is not lost; Volkswagen (and several other mainstream carmakers) have announced a major push to manufacture millions of reasonably-priced, all-electric cars. Given VW's recent Eco track record, some might take this with a rather larger pinch of salt. But we believe that the electrification of VW is key to its recovery as a brand after the 2015 diesel emissions scandal. The Group plans to sell 10 million electric vehicles across the brand portfolio by 2025.

The environment situation has also impacted investors who are raising more and more funds to invest in companies/projects that can support the environment. The vast majority of institutional investors have a dedicated Socially Responsible Investment (SRI) fund, in the UK between 2011 and 2015, sustainability themed SRIs (in euros) increased from €8,932m to €21,022m. Traditionally large scale capex projects such as wind farms have been a disaster area for many investors, but with more and more SRI firms springing up and raising money, the investment is been made in a smarter more measurable way.

However, the US, the world's largest economy could have a negative impact on the industry as a whole, and on its trading partners such as the UK and Germany, which have invested large sums into sustainable energy. President Donald Trump is the possible cause of this potential impact. After announcing the US would pull out of the Paris Climate Change deal and not including climate change in his environmental plans, Trump's views very much show that he plans to halt his country's progress in this sector and possibly influence other countries to do the same, making his policies a possible threat.

The following report however will focus on the environmental themes that have emerged in the UK, with a closer look at some selected companies in each sector.

Energy Storage

Concerns raised with air pollution, energy imports, and climate change have generated the expansion of renewable energy such as solar and wind power. However, these irregular power sources can fail to provide around the clock reliability. Both are weather dependent, wind power is uncontrolled and may be generating at a time when no additional power is needed, and solar power may be hindered by cloud coverage with best availability during daylight hours, while demand often peaks after sunset. The missing link between reliability and sporadic renewable power is Energy Storage.

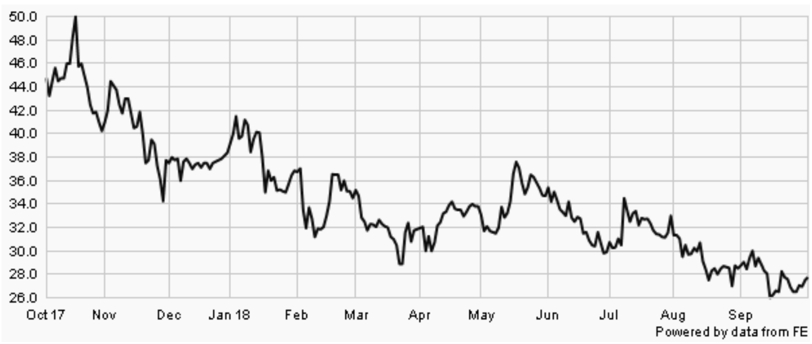
Energy Storage captures and then releases power, so it can be generated at one time and used at another. When one considers Energy Storage, batteries would normally come top of the list; major forms of batteries include lithium-ion, lead-acid, and molten-salt, as well as flow cells. However, there are other forms of Energy Storage including: hydroelectric dams, which store energy in a reservoir as gravitational potential energy; or Flywheels, which are mechanical devices that harness rotational energy to deliver instantaneous electricity.

According to McKinsey, the four main benefits of Energy Storage are:

1. used to smooth the flow of power;
2. the improvement of reliability;
3. the increase of the utilisation of power-generation or transmission and the distribution assets; and
4. that it can help smooth out the costs associated with energy.

Britain could see "explosive growth" in battery energy storage over the next five years according to Solar Media's Market Research division. They found that in just a year, the UK's pipeline for new battery storage projects has grown by over 240%, with forecasted installations in 2018 set to rise more than 200% year-on-year. Opportunities are being created by a range of drivers including a national commitment to phase out coal, falling technology costs and more than 30GW of wind and solar capacity ripe for co-location with batteries. **Gresham House (LON: GHE)** plans to raise £200m (€226.1m) by floating an energy storage fund on the London Stock Exchange. The aim of Gresham House New Energy is to generate sustainable financial returns for our investors while supporting the shift from finite resources to a clean energy world.

