

REPORT

SUSTAINABLE DEVELOPMENT FINANCING IN CRISIS

Finnish SDG-aligned
investments in developing
countries



DEVELOPMENT
POLICY COMMITTEE



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Summary

Most current investments in developing countries are covered by national sources. Some of these investments are consistent with the Sustainable Development Goals (SDGs), but it is widely recognised that developing countries will not attain the SDGs by the 2030 deadline without appreciable external funding. Of the current external financing, donor countries' ODA represents only a small part. Most external funding comes from private sources. Some domestic and foreign investments in developing countries are counterproductive or corrosive to the SDGs, although with better design some of them could further the SDGs. Mobilising, targeting and monitoring significant additional foreign investment aligned with the 2030 Agenda requires commitment and collaboration between the public sector, business and civil society in developed and developing countries.

Businesses and investors have also shown increasing interest in SDG-related activities, including in Finland. For instance, a number of investors operating in Finland have started to make use of the SDG framework and present investments aligned to the SDGs.

Some such investments are targeted at developing countries. Of the Finnish ministries, the Ministry of Agriculture and Forestry (MAF) has played a leading role in promoting sustainable development financing. It presented the 2018-2019 SDG financing roadmap. The Ministry of Economic Affairs and Employment (MEAE) has followed MAFF's work by coordinating the sustainable development finance ecosystem project, which will be implemented between 2020 and 2022. In September 2021, Finland's sustainable financing roadmap was published in connection with the project coordinated by MEAE. The roadmap sets out ways to build a Finnish financing ecosystem in line with the SDGs and provides guidelines for Finnish actors to implement the necessary changes. The roadmap and its recommendations focus mainly on Finland.

The tasks of the Development Policy Committee (DPC) include monitoring and analysing the realisation of Finland's development policy guidelines and international commitments, raising awareness of current development policy issues and making recommendations to the government on the planning and implementation of development policy. Financing for sustainable development is a topical and emerging issue, but one on which there is as yet insufficient information from a development policy perspective. This is why the DPC commissioned this study, the aim of which is to assess which actors in Finland are investing in accordance with the SDGs and how much of this financing is going to developing countries. It also assesses the extent to which funding is linked to Finland's official development cooperation funding and how such funding by Finland could be used to strengthen the quality and quality of Finnish funding to emerging markets. Previous studies or roadmaps have not provided estimates of how many Finnish investors make sustainable investments, how they measure investments, or how much of the financial flows from Finland go to developing countries, for example.

Finland has 51 companies in the field of investment that are committed to the UN Principles for Responsible Investment (UNPRI). Of these, a significant number report investing in line with the SDGs. However, the allocation of SDG investments to the goals or targets is not presented in much detail. Neither is the allocation of investments to different countries presented, but instead investments made in funds that invest in both developed and developing countries. There is no consistent way of monitoring the impact of investments on the SDGs, which makes it very challenging. The 'leave no one behind' principle is not strongly reflected in investors' reporting, being mentioned by only two investors. This is probably due to a lack of awareness of the principle and the difficulty of gauging it. The study also did not reveal that investors specifically assessed where there was the greatest need and opportunity for development impact, or whether investment specifically supported inequality reduction.

Of Finland's top 20 ODA recipient countries in 2013-2019, five have also received significant Finnish private investment over the same period. In addition, in five other countries, investments account for around 20% of ODA funding. This means that Finland has both ODA and private financial flows to the same developing countries. It is very difficult to estimate the share of SDG-related investments in private financial flows. Finnish private and ODA flows to the same developing countries are significant. This could potentially indicate that Finnish ODA and private finance could support each other in SDG promotion in developing countries.

Finnish investors' awareness seems to be in line with other Nordic countries when assessing the number of investment sector actors that have committed to the UN Principles for Responsible Investments (UNPRI). However, there are lessons to be learned from the Nordic countries. In Sweden, for example, there is a group of Swedish sustainable development investors led by the Foreign Ministry/the Swedish International Development Agency (SIDA). In Denmark, the Investment Fund for Developing Countries (IFU) has created several SDG aligned funds. When comparing the amount of

ordinary investments from the Nordic countries to Africa, Finland also invests well compared to the other Nordic countries. There are investors and volumes, but there should be a greater SDG focus in investments.

Estimating the amount of SDG financing from Finland to developing countries – including least developed countries (LDCs) and fragile states – is challenging because investors rarely publish country-specific SDG investments, and Statistics Finland, for example, does not classify investments on a sustainability / SDG basis. In general it is possible to examine the size of investment flows from Finland to developing countries, but the analysis of financing under the SDG targets should be developed.

The Paris Climate Agreement and the 2030 Agenda defining the SDGs provide the basis for Finland's development policy, for which Ministry for Foreign Affairs (MFA) has the main responsibility. The MFA should therefore also seek to contribute to the SDGs by monitoring the amount of SDG-compliant investments Finland makes in developing countries each year, and how development cooperation instruments could be further developed to increase Finnish investment in developing countries and align investments even more closely with the SDGs. This would be a development policy that could increase the effectiveness of development financing and, above all, support partner countries in achieving the 2030 Agenda.

Figure shows the 17 UN sustainable development goals.



1. Background

1.1. The international framework for financing sustainable development

In 2015, all UN Member States committed to the 2030 Agenda for Sustainable Development and its targets. This 2030 Agenda, its 17 Sustainable Development Goals (SDGs), the Addis Ababa Action Agenda agreed in 2015 and the Paris Climate Agreement provide the framework for the international SDGs and the financing they require to achieve them. UNCTAD estimates that between USD 5 billion and USD 7 billion per year is needed to achieve the goals, of which developing countries need USD 3,900 billion per year.

Of this, USD 1400 billion has been covered, leaving an additional annual financing need of USD 2500 billion (estimate before interest). Official Development Assistance (ODA) to developing countries is around USD 160 billion per year. ODA is therefore not enough; developing countries will need substantial other sustainable development financing to achieve the goals. Most of the funding used in developing countries is their own, including tax revenues. Among external financial flows, foreign investment, remittances, credit and ODA are important. The relative weight of these external flows varies according to countries' income levels and sectors.

The 2030 Agenda includes 17 different goals that simultaneously promote social, economic and environmental sustainability (see appendix). The goals are to be achieved by 2030. Finland is committed to achieving the goals both domestically and

through international cooperation. Finland's development cooperation implements this commitment.

Increasing investment in developing countries is particularly relevant to Goal 17: Strengthen support for the implementation of sustainable development and global partnership. An essential part of this endeavour involves the targets related to mobilising finance for sustainable development, such as:

- Target 17.1: Strengthen domestic resource mobilisation, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection.
- Target 17.2: Encourage developed countries to fully implement their ODA commitments, including the commitment of many developed countries to the target of 0.7% of GDP for ODA/GNI to developing countries and 0.15-0.2% for ODA/GNI to LDCs.
- Target 17.3: Mobilise additional financial resources for developing countries from multiple sources.
- Target 17.4: Assist developing countries in attaining long-term debt sustainability through coordinated policies aimed at fostering debt financing, debt relief and debt restructuring as appropriate, and address the external debt of highly indebted poor countries to reduce the risk of debt spiral.
- Target 17.5: Introduce investment promotion regimes for LDCs.
- Target 17.14: Enhance policy coherence for sustainable development.

