

ANNUAL REPORT

SUSTAINABLE FINANCE LAB 2023

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SUSTAINABLE
FINANCE
LAB



SFL IMPACT 2023

In 2022 the SFL strategy was redefined: from a sustainable and stable financial system to a financial system based on true value, taking into account both financial, ecological and social value. This theme targets three spheres of influence: market, state, and community.

Strategy and long-term developments

Although the umbrella changed, the topics that SFL has a known reputation on, still fit under it: European fiscal policy, monetary policy & central banks, climate & biodiversity in the financial sector, 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 2023, we highlight our activities on central banks & monetary policy, European fiscal rules, and a green private sector.

Internal organisation and members

2023 was a good year for the SFL. The conversations with early-day members

were continued and thoughts for possible new members were formulated (aimed to be invited in 2024). SFL-member Seraina Grünewald moved abroad and stopped as an SFL member. She remains associated with the SFL. Due to two maternity leaves, SFL's capacity was tight and the ambition for 2023 was to hire 2 extra Fte. The labour market proved to be challenging, SFL fulfilled 1 vacancy. A new junior researcher will start in spring 2024. After more than 10 years of being the SFL director, Rens van Tilburg has decided to step down. An assigned selection committee started the process to find a successor in the second half of 2023. The name will be announced late spring 2024. In 2023 we increased our efforts of solidifying the long-term financial position. SFL moved from cash-flow-based to budget-based accounting. SFL is thankful for the structural support by DNB, Triodos, Laudes and Utrecht University. New grants and project funds were attracted, for example from Global Challenges Foundation, WWF-NL, the

ministry of I&W and Sunrise. In 2024 and 2025, SFL will focus to find additional structural financial support. SFL is again thankful for the granted hospitality to use offices and IT-facilities by Utrecht School of Economics, Utrecht University. SFL employees more and more involved with USE, for example through visiting and hosting events and working together on projects.

Central banks and monetary policy

The report [“The Climate Trillions We Need”](#) published in 2023 highlights the urgent need for mobilising trillions of dollars annually to transition to a low-carbon economy. The report outlines various financial mechanisms and policy frameworks required to unlock private capital and channel it towards sustainable investments. We have been able to put the role of Special Drawing Rights (SDRs) for climate financing in the Global South firmly on the political agenda. [The webinar](#) was particularly well-visited.

There are conversations with several ECB board members, as well as the leading NGOs and experts (also located in the global south) and high-level MDB officials, on this topic. During the launch of the plans of the European Commission we dominated the media with our plea for a more ambitious design of the digital euro. This proposal resonated with political parties and with the account managers at both the Ministry of Finance and the DNB. SFL continues to [push for green TLTROs](#) and linked this to the higher interest rate environment. A narrative that has been taken up by media and politicians.

Finally, it seems central bankers are seriously considering them, albeit still with large reservations. SFL was active in the [discussion on political neutrality of central bankers](#).

In 2024, SFL aims to put the topic of inequality and monetary policy on the agenda.

European fiscal rules

Supported by the complete SFL membership, SFL published a [report arguing in favour of green fiscal rules](#). These proposals were also by trade unions and environmental organisations, youth organisations and even some employer's federations, resulting in a common call for a social and sustainable fiscal pact. Through SFL's lobbying the main fiscal advisor of the Dutch government (Council of State) has put the climate dimension of budgeting on the agenda and the parliament has adopted a resolution calling on the Dutch government to implement this.

Despite previous years, the Netherlands has not supported common asks from the frugal coalition.

Green financial institutions

The report [Finding a Way with Nature](#) underscores what role central bankers and supervisors must play in addressing climate change and environmental degradation. Through a blog and lobby to the Dutch policymakers we have stirred the debate on the quality of the transition plans of Dutch financial institutions. The Ministry of Finance is contemplating more regulation in this field that may set the tone in the EU. Together with DRIFT and Rotterdam School of Management, SFL finalised the [Finance in transition trajectory](#), which will result in a new working group under the Sustainable Finance Platform of DNB. In collaboration with Socires, we continued our efforts in the project Finance and the Common Good. In the report [Het verschil maken met circulaire ondernemers](#), SFL analysed what role pension funds can play in financing circular business through private funds.

Several of the largest Dutch pension funds have announced they will move part of their portfolio to more concentrated portfolios citing the wish to make sustainability a more prominent theme as an important driver for this. Something SFL have promoted through the [Sustainable Pension Investment Lab \(SPIL\)](#).

In 2024 we will reinitialize our activities on the topic of corporate governance. [A public event at the beginning of 2024](#) marked the beginning of that.

Other activities

In 2023, SFL members and employees were often visible in media: newspapers like FD, Trouw and NRC and media like Groene Amsterdammer. Furthermore, SFL members frequently join podcasts and radio interview. Public events were also well-visited. We thank Pakhuis de

Zwijger, as we continue to work together in our partnership. We highlight the [public event with keynote speaker Isabella Weber](#), on livelihood security as a very successful edition. In 2024 and onward, SFL will focus to build strong PR internationally as well.

ANNUAL FINANCIAL ACCOUNT



RESULTS

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

	2023		2022	
	€	%	€	%
Net turnover	523,094	100.0%	343,176	100.0%
Gross operating result	523,094	100.0%	343,176	100.0%
Wages and salaries	341,671	65.3%	289,675	84.4%
Social security charges	55,208	10.6%	38,692	11.3%
Depreciation of tangible fixed assets	300	0.1%	400	0.1%
Impairment in value of current assets	9,075	1.7%	—	0.0%
Other personnel costs	15,178	2.9%	8,217	2.4%
Office costs	2,740	0.5%	2,200	0.6%
General costs	15,082	2.9%	13,447	3.9%
Other operating costs	439,254	84%	352,631	102.7%
Operating result	83,840	16.0%	-9,455	-2.7%
Interest and similar expenditure	-661	-0.1%	-1,171	-0.3%
Total financial income and expenditure	-661	-0.1%	-1,171	-0.3%
Result	83,179	15.9%	-10,626	-3.0%

RESULTS

The result 2023 increased by € 93,805 compared to 2022. The development of the result 2023 compared to 2022 can be reflected as follows:

The result has been influenced favourably by:

Increase of:

Net turnover

Decrease of

Depreciation of tangible fixed assets

Financial expenditure

The result has been influenced unfavourably by:

Increase of:

Wages and salaries

Social securities charges

Impairment of current assets

Other personnel costs

Office costs

General costs

Increased result

	€	€
	179,918	
	100	
	510	
		180,528
	51,996	
	16,516	
	9,075	
	6,961	
	540	
	1,635	
		86,723
		93,805

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 2023		31 December 2022	
	€	€	€	€
Receivables	146,509		13,952	
Cash at bank and in hand	355,355		400,493	
Total current assets		501,864		364,561
Less: current liabilities		202,228		138,178
Working capital		299,636		226,383
Tangible fixed assets	-		300	
		-		300
Funded with on long term available assets		299,636		216,457
Equity capital		299,636		216,457
		299,636		216,457

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