ITM Power PLC (LON: ITM 28.6p/£90.7m)

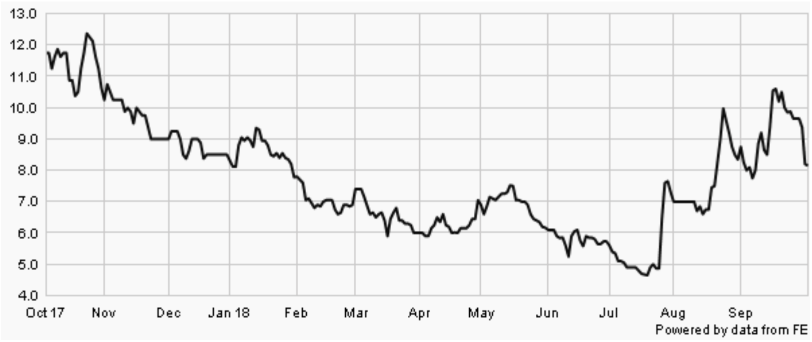


Source: Investegate

ITM Power specialises in the manufacture of integrated hydrogen energy systems to enhance the utilisation of renewable energy that would otherwise be wasted. These solutions are rapid response and high pressure that meet the requirements for grid balancing and energy storage services, and for the production of clean fuel for transport, renewable heat, and chemicals. Founded in June 2001, the Company floated on AIM in 2004 and received £4.9m as a strategic investment from J.C.B. Research and Valebond Consultants Limited in March 2015. The Company signed a forecourt siting agreement with Shell in September 2015.

There has been noteworthy development for the Company over the past year where activity levels significantly increased. To support this level of activity, the Company successfully raised £29.4m (gross) of working capital via a placing and open offer in September 2017. The Group currently has £24.1m under contract and a further £6.5m in the final stages of negotiation, constituting a total pipeline of £30.6m, having recognised £9.7m of income in H2 2018 which was reported on 13 August 2018. With revenue increasing by 53%, the Company has been focussed on the expansion of staff and the planning of the new, larger production facilities. They have also been learning how to maximise a growing portfolio of revenue generating assets in the shape of the first real hydrogen refuelling network in the UK. Finally, the Power-to-Gas sector is now demonstrating real traction around the world and they remain very well placed to benefit from this development with their long-running reference plant in Germany.

redT Energy PLC (LON: RED 7.38p/£56.83m)



Source: Investegate

redT specialises in energy storage systems that deliver cheap, sustainable energy infrastructure with attractive economic returns for customers. The Company uses a range of technologies; their own vanadium redox flow machines, lithium batteries, or a combination of both in a hybrid system. redT has been a player in the energy industry since 1989 and their patented flow machine technology is backed by 20 years of product development.

The Company raised £5.03m at 7p on 3 October 2018 to progress delivery of its current pipeline and provide the time to attract strategic partners to support and finance the continued growth of the business. redT recently launched its third generation (Gen 3) flow machine and announced the sale of a 300 kWh redT energy storage machine to Anglian Water alongside a collaborative partnership agreement to optimise energy storage across their water utility sites. The Company has received an initial commercial order for four Gen 3 units, which will be installed at one of the its water treatment sites in the UK.

Moreover, redT signed an exclusivity agreement and announced this on 26 July 2018 with Energy System Management GmbH (ESM), a German energy development Company, part of WWF solar, to deliver two 40MWh grid-scale energy storage projects in Germany as a first phase deployment, with plans to roll out a further 690MWh of projects in the future. These projects confirm the suitability of redT's technology for "mega projects" at grid level and are a ground-breaking development, not only for redT but for European energy markets as a whole.

Bioplastics

Bioplastics are plastics derived from renewable biomass sources, such as vegetable fats and oils, corn starch, straw, woodchips, food waste, etc. The UK is well placed to become the world leader in bioplastics, generating jobs and revenue for the UK, while tackling the global plastic waste problem, according to a new report, *Bio-based & Biodegradable Plastic in the UK* by NNFCC. With policy and funding from government, bioplastics could create 34,000 jobs and contribute £1.92 billion to the UK economy in the next decade, according to CEBR. The UK already aims to eliminate plastic waste by the end of 2042, and bioplastics are crucial in achieving this.

Why bioplastics?