Financial flows to developing countries have increased steadily over the last few years. The more salient reasons for this increase include macroeconomic developments in developing country economies, growth in the national economies and investments from other emerging economies, such as BRICS investments. Growing awareness of the SDGs and sustainability has also increased sustainable development-compliant investments in developing countries. Indeed, many developed countries have a number of national mobilisation policies and financial instruments whereby developed countries are doing their part to support the achievement of SDG target 17.3: "Mobilise additional financial resources for developing countries from multiple sources".

1.2. Background to the report

The DPC initiated the present report to clarify and complement the findings and recommendations of previous studies from the perspective of development policy goals. Previous studies include Fingo's *The current state and future trends of the financing architecture for sustainable development* (2021), the MAF report *Financing for sustainable development, promoting the SDGs through Finnish investments* (2019), and the ongoing *Financing ecosystem for sustainable development* project of the MEAE. In September 2021, the MEAE project published Finland's *Roadmap for Financing a Decade of SDG Action*, which provides guidelines for Finnish actors to put into practice the necessary changes. However, these previous studies have not provided estimates of how many Finnish investors make investments in line with sustainable development, how they measure investments, or how much of the financial flows from Finland are directed to, for example, developing countries and the poorest countries where Finland has a long history of development cooperation.

In addition, a previous DPC report (*The State of Finland's Development Policy 2017: How Finland strengthens the economy, private sector and fiscal capacity in developing countries* in Finnish) also addressed this topic. The report serves the DPC mission to strengthen the global responsibility dimension in the implementation of Finland's national sustainable development policy and to boost sustainable development-oriented financial flows from Finland, especially to the poorest countries and regions.

The DPC initiated the present report to clarify and complement the findings and recommendations of previous studies from the perspective of development policy goals.

The present report has sought to assess which actors in Finland are investing in accordance with the SDGs, how much of this funding is directed to developing countries, how much of it is linked to Finland's official development cooperation funding, and how Finland's such ODA funding could be used to strengthen the quality and quality of Finnish funding to developing markets. We focus on Finnish actors but have also assessed models from Finnish peer countries, such as the Nordic countries.

We focus on companies that say that they make investments aligned to the SDGs, but also presents examples of investors that claim to be sustainable investors, which is a broader term than SDG-aligned investing. A better understanding of Finnish sustainable development donors, how they identify and monitor SDG-aligned finance and the amount of finance they provide to developing countries would contribute to meeting the SDG 17 finance targets.

We include a literature review, drawing on the above-mentioned completed and ongoing studies, as well as other studies on the subject. Publications and other sources from donors operating in Finland have been extensively reviewed and information on financing under the SDGs has been examined. The literature review has been substantially accompanied by a review of statistics, including OECD statistics, UN statistics, statistics from national statistical offices and central banks. In addition to the literature review, selected expert interviews were conducted during the course of the study. During the work on the report the steering group, coordinated by the DPC, supported the work process by providing feedback, recommending data sources and commenting on the different working versions of the study.¹

The promotion of the SDGs and the involvement of the private sector and investors has been debated in Finland for several years at different levels. In the context of development policy, the DPC has for many years promoted the debate on the need to use Finnish private sector resources to realise the SDGs in developing countries. The SDC, for its part, promotes the commitment of Finnish actors, including investors, to sustainable development at a broad, national level. The 2013 Commitment to Sustainable Development has been updated and is well aligned with the 2030 Agenda. It includes all 17 of agenda's primary goals. To achieve the objectives of the Commitment to Sustainable Development, businesses, communities, educational institutions, administrations, political parties, cities and others can make their own concrete commitments to take action to achieve the common objectives. By October 2021, around 2,700 actors have made a commitment to take action.

¹ Steering group members: Inka Hopsu, chair (MP, Green Party), Marikki Karhu (DPC), Katja Kandolin (DPC), Pia Björkbacka (Central Organisation of Finnish Trade Unions – SAK), Kristiina Karjanlahti (Bank of Finland), Elina Korhonen (Family Federation of Finland), Helena Laukko (UNA Finland), Annika Launiala (Fingo), Valtter Louhivuori (Finnfund), Jussi Ojala (Finn Church Aid), Leena Pentikäinen (MEAE), Anne af Ursin (Ministry of Finance), Ville Varjola (MFA)

2.

Finnish SDG-aligned investors

For years, investors have often used the acronym ESG (Environmental, Social and Governance) to describe responsible investing and sustainable investments. Globally and in Finland, a growing number of investors, such as investment banks and occupational pension funds, have announced that they have started to invest in line with the SDGs. Some of these investors explicitly mention developing markets as a target area, but for the most part SDG investments are not specifically targeted at developed or developing markets. Therefore, the size of investments in LDCs and fragile countries is also unknown. The 2019 EU Regulation on Sustainability-related Disclosures in the Financial Services Sector² sets out sustainability disclosure requirements for financial market players, financial advisors and financial products. In addition, the EU Regulation for a framework to facilitate sustainable investment (known as the Taxonomy Regulation)³, establishes criteria for determining whether an economic activity is considered environmentally sustainable, in order to determine the degree of environmental sustainability of an investment.

2 Regulation 2019/2088

3 Regulation 2020/852

2.1. Investing in line with the SDGs

There are a number of investors in Finland who claim to make responsible investments, sustainable investments and investments in line with the SDGs. The definitions vary and can be seen as partly 'marketing terms' for financial products. For example, the above-mentioned EU regulations do not directly define SDG-compliant investing, but define investments mainly in terms of sustainability and more specifically in terms of environmental sustainability.

Investors therefore vary widely in how they report that they are investing in line with the SDGs, that they are taking the SDGs into account in their investments or in their impact assessments. Investors do not use consistent SDG definitions, SDG investment tracking or SDG impact measurement.

According to the Finnish Financial Supervisory Authority (FIN-FSA), the issue of sustainable development affects all actors and markets within the financial markets. The FIN-FSA is the financial and insurance supervisory authority for banks, insurance and pension companies and others active in the insurance sector, investment firms, management companies and the stock exchange, among others. According to the FIN-FSA, sustainable finance generally means taking environmental and social considerations into account when making investment decisions. Its strategy for 2020-2022 identifies the impact of climate change as one of the key areas for supervision.

The FIN-FSA checks that supervisors take sustainability risks into account in their activities, as they do for all other risks. It requires that the information on sustainability factors provided to clients and investors is appropriate so as to enable clients to assess the sustainability of products and services and investors to make sustainable investments if they wish to do so. The definitions used by the FIN-FSA in relation to sustainable finance include:

- sustainable investment is an investment in economic activities that contributes to an environmental or social objective, provided that such investments do not cause significant harm to the aforementioned objectives and that the investee companies comply with good governance practices (EU 2019/2088 Art 2(1)(17));
- sustainability factors include environmental, social and labour issues, respect for human rights and the fight against corruption and bribery (EU 2019/2088 art 2(1)(24)).

The FIN-FSA considers that only funds that comply with Articles 8 and 9 of Regulation 2019/2088 can use sustainability-related terms such as 'sustainable', 'ESG' and 'responsible' in the name of the fund. However, the authority does not define SDG-aligned investment.

