

ANNUAL REPORT

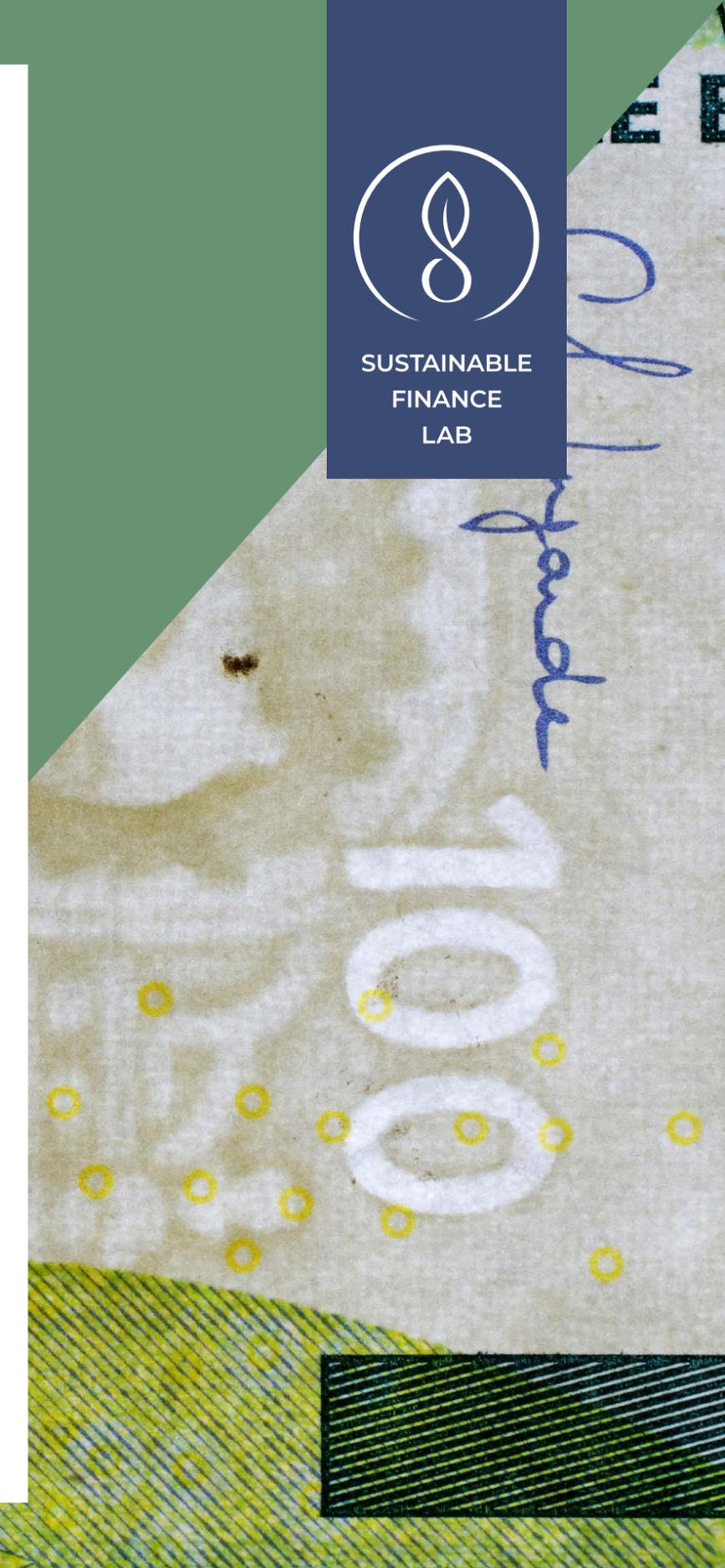
SUSTAINABLE FINANCE LAB 2022

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SUSTAINABLE
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LAB



SFL IMPACT 2022

In 2022, Sustainable Finance Lab marked its ten-year anniversary and introduced its new strategic focus on **true value. This vision integrates financial, ecological, and social dimensions as essential to a sustainable economy. Throughout the year, SFL strengthened its organization and advanced its work on monetary policy, fiscal rules, and green financial institutions.**