- A more sustainable product
- Managed end of life
- Consumer engagement
- Improving carbon footprints

*Integumen plc (LON:SKIN 0.48p/£1.28m) **

Source: Investegate

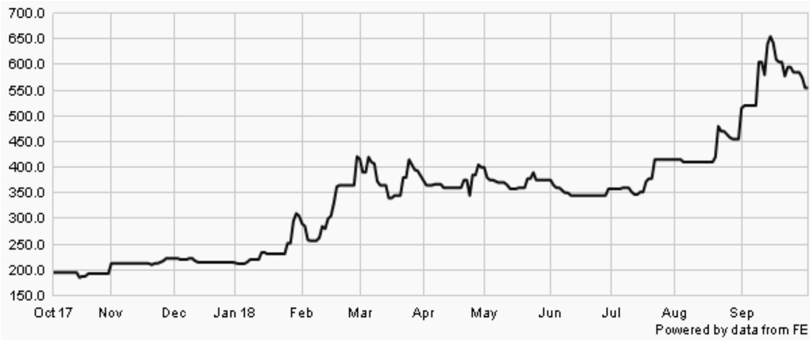
Integumen is a group of business units comprising a) a non-animal, laboratory grown human-skin testing, service provider, b) a personal health and cosmetic manufacturer, and c) licensed to sell wholesale volume human grade Omega 3 food supplements and protein enriched food into the animal feed sector. A commercial license agreement also is in place for the supply of bio-degradable plastic ingredients into the cosmetic packaging industry through Cellulac.

Integumen has agreed in and RNS on 16 April 2018 to acquire a 9.35% stake in Cellulac, a vertically integrated group of companies with operations in Ireland and with headquarters in the United Kingdom. Activities undertaken by these companies range from the production of biodegradable plastic ingredients and natural oils to expertise in consumer marketing in cosmetics, food, and health care industries. The production division capabilities include process engineering, chemical engineering, biochemistry, and polymer science.

The Company announced recently on 17 September 2018 that it has entered into a partnership with RinoLab to provide Labskin (a human skin equivalent model) clients with access to an AI machine learning platform which accelerates development of cosmetics, skincare, wound care, personal hygiene, and pharmaceutical topical drug delivery products, and does not require animal testing. The service is expected to go live in Q4, 2018. Labskin has also entered into a partnership agreement with AIM quoted Venn Life Sciences Holdings plc* to integrate clinical validation protocols into Labskin AI. This will provide certified "Clinically Tested" product claim services to brand owners and producers of most skin care products. In a trading update on 27 September 2018, sales for Labskin services have accelerated to a monthly run rate above the entire revenue of Labskin for the first six-months of 2018, which was £49,000. There is now strong visibility up to 6 months for services with new and existing clients, since the new management collaboration strategy has taken hold. The recent announcement of Labskin AI and further services are expected to add to that acceleration well into 2019.

* A corporate client of Hybridan

Biome Technologies PLC (LON: BIOM 555p/£13.12)



Source: Investegate

Biome Technologies plc is a growth-orientated, commercially driven technology group. The strategy is founded on building market-leading positions based on patented technology and serving international customers in valuable market sectors. They have chosen to do this by developing products in application areas where the value-added pricing can be justified and that are not reliant on government legislation. These products are driven by customer requirements and are compatible with existing manufacturing processes. They are market rather than technology-led.

Biome Bioplastics division is a leading developer of highly-functional, bio-based and biodegradable plastics. The Company's mission is to produce bioplastics that challenge the dominance of oil-based polymers. Group revenues in H1 June 2018 increased by 47% to £4.4m compared with the comparable period last year (H1 2017: £3.0m). Biome generated an operating profit of £0.2m compared to an operating loss of £0.2m in the first half of 2017. Group cash position at 30 June 2018 of £2.3m (31 December 2017: £2.3m). Sales of the Mesh product continued to grow as expected. It is now anticipated that sales of the reformulated rigid ring material for coffee pods will commence in Q4 2018.

The division continues to work on the development of new projects which are driven by potential customer demand for a biodegradable solution to their packaging requirements. Two of these projects are advancing encouragingly through product development and, if successful, could lead to substantial additional revenues in 2019 and 2020.

Ross Group (LON: RGP 1.2p/£2.15m)

Source: Investegate

The Company announced on 27 September 2018 that is has agreed to acquire the entire issued share capital of Archipelago Aquaculture Group Ltd. from Global Blue Technologies Inc.