The EU is continuing to work on defining a taxonomy for sustainable investment and it would appear that this definition will not only cover the environment but also more

For the purposes of this report, investments refer to funds, meaning how investors such as occupational pension funds, investment banks and consumer banks present their funds' investments in relation to the SDGs.

social impacts. In addition, the potential adverse impacts of investments have been taken into account. Operators offering investment products have to describe in their disclosures and periodic reports, at fund level, the main adverse impacts on sustainability factors by 30 December 2022 at the latest.

So SDG-aligned investment is not directly defined by the EU or the FIN-FSA, although the 2030 Agenda is generally taken into account in the definition of sustainability. Responsible and sustainable investment may be SDG-compliant investment. And it is likely that all investments under the SDGs are sustainable investments under the above definitions.

For the purposes of this report, investments refer to funds, meaning how investors such as occupational pension funds, investment banks and consumer banks present their funds' investments in relation to the SDGs. Funds make investments, for instance, in other funds, or directly in assets, for instance through equity investments in listed companies or by investing directly in a public company. The report does not examine these funds' investments in individual companies, except by way of example where it is known which company the fund has invested in. We look at which of the above investors report making SDG-compliant investments, but not, for example, at how the reported SDG-compliant investments are aligned with, for example, the above-mentioned EU regulations.

2.2. Public sector SDG-aligned investors

The Finnish government has significant financial resources available either for SDG-aligned investments in Finland or for investments abroad. The state requires its own state-owned companies and corporate governance to move towards sustainability, but it is up to companies to decide on the timeframe for their transition. Major public sector investors that are fully or partly guided by the SDGs include the MFA, the Finnish Climate Fund and Finnfund.

MFA. In 2021, the Finnish government's development cooperation budget totalled €1,257 million, of which €756 million is managed by the MFA, which also has a total financial investment budget of about €1 billion to support Finland's development policy objectives and priorities. As a rule, this funding is aligned with the SDGs. A significant part of the ministry's development cooperation budget and the majority of its financial investment budget is spent in developing countries.

Finnish Climate Fund is a state-owned special purpose entity focusing on combating climate change, accelerating low-carbon industrialisation and promoting digitalisation. The Climate Fund has had capital of €2 billion at the end of 2020 and, depending on the investment portfolio, its funding criteria may include the criteria of the Ministry of Environment's working group on sustainable recovery, the SDGs or the European Investment Bank's investment criteria and lending conditions. It is likely, though, that only a very small proportion of the Climate Fund's investments will be in developing countries in line with the SDGs.

Finnfund is a majority state-owned special purpose entity and development financier institution, which receives its funding from the state, the private capital markets and the returns on its investments. Finnfund makes around 20-30 new investments each year to the tune of around €200-250 million. At the end of 2020, Finnfund's total investments and outstanding investment decisions amounted to some €1.07 billion in 53 countries. Finnfund's mission is to "promote economic and social development in developing countries" and it invests all proceeds in new projects that support sustainable development. Finnfund's investments must be in line with the SDGs. All of Finnfund's investments go to developing countries. In line with Finnfund's development policy aims, its investments in low and lower middle-income countries should represent at least 75% of the value of new investment decisions (%).

2.3. Finnish private SDG-aligned investors

For the purposes of this report, we analyse the three different categories of investors mentioned by the SDGs: occupational pension insurance companies, retail banks and investment banks. Due to their large number, we include only a selection of organisations involved. The selection criteria used are commitment to the UNPRI or membership of the investment forum Finsif and access to public information.

2.3.1. Sources for the assessment of compliance with the SDGs

References to responsible investment (RI), ESG factors, and SDG statements were sought from the selected operators' websites, annual reports and any sustainability reports. References have also been searched using a search engine, such as "operator+SDG". Searches have been made in Finnish and English using the terms responsible*/responsible, ESG/environment/environmental, SDG/sustainable/sustainable*. The searches were made in May-June 2021 and the results reflect the current findings.

Possible mentions of SDG have been further analysed by looking at whether they refer to a general commitment to the UN SDGs, or whether they also mention specific goals or targets. Efforts have also been made to find out whether actors are communicating their intention to increase SDG commitments and how SDG effectiveness has been measured.

Further, by examining the organisations' data on funds, we have sought to examine whether SDG claims are translated into concrete investments by actors and whether they are targeted at developing countries.

2.3.2. Investors' divergent SDG definitions

Investors' mentions of SDGs differ from one another qualitatively. Some organisations (such as Elo Mutual Pension Insurance Company) mention generally that their investments contribute to the UN's SDGs. Most organisations mention SDG goals while only a few also mention SDG targets. Specific SDG assessments have been carried out in relation to corporate strategies or individual funds.

For example, the Åland Bank states in its 2020 Annual Report⁴ that its materiality analysis is based on all 169 of the UN's SDG targets. The focus is currently on four SDGs (SDGs 7, 8, 13, 14) and these are also reported at target level (such as SDG 7.2, 7.3, 7.a). The other targets are currently reported at the top-level target level and the Bank of Åland's development plan anticipates that these will also be taken into account in more detail in the future.

4 <https://www.alandsbanken.fi/uploads/pdf/result/arsredovisn2020en.pdf>

Helsinki Capital Partners' 2019 Sustainability Report⁵ announces that in 2018 the company assessed all 17 UN Sustainable Development Goals (SDGs) and their 169 targets in relation to the company's operations. In 2019, the company's strategies were assessed against the SDGs and the results are shown in a table. SDGs 3, 8, 9, 10, 11, 12, 13 and 17 are highlighted as relevant to the strategies.

In its RI Transparency Report⁶ Varma has stated its objective to contribute to the achievement of the UN SDGs both directly and indirectly. The goals are fleshed out in a report on the different types of assets⁷, which presents the sustainable development portfolio. According to Varma, the 2020 report identified the 17 SDGs and 169 associated targets. As a result, SDGs 3, 7, 9, 12 and 13 were selected as the most relevant goals. The Sustainable Development Equity Portfolio invests in equities in Europe, the US and Canada, as well as in developed markets in Asia, according to these themes. The portfolio currently stands at €250 million and includes investments in 150 companies.

Investors' mentions of SDGs differ from one another qualitatively. Some organisations mention generally that their investments contribute to the UN's SDGs.

5 <https://oey9s2z6itv32c8so28s4m1b-wpengine.netdna-ssl.com/wp-content/uploads/2020/09/HCP-Sustainability-Report-2019.pdf>

6 <https://www.varma.fi/globalassets/tama-on-varma/public-transparency-report-varma-mutual-pension-insurance-company-2019.pdf>

7 <https://www.varma.fi/globalassets/tama-on-varma/vastuullinen-sijoittaminen-eri-omaisuuslajeissa.pdf>

2.4. SDG investments by occupational pension insurers

In the analysis of the selected occupational pension insurance companies operating in Finland, the selection criteria used are the UNPRI commitment, FINSIF membership and the extent to which public information is available.

Seven pension insurance companies have signed the UNPRI: Veritas Pension Insurance Company, Ilmarinen Mutual Pension Insurance Company, Elo Mutual Pension Insurance Company, Varma Mutual Pension Insurance Company, the Keva pensions agency, Church Pension Fund and State Pension Fund. As the UNPRI reporting asks for an explanation of RI and ESG factors, all operators report on these on their websites. References to the SDG targets nevertheless vary.