Strategy and long-term developments
2022 marked the ten-year anniversary of Sustainable Finance Lab. For ten years, it has raised awareness on sustainability-related topics with financial scholars, decision makers and professionals. At the start of SFL, the topics of sustainability and financial stability were two of the foundation pillars. Over the years, the topics have converged more and more. The convergence of these topics has culminated in what SFL now calls its new theme of focus: true value. Companies and financial institutions must take an integrated view on value as their guideline, meaning they look at both financial, ecological and social value. This way only companies and financial institutions can contribute to the

transition to a sustainable society. In its projects, publications and actions, SFL will target its three spheres of influence: market, state and community. The subtopics that SFL has been active and has been known for in the past ten years, still fit nicely within this new strategic umbrella. SFL is active on topics like: European fiscal policy, monetary policy & central banks, climate & biodiversity in the financial sector, the energy transition, a social transition to a sustainable economy, the circular economy, fintech and alternative financing, pension funds and asset management and culture & purpose in the financial sector. In this annual report of 2022, we highlight our activities on central banks & monetary policy, European fiscal rules, and green financial institutions.

Board matters and internal organisation

2022 was another productive year at the SFL. We welcomed [Francis Weyzig](#), [Friedemann Polzin](#), [Helen Toxopeus](#)

and [Rutger Claassen](#) as new member of the SFL. Helen later also entered the board of SFL. The board has started planning conversations with the current SFL members to see whether they are still happy to remain SFL members in the coming years. The goal is to keep the pool of members active and rejuvenate in the years to come. Ideally, some of the early-day members, would consider the step from membership to honorary membership. In terms of its financial position, SFL has further solidified its position. It has formally determined its continuity reserve. The Laudes Foundation granted SFL with structural financial support for three years. Furthermore, we extended several other grants and received new requests for projects as well. It is the ambition to grow the secretariat staff in the future. This also entails further growing our financial position. SFL is also still happy with the granted hospitality by Utrecht University. SFL employees are

currently strengthening the relations with employees of Utrecht School of Economics.

Central banks and monetary policy

In February, we launched the paper '[How much of a help is a green banker?](#)'. This paper quantifies the impact of green monetary policy. In March, we published [two publications on biodiversity](#) that also had recommendations for monetary policy and central banks. We published a [working paper](#) in November on what actions the IMF could take to close the climate finance gap. Specifically, we plead for the IMF using its special drawing rights. Next to our publications, we wrote several blogs for a variety of outlets, like [OMFIF](#), [VoxEU](#), [Brave New Europe](#), [Euractiv](#), [het Financieele Dagblad](#) and [Green Central Banking](#). We visited [public radio](#) and collaborated on various open letters, with [WWF-NL](#), [Positive Money Europe](#) and [New Economics Foundation](#). We have been in frequent contact with

the Dutch central bank and Ministry of finance to present and debate our ideas.

European fiscal rules

The new European fiscal rules were a big topic on the SFL agenda of 2022. Just before the turn of the year, SFL provided input to the [European Commission's consultation on the future of European fiscal rules](#). Earlier, Harald Benink, Herman Wijffels and Mark Sanders already made a cross towards the new cabinet in het [Financieele Dagblad](#) at the end of 2021. We published OpEds in newspapers like Trouw, Rens visited the Dutch parliament to stress the need for more fiscal action. Amid the corona crisis and the challenges facing the EU, including the sustainable energy transition, SFL sees opportunities for more social and greener fiscal policies. This was also the point of Sara Murawski's blog on [why the EU should let go of too stringent fiscal rules](#). The EU is currently not able to deliver on its objectives: raising the standard of living throughout the

Union while respecting the environment. Without a new economic governance this fragile Union risks falling prey to a new debt crisis that destabilises the monetary union and increases tensions between and within Member States. We formulate recommendations in a SFL Position Paper for a new [Sustainable Fiscal Pact for Europe](#) that enables all Member States to reform and invest in an inclusive way in the productivity and sustainability of their economy. SFL organised several high-level expert meetings with parties like VNO-NCW and the Ministry of Finance, engaged with high-level representatives and built coalitions with like-minded organisations.