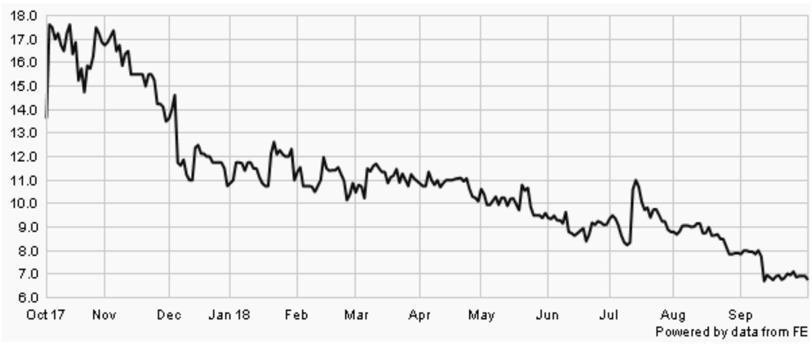
Global Blue Technologies is a US company that has created the world's first commercially viable biosecure recyclable aquaculture system for the production of high quality, high value, and best-tasting organic colossal and extra colossal shrimp. Archipelago Aquaculture contains the start-up businesses of Mari Signum Limited, Mari Signum Dragon Drying-MS LLC, Mari Signum Mid-Atlantic LLC and Prometheus Progenitor Genetics Technologies Limited LLC, which are specifically supply chain companies involved in the research, development and production of Chitin, the main ingredient in the exoskeletons of arthropods and crustaceans. Chitin is a natural bio-degradable polymer involved in the plastics, agricultural, veterinary, textile, cosmetic and pharmaceutical industries. AAG intends to focus on providing the highest possible quality Chitin to targeted pharmaceutical customers on a very selective strategic basis.

The initial payment will be 17.9mn shares at a placing price of 1 penny each to Global Blue shareholders, and there will be an additional payment of 26.7m shares at 1 penny each as well. Based on these figures, the total price will be approximately GBP446,000. Following the acquisition, Global Blue will hold 44.6m shares or a 20% stake in Ross.

Fuel Cells / Hydrogen Economy

A fuel cell is an electrochemical cell that converts the chemical energy from a fuel into electricity through an electrochemical reaction of hydrogen fuel with oxygen or another oxidising agent. Fuel cells are different from batteries in requiring a continuous source of fuel and oxygen (usually from air) to sustain the chemical reaction, whereas in a battery the chemical energy comes from chemicals already present in the battery. Fuel cells can produce electricity continuously for as long as fuel and oxygen are supplied.

AFC Energy PLC (LON: AFC 6.8p/£25.81m)



Source: Investegate

AFC Energy has developed and successfully demonstrated an alkaline fuel cell system, which converts hydrogen into "clean" electricity. AFC Energy's key project POWER-UP demonstrated the world's largest operational alkaline fuel cell system at Air Products' industrial gas plant in Stade, Germany. The Company is now building upon an already established pipeline of commercial opportunities and driving the findings from the development phase of the technology into a technically optimised and commercially relevant fuel cell system.

AFC Energy can now leverage the rapidly increasing volume of successful operational data that they have recorded from their testing facilities at Dunsfold and Stade to drive new commercial development opportunities. The Company has also seen growing success in system integration which will allow them to target new growth markets for the fuel cell which will see AFC Energy as a leading exponent of the rapidly emerging hydrogen economy, both in the UK and internationally.

In July 2018, the Company confirmed receipt of its first commercial order in Australia for its proprietary hydrogen power generation unit from refiner, Southern Oil Refining Pty Ltd. AFC Energy's strategic collaboration with Southern Oil, reflects the first stages of a growing pipeline of commercial fuel cell projects in country and validates the opportunities we believe to be emerging in the Australian hydrogen market. The order from Southern Oil is a strong validation of the progression AFC Energy has made over the past few years and provides a strong cornerstone in the Company's commercialisation activities that are well underway.

The technology and commercial progression achieved by AFC Energy sets a solid platform for the remainder of this calendar year.

Ceres Power Holdings PLC (LON: CWR 199p/£260.62m)

Source: Investegate

Ceres Power is a leader in low cost, next generation fuel cell technology for use in distributed power products that reduce operating costs, lower CO2, SOx and NOx emissions, increase efficiency and improve energy security. The Ceres Power unique patented SteelCell® technology generates power from widely available fuels at high efficiency and is manufactured using standard processing equipment and conventional materials such as steel, meaning that it can be mass produced at an affordable price for domestic and business use. Ceres Power offers its partners the opportunity to develop power systems and products using its unique technology and know-how, combined with the opportunity to supply the SteelCell® in volume through manufacturing partners.