The **State Pension Fund (VER)** does not directly mention the SDGs in its responsible investment report⁸, but states that “VER’s principles of responsible investing apply to direct and fund investments, and the investment decisions are governed by ethical considerations and ESG criteria.”

Ilmarinen Mutual Pension Insurance Company. Ilmarinen does not name specific SDGs in its 2020 Annual and Sustainability Report⁹, but states that from 2016 to 2020 “the share of sustainable solutions of the annual net sales of direct listed equity investments, almost doubled.” Sustainability thus accounted for 11.5% of investment turnover. According to the 2019 Annual and Sustainability Report¹⁰, the SDG assessment is carried out by an external party. However, the sustainability assessment of Ilmarinen's ESG ETF fund for developing markets uses ESG criteria instead of SDG. According to a blog published in 2019¹¹, Ilmarinen aims to “significantly increase investments in SDG business solutions”.

Keva also does not name individual SDGs in its 2020 Sustainability Indicators¹² report, but has established a portfolio of shares in 2020 that includes sustainability solutions. According to Keva, the portfolio's investments are “expected to deliver solutions to sustainability challenges, guided by the UN Sustainable Development Goals”. At the end of 2020, the portfolio had a market value of €450 million.

8 https://www.ver.fi/en-US/VER_as_an_Investor/Responsible_Investing

9 https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2020/ilmarinens-annual-and-sustainability-report-2020.pdf

10 https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2019/annual_and_sustainability_report_2019_final.pdf

11 In Finnish: <https://www.ilmarinen.fi/tietoa-ilmarisesta/ajankohtaista/blogit-ja-artikkelit/blogikirjoitukset/anna-hyrske/matkalla-ilmastosankariksi/>

12 In Finnish: <https://www.keva.fi/globalassets/2-tiedostot/tama-on-keva--tiedostot/vastuullisuus/kevan-vastuullisuuden-tunnusluvut-2020.pdf>

Elo. In its Annual and Responsibility Report 2020¹³, Elo, a mutual occupational pension insurer, has stated that its aim is to measure and increase investments to address the challenges of the SDGs. This aim had already been mentioned in Elo's 2017 Responsibility Report¹⁴, which states that by 2025, a significant proportion of its investments will support the achievement of the SDGs). Both reports include a picture of all the SDG headline targets but do not break down the individual targets. The 2017 report only talks broadly about climate change. Elo says it assesses the sustainability of its investments through ESG factors, but also from the perspective of the use of the SDGs. Elo's Corporate Governance Principles¹⁵ recommend that companies report on how their business activities contribute to the achievement of the SDGs.

Veritas expresses its commitment to the SDGs in its 2020 Corporate Responsibility Report¹⁶. In the context of the CSR components (customers and beneficiaries, responsible investment, good governance, responsible employer), the SDGs for each component are expressed in terms of the overarching goals. In the case of responsible investment, SDGs 8, 11 and 13 are mentioned, and the relevant indicators, the 2020 baseline and the 2021 target are presented. Veritas therefore states that it will specifically promote SDGs 3, 8, 11 and 13 in its activities.

The **Church Pension Fund** of the Evangelical-Lutheran Church of Finland includes the SDGs in its 2020 report on responsible investment¹⁷, and identifies three thematic impact projects (fiscal responsibility, climate change and water) and key sustainability themes for each theme. SDGs 6, 8, 9, 10, 11, 12, 13, 16 and 17 are mentioned (pp. 11-12).

The Church Pension Fund also announces its investment in spring 2020 in a new Finnish impact fund investing in emerging markets. The fund is the result of a partnership between OP Varainhoito Oy and development financier Finnfund.

In terms of funds, the Church Pension Fund reports that 41% of equity funds and 31% of corporate bond funds report on impact, with impact metrics often linked to the UN Sustainable Development Goals. However, the report also points out that impact reporting practices vary between fund managers and therefore the results are not comparable.

13 <https://www.elo.fi/-/media/files/yhtioasiat/tulos-ja-taloustieto/2020/elo-annual-and-responsibility-report-2020.ashx>

14 https://www.elo.fi/-/media/files/yhtioasiat/tulos-ja-taloustieto/2017/elo_vuosi_ja_vastuu_2017.ashx?la=fi-fi&hash=00E52BC02AFAABB3310807D1AA0547129618FC4D

15 https://www.elo.fi/-/media/files/yhtioasiat/elo_omistajaohjauksen_periaatteet.ashx?la=fi-fi&hash=D012715114D129764C8AA1B2664D88B166769583

16 https://veritas.fi/wp-content/uploads/Veritas_Corporate_responsibility_report_2020_0505.pdf

17 In Finnish. <https://evl.fi/documents/1327140/48902395/KER+vastuullisen+sijoittamisen+toimintakertomus+2020.pdf/dd3a75a6-5d8b-6cd6-04a0-6d7e8d2391fe?t=1612273417606>

The company's 2020 Principles for Responsible Investment state that the company's objective is to "contribute to the achievement of the SDGs both directly and indirectly."

Varma. The company's 2020 Principles for Responsible Investment¹⁸ state that the company's objective is to "contribute to the achievement of the SDGs both directly and indirectly. In a report published in April 2021, Varma states that in June 2020 it has reviewed the 17 SDGs and their associated targets. The report Varma identifies SDGs 3, 7, 9, 12 and 13 as the most relevant. In line with these themes, Varma has created a sustainable development portfolio, which in April 2021 amounted to €250 million. Varma's long-term target size is €500-1,000 million. However, the portfolio is not invested in emerging markets, but in listed equities in Europe, the United States and Canada, as well as in developed markets in Asia. However, Varma has reported that it has invested USD240 million in Nordea bank's responsible investment fund, which invests in emerging markets. According to Varma, this investment supports the promotion of the SDGs, which are important to Varma¹⁹ Varma also uses the SDGs as an exclusion criterion. Varma does not invest in countries that rank in the bottom quartile of the SDGs index for sovereign debt. However, in line with principles such as support for equitable development and the 'leave no one behind' principle, it is low performing target countries (regions and sectors) that should be prioritised for SDG investment.

18 <https://www.varma.fi/tama-on-varma/vastuullinen-sijoittaminen/vastuullisen-sijoittamisen-periaatteet/>

19 <https://www.varma.fi/en/current-issues/news-and-articles/news/2021-q1/varma-made-a-usd-240-million-investment-in-a-sustainable-fund-that-invests-in-emerging-markets/>

CASE STUDY 1.

Varma

The occupational pension company Varma has expressed its direct and indirect commitment to the SDGs.

In concrete terms, it has established a sustainable development portfolio of companies whose investments contribute to the SDGs²⁰. In particular, the portfolio aims to contribute to SDGs 3, 7, 9, 12 and 13. The total size of the portfolio in September 2020 was €250 million, with investments in 150 companies. Varma's long-term target for the portfolio is €500-1 000 million.

The portfolio invests in listed equities in Europe, the US and Canada, as well as in developed markets in Asia (Japan, Hong Kong, Australia). While not targeting emerging markets, Varma says that in line with SDG 3 (Good Health and Well-being), the investments will also aim to ensure equitable access to medicines and vaccines, including in emerging markets.

