

The Finnish financial sector's actions to boost energy efficiency and combat climate change

Sustainable Energy Investment Forum
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Targeting 1.5°C

Finnish financial sector ups its
climate action – major steps
forward in one year

FFI members take climate change into account:

IN INVESTMENTS **87%**

IN BUSINESS OPERATIONS

lending, funds, payments, insurance

78%

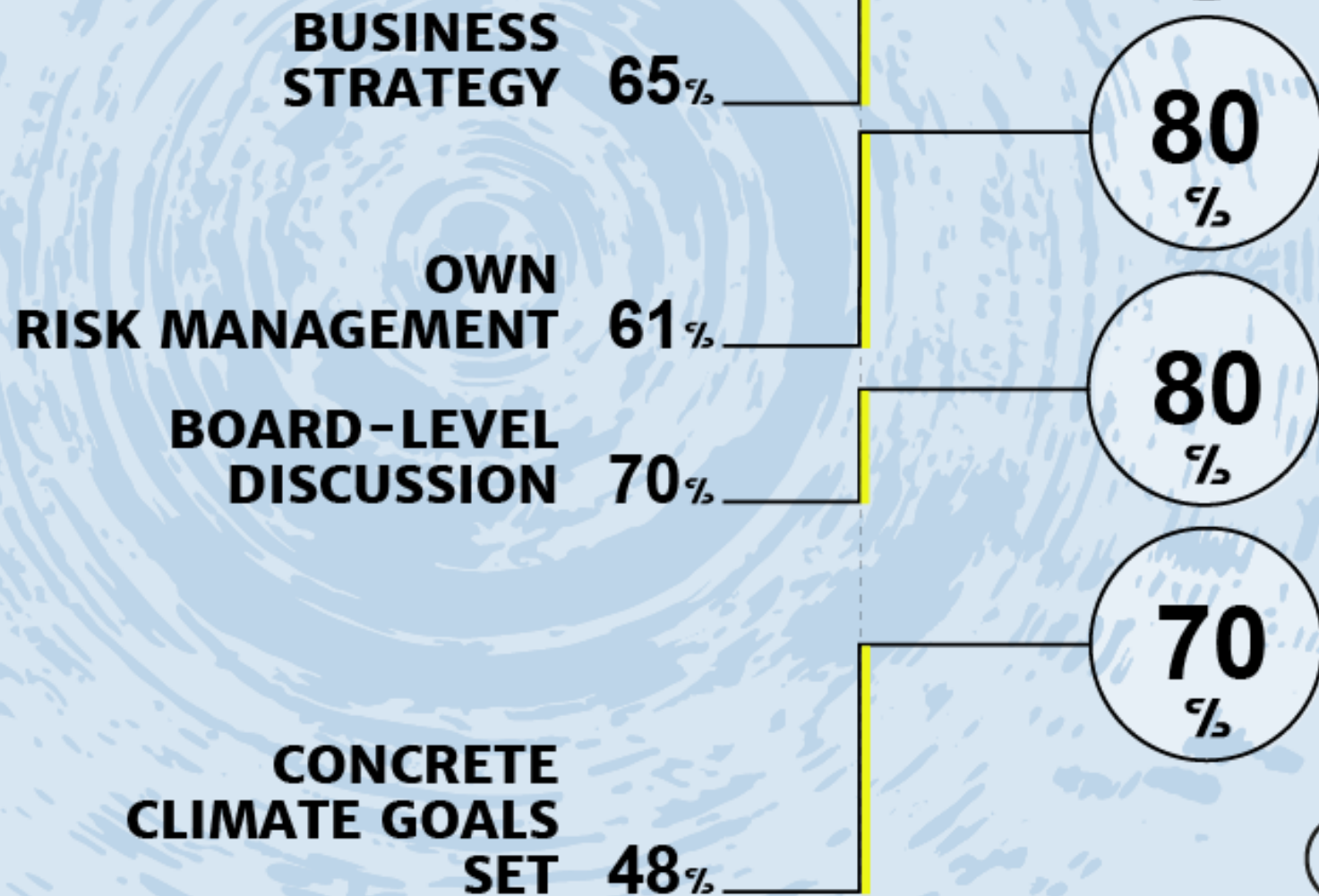
2018

2019

95%

90%

Climate change awareness has been included in:



Source: FFI member survey 2020, response rate about 70%

What part of the company's operations are criteria - compliant?