The Company recently announced on 4 July 2018 it had raised £20m at 150.8p to provide working capital, and to finance a new manufacturing facility in the UK to provide near term capacity for the next 3-5 years, enable the Company to industrialise the 5kW stack, provide initial funding of the proposed manufacturing JV with Weichai Power and strengthen the Company's balance sheet. The Company also announced on 24 September that Robert Bosch GmbH subscribed for £9m at 150.8p, thus triggering further investment from Weichai Power of £1m at 150.8p.

For full year June 2018, the Company announced revenue and other operating income for the full year was up 71% to £7m. They recently signed two very strong strategic partnerships with Weichai Power and Bosch and secured a strong order book (from £3m to £30m) and cash position (£49.3m after new equity) that allows them to deliver against their business plan and establish Ceres as a leading player in the global fuel cell industry. Ceres Power has reached a new phase of its business - having secured six partners, two of which with the capability to scale up manufacturing of the SteelCell®. With the Company now in a strong financial position, the Board intends to continue to scale and develop the business to be able to deliver these new opportunities through this key period of growth to commercial launches.

Renewable Energy

Renewable energy is energy that is collected from renewable resources, which are naturally replenished on a human timescale, such as sunlight, wind, rain, tides, waves, and geothermal heat. Renewable energy often provides energy in four important areas: electricity generation, air and water heating/cooling, transportation, and rural (off-grid) energy services.

Good Energy Group PLC (LON: GOOD 106p/£17.3m)

Source: Investegate

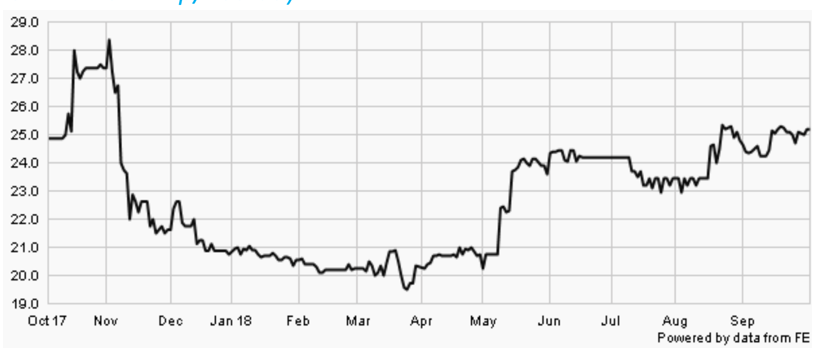
Good Energy Group is an established energy supplier, providing 100% renewable electricity and green gas to retail and business customers. It is a significant player in the decentralised energy market, buying power from over 1,400 renewable energy generators directly and providing feed in tariff services to over 140,000 household and businesses generating power on site. In addition to its supply services it also owns and operates nine renewable generation assets, two wind farms and seven solar farms, totalling over 50MW of power.

The Company announced its interim results for the six months ended 30 June 2018 on 11 September 2018. Revenue of £61.8m up 18.8% driven by supply volumes and extreme weather conditions in February and March. Gross profit of £18.4m increased 27.8% with a gross profit margin of 29.8% (H1 2017: 27.7%) driven by business and domestic gas volumes and the implementation of the domestic price rise earlier in the year. Profit before tax of £2.4m increased £1.6m despite a one-off increase in bad debt provision. In 2018, profits are expected to be weighted towards the first half of the year, in line with cyclical trends and exacerbated by the warmer weather throughout the summer, leading to lower overall consumption. Increased investment is planned for the second half, including the brand relaunch and digital and online capabilities in order to drive future growth.

Overall, they continue to expect 2018 to be a year of financial progress for the Group.

PV Crystalox Solar PLC (LON: PVCS 24.7p/£39.59)

PV Crystalox Solar is a highly specialised supplier to the world's leading solar cell manufacturers, producing multicrystalline silicon wafers for use in solar electricity generation systems.



Source: Investegate

Their customers, leading solar cell producers, combine these wafers into solar modules to harness the clean, silent and renewable power from the sun. They play a central role in making solar power cost competitive with conventional hydrocarbon power generation and, as such, continue to seek to drive down the cost of production whilst increasing solar cell efficiency.