In addition to the portfolio, Varma has other investments in emerging markets. In January 2021, Varma announced a USD240 million investment in Nordea's Emerging Stars Equity Fund. The fund's largest regions are developing countries in Asia (46.40%), Asia (28.21%), Latin America (11.15%), emerging markets in Europe (8.57%) and the Eurozone (2.58%). The largest sectors are technology (26.95%), financial services (25.04%) and consumer products and services (20.16%). The fund's largest holdings are Taiwan Semiconductor Manufacturing (8.66%), Chinese e-commerce company Alibaba Group (7.70%) and South Korean Samsung Electronics (7.28%).

For example, the Alibaba Group's website²¹ talks about sustainability through ESG factors. The latest ESG report in English is from 2018. According to the company's own news, it has also contributed to 16 different SDG targets in areas such as poverty reduction, inclusive economic growth and sustainable consumption. However, the English-language link to the SDG report does not work, so a more detailed assessment of SDG implementation could not be made.

Varma therefore has investments that aim to support the SDGs, as well as investments in developing countries. However, it is difficult to estimate what proportion of all investments are made to SDG-promoting actors in developing countries and how the companies targeted for investment contribute to the SDGs even if they indicate that they do.

20 <https://www.varma.fi/en/current-issues/news-and-articles/news/2020-q3/varmas-revamped-sustainable-equity-portfolio-promotes-the-uns-goals-and-varmas-own-climate-targets/>

21 <https://www.alizila.com/alibaba-a-major-contributor-to-un-sdg/>

The table below summarises the SDG-related activities of pension insurance companies, including messaging, target levels and integration of SDG targets, funding size and monitoring.

Table 1. Summary of SDG funding for pension insurance companies

Institution	SDG mentioned	Mention of SDG, target, indicator	SDG integration/assessment in progress	Sustainable finance / ESG	Mention of SDG and scope of financing	Sustainable Development / SDG Fund	Mention of reporting / monitoring related to SDG activities / investments
Elo mutual pension insurance company	X	Overarching goal, all SDGs	X	X, X	–	–	X
Ilmarinen mutual pension insurance company	X	–	X	X, X	X	–	X
Keva	X	–	–	X, X	X	X	–
Church Pension Fund of the Evangelical-Lutheran Church of Finland	X	SDGs 6, 8, 9, 10, 11, 12, 13, 16, 17	–	X, X	–	X	X
State Pension Fund	–	–	–	X, X	–	–	–
Varma mutual pension insurance company	X	SDGs 3, 7, 9, 12, 13	–	X, X	X	X	X
Veritas pension insurance company	X	SDGs 3, 8, 11, 13	–	X, X	–	–	–
Overall	6/7	4/7	2/7	7/7	3/7	3/7	4/7

Most pension insurance companies mention the SDGs in general terms, but only a few are in the process of integrating SDG targets more systematically into their investment activities. Although the amounts of SDG investments are indicated and investments are also made in developing countries, it is extremely difficult for all of them to track the amount of SDG investments in them.

2.5. SDG investments by retail banks

In the analysis of the selected retail banks operating in Finland, the selection criteria used are UNPRI commitment, FINSIF membership and the extent to which public information is available.

Aktia. The bank's 2021 Overview of Responsible Investment²² states that the company's strategy pays particular attention to SDGs 2, 3, 7, 12 and 13. According to its February 2021 investment outlook²³, Aktia uses the SDG framework for reporting climate action in emerging market bond funds. According to the bank, the investment targets of the Aktia Emerging Market Local Currency Frontier Bond+ investment fund²⁴, which invests in peripheral countries, perform very well in this comparison. The Overview of Responsible Investment, presents Armenia (SDGs 5, 8) and Mongolia (SDGs 6, 7, 9, 13) as examples of these destinations. The fund has a total size of €961.82 million and is invested in Africa, Central Asia, Eastern Europe and Latin America: the major countries are Egypt, Kenya, Ghana, Kazakhstan, Uruguay, Ukraine, Uganda, Uzbekistan, Dominican Republic and Costa Rica.

The figure below from the Aktia Fund Annual Report shows how the Aktia Fund is invested in a number of developing countries, including Kenya, which is also one of the few partner countries for Finland's bilateral development cooperation.

Figure 1. Aktia Emerging Market Local Currency Frontier Bond+ fund's country focus also includes several lower middle income developing countries (photo from Aktia's 2020 annual report of the Emerging Market Local Currency Frontier Bond+ fund).

Aktia Emerging Market Local Currency Frontier Bond+ Fixed income funds

Returns & Key figures

Return	1 month	3 months	6 months	YTD	1 yr	3 yrs p.a.	5 yrs p.a.
Fund	-0.6 %	-0.5 %	-1.7 %	-2.7 %	-2.7 %	+1.5 %	+4.3 %
Index	+1.1 %	+4.2 %	+0.8 %	-0.3 %	-0.3 %	+1.0 %	+3.4 %
Difference	-1.7 %	-4.7 %	-2.5 %	+3.6 %	+3.6 %	+0.4 %	+0.9 %

Key figures	Volatility	Tracking Error	Modified duration	Running yield
Fund	5.0 %	11.0 %	2.4	10.0 %
Index	11.0 %	-	5.1	4.3 %

Main countries

 Egypti	8.9 %	 Ukraina	6.8 %
 Kenia	8.5 %	 Uganda	6.1 %
 Ghana	8.3 %	 Uzbekistan	4.8 %
 Kazakstan	7.2 %	 Dominikaaninen tasavalta	4.1 %
 Uruguay	6.8 %	 Costa Rica	3.2 %



Aktia

Aktia Rahastayhtiö Oy | Y-tunnus 0672613-3 | www.aktia.fi

31.12.2020

22 https://misc.aktia.fi/data-service/documents/investment/Vastuullinen_sijoittaminen/Vastuullisen_sijoittamisen_katsaukset/Overview_of_responsible_investment.pdf

23 In Finnish. https://www.aktia.fi/docs/default-source/yleiset/ajankohtaista/sijoitusnakemys-helmikuu-2021.pdf?sfvrsn=9cc67c08_10

24 In Finnish. https://misc.aktia.fi/data-service/documents/investment/Rahastot/Vuosikatsaukset/Aktia/Vuosikatsaus_Aktia_EMLCFBond.pdf

According to the above mentioned fund's 2020 annual report, of the fund's €961.82 million, approximately €82 million (8.5%) was invested in Kenya. By comparison, Finland's planned development cooperation allocation to Kenya for the financing of the country programme for 2021-2024 is €32 million.

In addition, the Aktia Corporate Bond+ fund²⁵ mentions SDG bonds: the fund has typically invested "around 15-20% in green bonds or similar other investments (including SDG bonds and social bonds)". However, the fund's main countries for bond investments are in Europe and North America. The common factor among the investments of the Aktia specialised investment fund Impakt²⁶ is impact, measured in terms of the intentional promotion of the SDGs. SDGs 1, 4, 5, 6, 7, 8, 9, 10, 13 and 17 are mentioned in the fund's prospectus. The fund has a size of €21.7 million and is invested in different asset classes and globally. For example, in the case of bond investments, Europe and the United States are mentioned, while the geographical distribution of micro-bonds includes Central America and the Caribbean 26.10%, South Asia 17.80%, South America 13.95%. For example, microloans to sub-Saharan Africa account for 5.95% and to the Middle East and North Africa for 0.59%.

