

Press Release

Triodos Bank calls for policy changes to ensure sustainable finance future

Building blocks to meet the Paris Climate accord and Sustainable Development Goals

Zeist, 25 September 2017.

Triodos Bank today presented ideas for necessary conditions to shape sustainable finance.

Speaking at the conference '*How can Sustainable Finance Contribute to the Paris Climate Goals?*' organised by Bruegel, Peter Blom, CEO of Triodos Bank, focused on two topics in particular:

"To transform the economy for a sustainable future, everyone needs to join the movement. At present, citizen investors in many countries are blocked from putting their money in sustainable investments. Many of these regulations are designed to protect citizens from risk they cannot assess. It is important to find a way to protect investors and give them access to sustainable investment opportunities at the same time."

"In today's legislation capital requirements are a function of risk. In our opinion that means that banks with exposure to unsustainable assets should be required to attract additional capital, reflecting the systemic risk of brown assets. There should be a capital support factor (discount) for sustainable (green) investment. To meet the Paris Climate targets, pressure on unsustainable investments (still the bulk of finance today) is needed."

Repurposing Finance

The report "New Pathways – Building Blocks for a Sustainable Finance Future for Europe", a collaborative effort of the Global Alliance for Banking on Values, Finance Watch and Mission 2020 was published today. Purpose of this report is to serve as input for the High Level Expert Group on Sustainable Finance, currently advising the European Commission on the EU strategy on sustainable finance.

The report elaborates on a number of proposals geared towards the repurposing of finance and maintaining the right balance between economic, social and environmental needs.

These proposals are the following:

- Include EU citizens in the sustainable finance agenda by creating a new regime for European Sustainability Funds available to all.
- Reframe the goal of transparency as one which genuinely invites and enables stakeholders to understand finance, encouraging a focus on managing what matters most.
- Recalibrate the regulatory instruments used to ensure financial stability – in particular capital requirements – so that we take into account a more holistic view of the economy, society and environment upon which financial stability is based.

- Develop a diverse financial ecosystem to grow a sustainable economy, in order to meet the targets of the Paris Climate Agreement and Sustainable Development Goals. Such an ecosystem consists of financial institutions with different business models, investment horizons and risk appetites, regulated by a consistent framework and including every citizen and firm.
- Sustainability as the core value-creation opportunity of the future by promoting sustainable leadership and encouraging training and competency development in managing sustainability at every level of the financial sector.

Information for Editors

About the GABV

The Global Alliance for Banking on Values (GABV) is an independent, growing network of banks using finance to deliver sustainable economic, social and environmental development. Founded in 2009, members include 43 financial institutions and seven strategic partners operating in countries across Asia, Africa, Australia, Latin America, North America and Europe. Collectively the GABV serves more than 41 million customers, holds up to \$127 billion of combined assets under management, and is powered by a network of more than 48,000 co-workers. Learn more at www.gabv.org.

About Mission 2020

Mission 2020 is a global initiative launched in April 2017 by Christiana Figueres, former Executive Secretary of the United Nations Framework Convention on Climate Change and architect of the 2015 Paris Agreement. Mission 2020 aims to bring together political, business and civil society leaders to accelerate efforts to “bend the curve on greenhouse gas emissions by 2020”. The initiative has set out six milestones to achieve by 2020 in order to meet the Sustainable Development Goals by 2030 and net zero emissions by 2050, in energy, infrastructure, transport, land use, industry and finance. Learn more at www.mission2020.global.

About Finance Watch

Set up in 2011, Finance Watch is an independent non-profit association with a mission of making finance serve society. It acts as a public interest counterweight to the powerful financial lobby. Its mission is to strengthen the voice of society in the reform of financial regulation by conducting advocacy and presenting public interest arguments to lawmakers and citizens. Finance Watch has 46 member organizations and 30 individual expert members from 14 different countries in Europe. Learn more at www.finance-watch.org.

About Triodos Bank

Founded in 1980, Triodos Bank has become a reference point for sustainable banking globally. Triodos Bank is an independent bank that promotes sustainable and transparent banking. It does not see any conflict between a focus on people and the planet and a good financial return. Instead it believes that they reinforce each other in the long-term.

Triodos Bank has branches in the Netherlands, Belgium, the UK, Spain, Germany and an agency in France. It is a global authority in the field of microfinance in developing countries, Central Asia and Eastern Europe.

Triodos Bank co-founded the Global Alliance for Banking on Values, a network of 43 sustainable banks. Together these banks want to grow sustainable banking and its impact substantially.

Triodos Bank N.V. has a full banking licence and is registered with The Nederlandsche Bank N.V. (the Dutch central bank) and The Netherlands Authority for the Financial Markets. Most recent company information is available on Triodos Bank's website: www.triodos.com

*For more information, please contact Christine van Waveren:
Telephone +31 30 693 2754 (direct) or +31 6 1156 3144 (mobile)
E-mail: christine.vanwaveren@triodos.nl
www.triodos.com*