The Company announced its interim results for the six months ended 30 June 2018 on 14 September 2018. The Company had revenues of €6.2m (H1 2017: €12.6m), PBT of €2.7m (H1 2017: loss of €5.4m) and net cash €39.6m (31 December 2017: €26.4m). According to the Chairman and CEO, the PV Market environment became even more challenging during 2018. Pricing has progressively declined across the value chain and conditions deteriorated further in June following an announcement from the China government that it would strictly control and cap PV installations in 2018.

The Board is evaluating the future viability of the remaining small-scale operations in Germany in order to determine whether there is realistic potential for growth and a return to profitability. A possible total shutdown cannot be excluded at this stage although very preliminary discussions have also taken place regarding a transfer of the business to the existing management team.

Waste Management

Waste management or waste disposal are all the activities and actions required to manage waste from its inception to its final disposal. This includes amongst other things collection, transport, treatment and disposal of waste together with monitoring and regulation. It also encompasses the legal and regulatory framework that relates to waste management encompassing guidance on recycling.

Augean PLC (LON: AUG 47.5p/£53.97m)

Augean is modernising hazardous waste management practice providing sustainable, compliance-led waste management solutions for Britain's more difficult to handle wastes.

Source: Investegate

The Group made excellent progress in the first half of 2018 having grown sales in all their key strategic markets, reduced the cost base of the Group, driven cash generation and co-operatively engaged with HMRC. In the interim results for the six months ended 30 June 2018, the Company reported revenue before landfill tax increased by 6% to £32.9m (2017: £30.9m), profit before taxation increased 36% to £4.5m (2017: £3.3m) and EBITDA increased by 43% to £8.0m (2017: £5.8m). Net debt at 30 June 2018 was £2.7m compared with £10.8m at 30 December 2017.

Good progress was made on the on-business optimisation programme including cost savings, coherent incentivisation of sales, operations, and staff to enhance shareholder value. There was double digit growth from residues from Energy from Waste (EfW) plants despite customers having a disproportionate amount of "downtime". Continued further diversification in the North Sea into industrial services and waste management with reduced drilling volumes has resulted in profit more than doubling.

Given continuing growth in their key strategic markets of Energy from Waste plants, Treatment, Nuclear and North Sea decommissioning combined with the full year benefit of cost saving, they expect to deliver full year financial results that exceed current market expectations. They plan to be debt free by year-end, subject to no change in the current HMRC position.

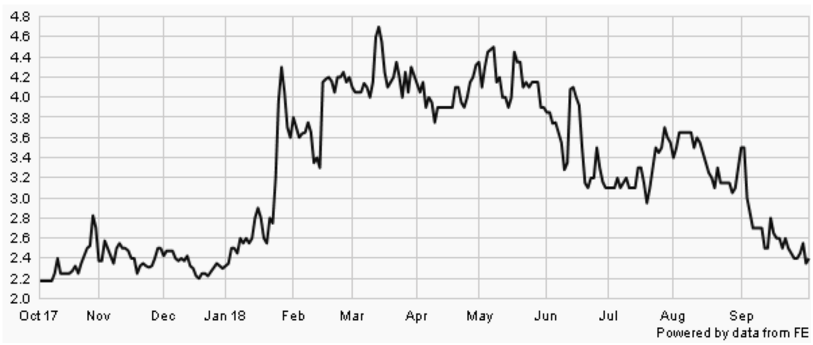
Bio Mass

Biomass is an industry term for getting energy by burning wood, and other organic matter. Burning biomass releases carbon emissions but has been classed as a renewable energy source in the EU and UN legal frameworks, because plant stocks can be replaced with new growth. It has become popular among coal power stations, which switch from coal to biomass in order to convert to renewable energy generation without wasting existing generating plant and infrastructure.

The UK Government has committed to reducing UK greenhouse gas emissions by 80% by 2050. To achieve this, elements of the UK energy system must deliver negative emissions – that is to say, they must remove from the atmosphere more carbon than they emit. Biomass production and consumption, especially when combined with Carbon Capture and Storage, offers a credible route for the UK to deliver negative emissions. Low-cost routes to 80% reductions in greenhouse gas emissions foresee around 130 TWh per year of energy being delivered from bioenergy sources. This equates to approximately 10% of total UK energy demand in 2050.