Danske Bank. The sustainability links on Danske Bank Finland's website take you to the group's English-language reports, which do not discuss the Finnish branch's activities in isolation from the group's overall strategies. In the group's 2020 Sustainability Report²⁷, Danske Bank communicates its commitment to contribute to the SDGs. Danske Bank writes that in recent years it has focused on SDGs 4, 8 and 13, but has added SDGs 5 and 16 to its new strategy. For these goals, the company has openly recorded the 2020 status and the 2023 objective. The report does not systematically list the SDG targets, but extracts from them are relevant to the themes of the report: targets 4.6, 5.5, 8.3, 8.8, 8.10, 12.6, 13.2, 16.4 and 16.5.

These targets also contain references to SDGs which were not listed as strategic priorities at the top level. It can therefore be assumed that, despite the priorities, the group will identify all SDGs with their sub-targets. Danske Bank also writes that its investments may have at least indirect impacts on all SDG targets. These impacts could be positive or negative, and the bank communicates that it intends to map these impacts in more detail in 2021.

For example, Danske Bank will concretise the SDG 13 target by announcing sustainable financing of DKK 102 billion (about €13.7 billion) from 2019, and green transition investments of DKK 27 billion from 2019. Among SDG funds, the group mentions the Danske Invest Global Sustainable Future fund (DKK 15.3 billion AuM) and the Danica Balance Sustainable Choice pension fund (DKK 580 million AuM).

25 In Finnish. https://misc.aktia.fi/data-service/documents/investment/Rahastot/Vuosikatsaukset/Aktia/Vuosikatsaus_Aktia_CorpBond.pdf

26 In Finnish. https://misc.aktia.fi/data-service/documents/investment/ahastot/Markkinointiesitteet/Markkinointiesite_Impakti.pdf

27 <https://danskebank.com/-/media/danske-bank-com/file-cloud/2021/2/sustainability-report-2020.pdf?rev=9e97efda94d5437181f320ed84be1ffc&hash=78BA7E911FC96C8C8C4074980AEE0409>

The Sustainable Handelsbanken report states that the bank has adopted the 17 SDG of the 2030 Agenda.

Handelsbanken. The Sustainable Handelsbanken report²⁸ states that the bank has adopted the 17 SDG of the 2030 Agenda. The same report discusses the SDGs and Handelsbanken's role in achieving them. The report mentions SDGs 3, 5, 6, 9, 11, 13, 15, 16 and 17. Many of the actions presented are very local, such as supporting diversity in Swedish branches, but mention is also made of impact investing.

Handelsbanken's international annual report²⁹ includes a mention of the SDG assessments of the bank's funds. According to the annual report, the bank has developed an analytical model called Handelsbank SDG solutions, which, based on all 169 SDG targets, uses artificial intelligence to analyse each company's products, services and operational markets based on annual reports. The analysis can thus infer the amount of revenue in relation to each SDG. For example, Handelsbank's Sustainable Energy³⁰, an equity fund registered in Sweden, aims to support SDGs 7 and 13 in particular. Among developing countries, investments in China in particular account for 19.18%.

28 <https://www.handelsbanken.nl/tron/nlpu/info/contents/v1/document/43-108716>

29 In Finnish. https://secure.msse.se/shb/temp/pdf/Handelsbanken_Fonder_AB_1_fi-FI_Vuosikatsaus_Full.pdf

30 In Finnish. <https://secure.msse.se/shb/fi.fi/funds/shb0000192/more?hb=false&nopension=false&sa=2&hw=true>

Nordea. The bank's 2020 Sustainability Report³¹ states that it has carried out an impact analysis for all Nordic countries based on the SDG targets. Based on this analysis, the bank identified SDG targets 4, 5, 7, 8, 9, 10, 12, 13, 14, 15, 16 and 17 as relevant to its operations. Nordea's sustainability approach concerning its funds³² focuses in particular on ESG factors, but the Stars investment funds (such as Nordea Asian Stars, Nordea European Stars) also take into account "how well each company's business model meets the UN SDGs.

Of these funds, the Asian Stars fund³³ invests in Asian countries, excluding Japan. The fund is worth EUR 497 million and its largest investments are in China (40.52%) and India (16.78%). The largest sectors are IT 33.69%, finance 26.72% and consumer goods and services 15.44%.

Osuuspankki. In its 2020 annual review, Osuuspankki (OP) states that it is committed to supporting the SDGs in its operations. The bank says that it has updated its sustainability programme³⁴ and, as a result, has identified the SDGs that are relevant to the OP group. In the 2019 Sustainability Report, these are SDGs 3, 4, 5, 8, 9, 10, 11, 12, 13, 14, 15 and 17. OP also lists as an objective to improve its reporting on the SDGs.

Some of the goals are local, such as the goal to develop the economic skills of Finns, and some are more global, such as impact investing. Of the latter, the OP Finnfund Global Impact Fund I³⁵, set up by OP and Finnfund, is noteworthy. OP³⁶ states that it is Finland's first impact fund investing in emerging markets. According to the bank, the fund will contribute to the SDGs in a measurable way through its investments. The fund has three main areas of focus in emerging markets: renewable energy, financial institutions and sustainable agriculture. The fund's Q4 2020³⁷ quarterly report identifies SDGs 1, 2, 5, 7, 8, 9, 12, 13 and 15 as its impact targets, with targeted country allocations of 40-50% in Africa, 20-30% in Latin America, 10-20% in Asia and 5-10% in the Middle East & North Africa. At the end of 2020, the fund stood at €135 million.

31 <https://www.nordea.com/en/doc/nordea-sustainability-report-2020.pdf>

32 <https://www.nordea.fi/en/personal/our-services/savings-investments/funds/nordea-funds-ltd.html>

33 <https://www.nordea.fi/en/personal/our-services/savings-investments/funds/funds-now.html?isin=LU0985320059>

34 <https://ml-eu.globenewswire.com/Resource/Download/5b2b939e-75c1-4b98-be12-fa51fa316da6>

35 <https://www.finnfund.fi/en/investing/investments/>

36 <https://www.op.fi/documents/20556/36037068/OP+Finnfund+Global+Impact+-+op-fi.pdf/4f90cddb-46c1-6b25-ba3d-3161359a6b64>

37 <https://www.op.fi/documents/20556/36037068/OP+Finnfund+Global+Impact+-+op-fi.pdf/4f90cddb-46c1-6b25-ba3d-3161359a6b64>

CASE STUDY 3:

OP Finnfund Global Impact Fund I

The OP Finnfund Global Impact Fund I is the first impact fund investing in emerging markets in Finland, according to Osuuspankki.

In addition to returns, it aims to achieve the impact goals expressed in the SDGs. Finnfund, the majority-owned development finance institution of the Finnish government, will act as an anchor investor and advisor to the fund. Other investors include the Church Pension Fund, Security Trading Oy, the Julius Tallberg Real Estate Corporation, the Industrial Union, the Finnish Municipal Foundation and the Finnish Red Cross.

Among the impact targets, SDGs 1, 2, 5, 7, 8, 9, 12, 13 and 15 are mentioned. The fund focuses on three main sectors, renewable energy, agriculture and the financial sector, with the relevant SDGs listed below each. Targeted country allocations are in Africa 40-50%, Latin America 20-30%, Asia 10-20% and Middle East and North Africa 5-10%. In June 2020, the fund raised €76 million in its first fundraising round, and after the second round, the fund stood at €135 million at the end of 2020.

