

Financial institutions worth \$6.6 trillion set standards for financing sustainable development

- 19 banks and investors, totalling \$6.6 trillion in assets set new criteria for sustainable financial instruments
- An estimated \$5 to 7 trillion a year is needed to achieve the global sustainable development goals
- Banks manage \$140 trillion of assets and institutional investors over \$100 trillion

Paris, 30 January 2017 - Nearly 20 leading global banks and investors, totalling \$6.6 trillion in assets, launched today the Principles for Positive Impact Finance - a first of its kind set of criteria for investments to be considered sustainable.

"The Principles are a timely initiative from the finance sector. They demonstrate the willingness of financial institutions to go beyond current practices and to contribute to foster a more sustainable development," said French Finance Minister Michel Sapin. "They should provide strengthened foundations for a positive cooperation between public and private actors in this area."

"Achieving the Sustainable Development Goals - the global action plan to end poverty, combat climate change and protect the environment - is expected to cost \$5 to 7 trillion every year through 2030," said Eric Usher, head of the UN Environment Finance Initiative.

"The Positive Impact Principles are a game changer, which will help to channel the hundreds of trillions of dollars managed by banks and investors towards clean, low carbon and inclusive projects."

The Principles provide financiers and investors with a global framework applicable across their different business lines, including retail and wholesale lending, corporate and investment lending and asset management.

"With global challenges such as climate change, population growth and resource scarcity accelerating, there is an increased urgency for the finance sector both to adapt and to help bring about the necessary changes in our economic and business models. The Principles for Positive Impact Finance provide an ambitious yet practical framework by which we can take the broader angle view we need to meet the deeply complex and interconnected challenges of our time," said Séverin Cabannes, Deputy CEO of Société Générale, a founding member of the group.

The four Positive Impact Principles provide guidance for financiers and investors to analyse, monitor and disclose the social, environmental and economic impacts of the financial products and services they deliver.

The innovation of the Principles lies in the requirement for a holistic appraisal of positive and negative impacts on economic development, human well-being and the environment.

The Principles do not prescribe a single method for achieving positive impact, but they require that appraisal processes and methodologies be transparent.

The Principles are part of a broader process under the Positive Impact Manifesto, launched in 2015 to call for a new, impact-based financing paradigm to bridge the gap in financing for sustainable development.

Press release



"We welcome the launch of UN Environment Finance Initiative's Principles for Positive Impact Finance because we believe that the purpose of investment goes beyond the simple quest for accumulation of wealth. We can make sustainable development happen through targeted resource allocation and effective stewardship and advocacy, leading to truly impactful and sustainable businesses which deliver goods and services, which savers value and can afford and in a social environment they want to live in," said Saker Nusseibeh, CEO of Hermes Investment Management.

"The Principles are the tool that is needed to enable the business and finance community to work and innovate together, and to address the challenge of the UN Sustainable Development Goals. The financial sector has already moved forward in that direction and we hope that the Principles as well as the Paris Green and Sustainable Finance Initiative we launched last year will help marking a new stage," said Gérard Mestrallet, Chairman of Paris EUROPLACE and Chairman of the Board of ENGIE.

"In many ways this is the beginning rather than the conclusion of a process," said Hervé Guez, Head of SRI Research at Mirova. "The Principles build on existing frameworks, such as the UN Global Compact, the Equator Principles, the Principles for Responsible Investment and the Green Bond Principles. The group will be collaborating with a wide range of stakeholders and partners to further the implementation of the Principles," he added.

NOTES TO EDITORS

To download the Principles, please click [here](#).

FURTHER QUOTES

"As financial institution we support our clients in their transition to a sustainable economy. By integrating environmental and social considerations and actively supporting sustainable business opportunities to grow we can realize change. By placing positive impact at the heart of business strategy, the Principles for Positive Impact Finance are an ambitious and necessary new milestone on the road to a greener and more inclusive economy," said Paul-Emmanuel Aaerts, Head of ING Wholesale Banking France.

"In addition to our commitments as individual financial institutions, deeper cooperation between financiers, governments, technology providers and investors is needed to effectively deliver on the Sustainable Development Goals," said Séverin Cabannes, Deputy CEO of Société Générale, a founding member of the group.

"The Principles are an inspiring step forward. BMCE Bank of Africa is expanding across the continent and it is clear to us that we must be an integral part of delivering the solutions to the many needs that prevail in the countries we operate in. The Principles provide a good framework for this," said Brahim Benjelloun-Touimi, Group Executive Managing Director, BMCE Bank of Africa and Chairman of BOA Group.

"Investment managers are exploring new frontiers in ESG investing, looking for links between business opportunities and environmental and social impacts. The UN Environment Finance Initiative Principles for Positive Impact Finance put sustainability issues on the agenda for a new generation of investors and companies alike," said Michael Jantzi, CEO, Sustainalytics.

"The Principles for Positive Impact Finance build on the sound values promoted by the UN Global Compact, providing a holistic approach to the financing of the 17 Sustainable Development Goals", said Gavin Power, Deputy Director of the UN Global Compact. "We are committed to help promote these Principles with our constituencies and partners, as part of our Action Platform on Catalysing Financial Innovation for the SDGs."

"The need to align capital markets to a 2 degree world is urgent and necessary," said Fiona Reynolds, Managing Director of the Principles for Responsible Investment. "The UN Environment Finance Initiative Principles for Positive Impact Finance are an important tool for investors to frame their positive contribution to the environment, the society and the economy."

Press release



ABOUT THE PRINCIPLES FOR POSITIVE IMPACT FINANCE

The Principles were developed by the Positive Impact Working Group, a group of UN Environment Finance Initiative banking and investment members, as part of the implementation of the roadmap outlined in the Positive Impact Manifesto released in October 2015.

Currently, the Positive Impact Working Group includes: Australian Ethical, Banco Itaú, BNP Paribas, BMCE Bank of Africa, Caisse des Dépôts Group, Desjardins Group, First Rand, Hermes Investment Management, ING, Mirova, NedBank, Pax World, Piraeus Bank, SEB, Société Générale, Standard Bank, Triodos Bank, Westpac and YES Bank.

ABOUT UN ENVIRONMENT FINANCE INITIATIVE

The UN Environment Finance Initiative is a partnership between UN Environment and the global financial sector created in the wake of the 1992 Earth Summit with a mission to promote sustainable finance. Over 200 financial institutions, including banks, insurers and fund managers, work with UN Environment to understand today's environmental challenges, why they matter to finance, and how to actively participate in addressing them.

FURTHER INFORMATION

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