Active Energy Group (LON: AEG 2.2p/£24.79m)

Source: Investegate



The Company operates internationally in the renewable energy business based upon forestry assets. Its model is focussed on capturing the entire forestry value chain through sourcing, utilising and commercialising assets, and setting a new standard in the sustainable management and optimisation of timber resources. The Company is led by a highly technical and commercial team with the experience to execute its defined growth strategy and build its visibility, primarily as a London-listed timber opportunity with a revolutionary biomass fuel technology.

Through its network of business units across Europe and North America, Active Energy Group Plc is an international supplier of timberland development services for forestry owners, industrial wood fibre for MDF manufacturers, and second-generation Biomass coal replacement fuels for industrial power generators.

Continued progress towards the commercialisation of CoalSwitch™ and PeatSwitch™ technologies and products across targeted markets and development of a third product, SuperFuel™. Ongoing discussions with stakeholders in the Provinces of Newfoundland and Labrador and Alberta, Canada, to finalise forestry licences and agreements through Timberland division, which would create revenue opportunities and secure long-term feedstock supply for both CoalSwitch™ and PeatSwitch™ roll outs. Loss for the six months ended 30 June 2018 was $1.59m (2017: $1.95m) reflecting optimisation of expenses, combined with research and development tax credits.

The Board's focus has now shifted to commercialisation of these products in our key markets, primarily being USA, Canada and Europe. The aim is to secure the greatest market opportunities, including customers and strategic partnerships for CoalSwitch™ and develop derivative products such as PeatSwitch™ and SuperFuel™.

Stobart Group Ltd (LON: STOB 240p/£837.99m)

Source: Investegate

Stobart Energy, a division of Stobart Group, is a supplier of biomass in the UK, sourcing and supplying fuel to biomass plants under long-term contracts. Their ability to source, process, supply and transport waste wood and other waste derived fuels, means that they are unique, while their strong Group balance sheet places them as one of the most prominent and 'bankable' long-term fuel supply businesses in the UK. The Company has already secured contracts to exceed the 2m tonnes per annum supply target by 2018.

The Company provided a pre-close trading statement before the announcement of its interim results for the six months to 31 August 2018 on 20 September 2018. Stobart Group has continued to commercialise its core operating businesses, delivering operational progress in Aviation and Energy. Growth of processed tonnages sold up circa 50%. Stobart Energy has significantly increased underlying EBITDA and tonnes supplied compared to the prior year despite continued delays in the commissioning of third-party energy plants. These delays have put pressure on the supply chain for the second year running and exaggerated the impact of non-underlying costs. Therefore, the results for the Energy division will be slightly below expectations in the short term. However, the investment in "best in class" infrastructure, including cutting-edge IT systems, means that Stobart Energy is well positioned to deliver strong profitability per tonne when energy plants are operating to target.

Summary

The most watched TV program in the UK in 2017, Blue Plant II, was something of a "watershed moment". This was followed by a harrowing documentary on BBC One released in early October 2018, *Drowning in Plastic*. Plastic in our oceans is one of the greatest environmental challenges of our time. Both series brought the direct effects of our lifestyle choices into sharp focus. Watching sea life having to navigate oceans filled with floating plastic bottles and debris, and sometimes being killed by them, plucked at most people's consciences.

The perception of consumers is changing. Many people have started to think more about how they spend their money and the products they buy. Consumers are moving to more sustainable products and services in every industry - and investments are no exception.

A total of 77 new open-ended funds and ETFs launched from January 2018 to June 2018, ranging from broad environmental, social and governance (ESG) strategies, to thematic strategies. Many new funds focus on climate and carbon, as shown by recent launches by RobecoSAM (Sustainable Food Equities strategy), Legal & General, Lyxor and Xtrackers, and that asset managers have also been adding an ESG criteria to their existing funds as the investment appeal widens for example: Franklin Templeton - Templeton Global Climate Change fund; Hermes Investment Management - Hermes Global Equity ESG; and Baillie Gifford – Positive Change Fund.

The UK is currently in the midst of 'Brexit' and it is believed that this will have major consequences for environmental law due to the fact that EU law is integrated tightly into the UK's. However, it is believed that most of the environmental policies introduced within the four decades of being in the EU will remain. It will now be up to the UK government to implement stricter environmental laws in order to meet the commitments that have been promised to the public.

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