The fund focuses on three main sectors, renewable energy, agriculture and the financial sector, with the relevant SDGs listed below each.

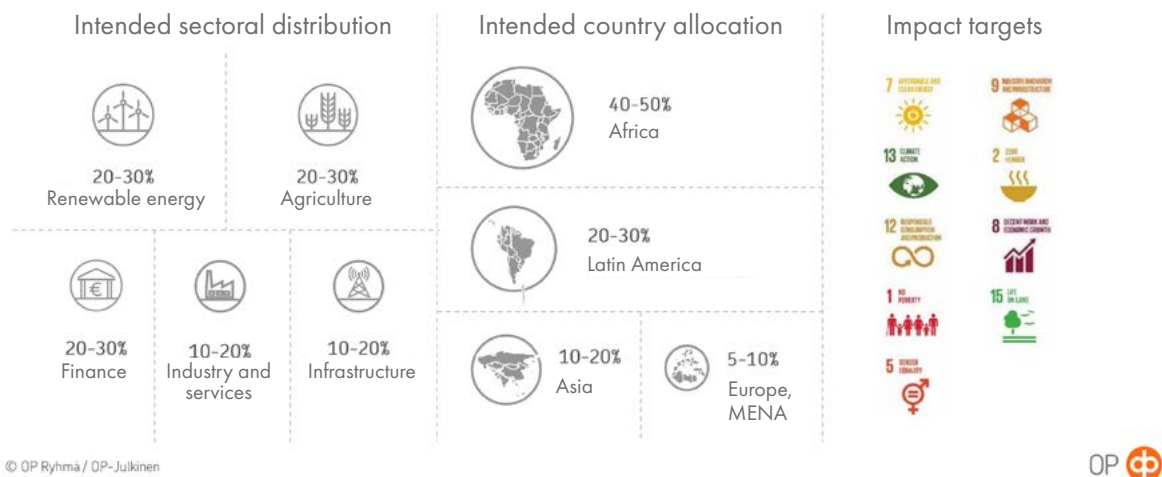
Among the investments made, the fund has issued a USD 12.5 million senior loan in Indonesia, which will help local Net1 Indonesia to improve access to broadband for households. Net1 International, the Norwegian company that owns Net1 Indonesia, does not mention the SDGs on its website or in its reports, but OP Finnfund says the project will contribute to SDGs 8 and 9.

In June 2021, the fund announced that it had invested USD 5 million in Ethiopian poultry company EthioChicken. According to Finnfund, the aim is to create good jobs, strengthen food security and reduce poverty. The targets roughly correspond to SDGs 1, 2 and 8. According to Finnfund, EthioChicken is committed to responsible production, but the potential negative SDG impacts of meat production, for example, are not spelled out in the broader SDG framework. EthioChicken's website does not mention SDG targets.

Figure 2. OP's Key figures and SDG targets for the OP Finnfund Global Impact Fund I. (source: OP)

The fund will invest in 10-20 different companies

The fund's main sectors combine impact and financial profitability



Lisätietoa:

OP Finnfund Global Impact Fund I:

<https://www.op.fi/documents/20556/36037068/OP+Finnfund+Global+Impact+-+op-fi.pdf/4f90cddb-46c1-6b25-ba3d-3161359a6b64>

Finnfund investments:

<https://www.finnfund.fi/en/investing/investments/>

POP Bank. The bank states³⁸ that sustainability means implementing the principles of sustainable development in all its activities. However, there is no list of specific SDGs; rather, ESG factors are discussed in the context of responsible investment. More detailed reporting may be forthcoming, as the bank says that “in the future, sustainability will become an integral part of our investment services.” In the context of responsible investment, the bank therefore encourages people to familiarise themselves with the practices and principles of its partners (the Sp-Fund Management Company, UB Fund Management Company, Aktia Fund Management Company)³⁹.

S-Bank. The bank’s responsible investment reporting⁴⁰ is also based on ESG features. This is already evident in the names of the funds, such as FIM Emerging Markets ESG. SDG is mentioned in the 2020 Responsible Investment Report in only one sentence, which states that S-Bank’s wealth management business joined the initiative against investing in tobacco companies. The initiative is said to encourage the financial sector in SDGs 3 and 7, which suggests that the SDGs are nevertheless known about, even if they are not taken as a basis for reporting.

Bank of Åland Plc. The bank states⁴¹ that the SDGs have guided its sustainability work for years. The materiality analysis carried out in 2019 covered all 169 SDG targets with their sub-targets. Based on the analysis, the bank identified four focus targets, SDGs 7, 8, 13 and 14. In the annual report, the focus targets have also been discussed in terms of sub-targets, while the other targets are presented at the top level (SDGs 3, 4, 5, 6, 9, 10, 11, 12, 15, 16, 17). The bank identifies not only local but also global actions, such as sustainable investment, to achieve the goals. The impact of investments is made concrete, for example, through the Nordic Swan Ecolabel funds. Although the SDG analysis in the annual report is comprehensive, the funds primarily focus on ESG rather than SDG factors, as the Green Bond ESG fund⁴² shows. According to its annual report, the bank will continue its long-term development work to achieve the key SDG targets and will aim to include other targets in the future.

The table below summarises the messaging of retail banks on SDGs, target levels and the integration of SDGs, funding size and monitoring.

38 In Finnish <https://www.poppankki.fi/pop-pankki/vastuullisuus/vastuullisuus-pop-pankki-ryhmassa>

39 In Finnish. <https://www.poppankki.fi/pop-pankki/vastuullisuus/vastuullinen-sijoittaminen>

40 In Finnish. https://dokumentit.s-pankki.fi/tiedostot/vastuullisen_sijoittamisen_raportti_2020_fi

41 <https://www.alandsbanken.fi/uploads/pdf/result/arsredovisn2020en.pdf>

42 In Finnish. <https://www.alandsbanken.fi/pankkipalvelut/sijoita-saasta/rahasotot/green-bond-esg-b>

Table 2. Summary of retail bank SDG financing

Institution	SDG mentioned	Mention of SDG, target, indicator	SDG integration/assessment in progress	Sustainable finance / ESG	Mention of SDG and scope of financing	Sustainable Development / SDG Fund	Mention of reporting / monitoring related to SDG activities / investments
Aktia Pankki	X	SDGs 2, 3, 5, 6, 7, 8, 9, 12 ja 13	–	X, X	–	X	X
Danske bank	X	SDGs 4, 5, 8, 13, 16 and targets	–	X	X		
Handelsbanken	X	SDGs 3, 5, 6, 9, 11, 13, 15, 16, 17	–	X, X	X	X	X
Nordea	X	SDGs 4, 5, 7, 8, 9, 10, 12, 13, 14, 15, 16, 17	–	X, X	–	–	–
Osuuspankki	X	SDGs 3, 4, 5, 8, 9, 10, 11, 12, 13, 14, 15, 17	–	X, X	X	X	–
POP Bank	–	–	–	X, X	–	–	–
S-Pankki	X	SDGs 3, 17	–	X, X	–	–	–
Ålandsbanken	X	SDGs 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 and targets 7.2, 7.3, 7.a, 8.1, 8.2, 8.3, 8.5, 8.8, 8.10, 13.1, 13.2, 13.3, 14.1, 14.2, 14.3, 14.5	X	X, X	–	–	X
Overall	7/8	7/8	2/8	8/8	3/8	4/8	4/8

Retail banks describe their SDG-related investments, operations and development goals reasonably well, but only half of the banks assessed follow the SDGs at some level. In all cases, it is highly difficult to track the level of SDG-related investments in developing countries.