Sustainability criteria for the following industries:

- Energy sector
- Agriculture and forestry
- Manufacturing
- Water and waste processing
- Transportation
- Construction
- ICT

Customer must be consulted on the importance of investment sustainability

NOT criteria-compliant

criteria - compliant

Customer must be informed of

- Sustainability risks
- Potential - /+ sustainability impact of the investment

- Ecolabel funds
- Green bonds
- Detailed assessment of investment product's environmental effects

Taxonomy should be the basis for EU Green Bond Standard

- EU Green Bond Standard should be admitted to those green bonds which use of proceeds are aligned with the taxonomy at the time of issuance.
- To ensure predictability in financing sustainable infrastructure projects, subsequent changes to the taxonomy should not apply to existing EU Green Bonds in the market.

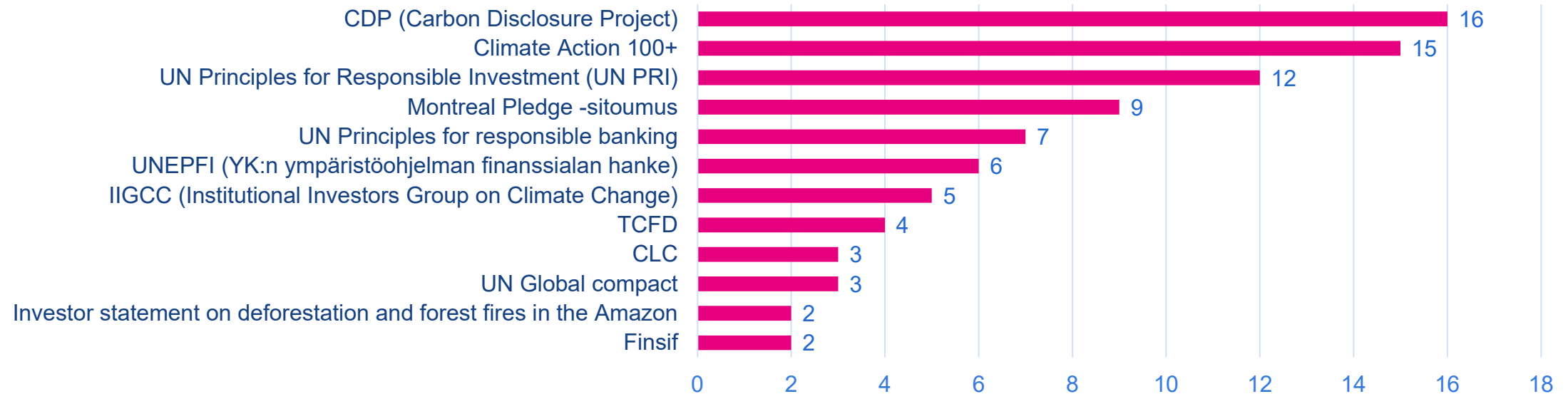


Finance Finland proposes legislative change to Ministry of the Environment

- The energy certificates of detached and semi-detached houses are currently not electronically available to banks.
 - This slows down green development in mortgage lending.
 - Better availability of the certificates would encourage energy-efficient construction and renovation of apartments, which in turn would help curb climate change.
- Finance Finland has proposed to Minister of the Environment and Climate Change that mortgage lenders should have access to energy certificates for purposes of the lending process.
 - Enabling this access requires a legislative amendment.
 - Energy certificates are a standardised source of information on a building's energy performance. Without this information, green mortgages cannot be granted.
 - According to a recent study, energy-efficient housing thus involves a smaller risk of the customer's insolvency.

Finnish financial companies' commitments in 2019

To which collaborations and commitments does your company take part?



Collective Commitment to Climate Action, Net Zero Asset Owner Alliance, Getting to Zero Coalition (shipping), Portfolio Decarbonization Coalition, Helsingin ilmastokumppanit, 2030 Agenda and the UN Sustainable Development Goals, OECD Guidelines for Multinational Enterprises, Paris Pledge for Action, The Responsible Ship Recycling Standards, The Poseidon principles, UN Framework Convention on Climate Change, The Kyoto Protocol, Rio Declaration on Environment and Development, The Montreal Protocol on Substances that Deplete the Ozone Layer, Ramsar Convention, Sustainable Investment Forum, Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), UN Convention on Biological Diversity and the related Nagoya Protocol and Cartagena Protocol, FAIRR A Coller Initiative, ICGN, GRESB, Investor Agenda Statement to Governments on Climate Change, PRI's collaborative engagement with oil and gas sector, Investor statement on biodiversity impact metrics, Collaborative engagement with Vale, Fiduciary Duty in the 21st Century, The Green Building Council of Finland.

Thank you!