Green financial institutions

SFL published on biodiversity and the private financial sector in 2022. Furthermore, we continued our efforts in the Finance and the Common Good project we execute together with the Socires foundation. On biodiversity, we

launched the two papers '[From Paris to Kunming](#)' and '[A nature-positive Dutch financial sector](#)'. The [reports received attention in the commission debate in Dutch Parliament](#). Rens pleaded for [making the financial sector an explicit part of the new Biodiversity Agreement](#). The project Finance and the Common

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Good is a three-year collaborative project together with the Socires Foundation. Throughout 2022 we hosted several stakeholder dialogues to discuss what the societal role of financial institutions (banks) is. We held discussions with the bank's shareholders, clients, with relevant NGO's and with relevant ministries. The findings of those discussions have resulted in a report that is currently being reviewed by the Nederlandse Vereniging van Banking. SFL plans on continuing its work for this project in 2023. Together with DRIFT, we initiated the project Finance in Transition in which high-level executives from financial institutions will formulate a transition path to a sustainable financial sector.

Other activities

In April, members of the SFL contributed to the [consultation for the new Corporate Governance Code](#). Later that year, SFL members Rutger Claassen en Dirk Schoenmaker were asked to edit the [new edition of the KvS-bundel Preadviezen](#),

to which many SFL members made a contribution. In June, SFL organised its jubilee party. We were honoured to have the [Minister of Finance Sigrid Kaag](#) and the [President of the Dutch Central Bank Klaas Knot](#) speak at our event. We hosted several other inspiring public events, often in close collaboration with Pakhuis de Zwijger. For example, there were public events on the [circular economy](#), on the [role of shareholder engagement among pension funds](#) and on the [housing market crisis](#). We continue to build our network in national media. Several SFL members write frequently for newspapers like [Trouw](#), [NRC](#), [Volkskrant](#) or het [Financieele Dagblad](#), or are regular guest writers for influential magazines like [ESB](#) and [De Groene Amsterdammer](#). Our members are often asked for TV programmes, radio shows or podcasts. While the relation with Dutch media has grown over the years, our network in international media needs some attention. This will be the focus of the years to come.

ANNUAL FINANCIAL ACCOUNT



RESULTS

On the right we provide an analysis of the enterprise's results, based on the profit and loss account.

	2022		2021	
	€	%	€	%
Net turnover	343,176	100.0%	410,994	100.0%
Gross operating result	343,176	100.0%	410,994	100.0%
Wages and salaries	289,675	84.4%	349,478	85.0%
Social security charges	38,692	11.3%	45,193	11.0%
Depreciation of tangible fixed assets	400	0.1%	400	0.1%
Impairment in value of current assets	—	0.0%	—	0.0%
Other personnel costs	8,217	2.4%	7,747	1.9%
Office costs	2,200	0.6%	507	0.1%
General costs	13,447	3.9%	5,195	1.3%
Other operating costs	352,631	102.7%	408,520	99.4%
Operating result	-9,455	-2.7%	2,474	0.6%
Interest and similar expenditure	-1,171	-0.3%	-1,402	-0.3%
Total financial income and expenditure	-1,171	-0.3%	-1,402	-0.3%
Result	-10,626	-3.0%	1,072	0.3%

RESULTS

The result 2022 decreased by € 263,429. compared to 2021. The development of the result 2022 compared to 2021 can be reflected as follows:

The result has been influenced favourably by:

Decrease of:

Wages and salaries
Social security charges
Financial expenditure

€	€
59,803	
6,501	
231	
	66,535

The result has been influenced unfavourably by:

Decrease of:

Net turnover

67,818

Increase of:

Other personnel costs
Office costs
General costs

470
1,693
8,252

78,233

Decreased result

11,698

FINANCIAL POSITION

On the right we provide an analysis of the foundation's financial position, based on the balance sheet.

In short term available:

Receivables
Cash at bank and in hand
Total current assets

Less: current liabilities
Working capital

Fixed on long term:

Tangible fixed assets

Funded with on long term available assets

Funding occurred as follows:

Equity capital

	31 December 2022		31 December 2021	
	€	€	€	€
	13,952		39,144	
	400,493		325,417	
		414,445		364,561
		198,288		138,178
		216,157		226,383
	300		700	
		300		700
		216,457		227,083
		216,457		227,083
		216,457		227,083

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