2.6. SDG investments by investment banks

The analysis drew on a sample of investment banks operating in Finland, using UNRPI adherence, FINSIF membership and the extent to which public information is available on their activities as selection criteria.

Elite Alfred Berg (EAB) communicates about the issue of ESG in the context of responsible investment⁴³. The SDGs are not mentioned on the sustainability website. Of the EAB's funds, the Responsible Investment Fund⁴⁴ and the BNP Paribas Energy Transition Fund report on ESG issues. The largest investment of the Responsible Investment Fund has been in the Indian solar fund Elite India Solar I Ky (approx. 38%). The Energy Transition fund⁴⁵ is mainly invested in the US and Europe, with emerging markets including China (11.01%).

eQ Group. eQ defines responsible investment on its website⁴⁶ as taking ESG issues into account. In its 2020 RI Transparency Report⁴⁷, eQ also says that in the previous year it added a section on the company's consideration of SDGs to the questionnaire it collects from its investees (LNR 2020, p. 22). In terms of funds, eQ states that its eQ Blue Planet Fund⁴⁸ companies are "broadly aligned with, inter alia, the UN SDGs"⁴⁹. However, the fund's SDG impact is not reported and the fund does not invest in developing countries⁵⁰.

Evli. The banking company's website⁵¹ also defines sustainability via ESG factors. However, the SDGs are mentioned in the context of the Evli Green Corporate Bond Fund (EGCB)⁵², which aims to invest in assets that positively contribute to the SDGs. The EGCB's 2020 impact report discusses the fund's contribution to various SDGs. SDGs 1, 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14 and 15 are benchmarked. The report⁵³ also highlights an example of a funded company, including its projects and the SDGs met. But the fund's investments are only focused on Europe.

43 <https://www.eabgroup.fi/en>

44 <https://www.eabgroup.fi/yksityinen/rahastot/bnp-paribas-energy-transition>

45 In Finnish. <https://www.eabgroup.fi/yksityinen/rahastot/bnp-paribas-energy-transition>

46 <https://www.eq.fi/en/funds/responsible-investment>

47 https://www.eq.fi/~media/files/funds/esg/2020-transparency-report-for-eq-asset-management-ltd_public.pdf?la=fi

48 <https://www.eq.fi/en/funds/eq-sininen-planeetta>

49 In Finnish. <https://www.eq.fi/fi/asset-management/eqnakemys>

50 In Finnish. https://www.eq.fi/~media/files/funds/eq-sininen-planeetta/monthly-reports/kk-eq-sininen_planeetta_202106.pdf

51 In Finnish. <https://www.evli.com/vastuullinen>

52 <https://www.evli.com/en/products-and-services/mutual-funds/funds/corporate-bond/egb>

53 [https://pankki.evli.com/hubfs/Evli.com/Documents/Responsibility/EN/Reports/Evli%20Green%20Corporate%20Bond%20-%20Fund%20allocation%20and%20impact%20report%202020%20\(EN\).pdf](https://pankki.evli.com/hubfs/Evli.com/Documents/Responsibility/EN/Reports/Evli%20Green%20Corporate%20Bond%20-%20Fund%20allocation%20and%20impact%20report%202020%20(EN).pdf)

According to the company, the sustainability objective of the investment basket is measured by the greenhouse gas emissions intensity.

FIM. FIM defines⁵⁴ responsible investment as taking into account ESG aspects. In the company's Responsible Investment Report⁵⁵, the SDGs (3 and 17) are mentioned only once when talking about the impact of a single initiative (VS2020, p. 6). The company's FIM Emerging Markets ESG Fund⁵⁶ invests in emerging markets and, as its name suggests, its sustainability is measured by ESG criteria⁵⁷.

Mandatum. In its 2020 annual report⁵⁸ Mandatum expresses its commitment to promoting the SDGs (V2020, p. 3). The company's sustainability report⁵⁹ states that Mandatum reviewed its SDG targets using the SDG Compass guide for companies, which helped the company identify three SDGs that are important to it: 3, 8 and 13. Some of the concrete actions presented are local, such as supporting customer well-being, while others are more global, such as considering sustainability in investments (V, pp. 8-9). Among Mandatum's financial products, for example, the Mandatum Life World Climate Index⁶⁰ takes into account sustainability factors in its investments. According

54 In Finnish. <https://www.fim.com/fi/vastuullisuus-ja-vaikuttavuus/vastuullisuus/>

55 In Finnish. https://dokumentit.s-pankki.fi/tiedostot/vastuullisen_sijoittamisen_raportti_2020_fi

56 In Finnish. <https://irs.altusinvestor.com/render/document/released-snapshot/category/18/reference/KEHMAR/lang/fi>

57 In Finnish. <https://irs.altusinvestor.com/render/document/released-snapshot/category/56/reference/KEHMAR/lang/fi>

58 In Finnish. https://www.sampo.com/globalassets/vuosi2020/mandatumlife/mandatum-life_vuosikertomus_2020.pdf

59 In Finnish. <https://www.mandatumlife.fi/4956f8/globalassets/yhtio/yritysvastuu/mandatumlife-corporate-sustainability-summary-2020.pdf>

60 In Finnish. https://www.mandatumlife.fi/493e8d/globalassets/sijoituskohteet_uusi/sfdr/maailma-ilmasto-indeksi-vastuullisuudesta-annettavat-tiedot.pdf?stamp=3a9f93c2-83d4-4ab4-be45-0677a7c47641

to the company, the sustainability objective of the investment basket is measured by the greenhouse gas emissions intensity. Adverse sustainability impacts are also published. However, the sustainability prospectus does not present this information through the SDGs, and the country breakdown of the Global Climate Index⁶¹ does not target emerging markets. The Mandatum Emerging Markets Index investment basket⁶², on the other hand, does not take sustainability risks into account.

Seligson. Seligson's report⁶³ on responsible investing defines sustainability as broadly equivalent to responsible investing and writes that its focus is generally on managing ESG risks. However, there is no mention of the UN SDGs. According to the report, Seligson offers its clients sustainability index funds. The company defines the funds as promoting 'sustainable environmental and social attributes' and as following indices in which stocks are selected 'according to sustainable development principles defined by the index provider'. For example, in the case of the Asia Index Fund⁶⁴, these principles include comparing the fund's index to a similar index that does not take sustainability factors into account, and the level of carbon emissions relative to the market value of the investments and the turnover of the underlying companies. However, 0% of the Asia Index Fund's equity investments⁶⁵ are in emerging markets and 100% in the Pacific region.

Taaleri. Taaleri's sustainability report⁶⁶ outlines that the company presents its impact through the UN Sustainable Development Goals. Based on the company's impact assessment, Taaleri has identified three key SDGs where it has the strongest impact and commercial opportunities. These are SDGs 7, 8 and 9. Taaleri relates its Impact Portfolio⁶⁷ to 11 corresponding SDGs: 1, 3, 5, 7, 8, 9, 10, 11, 12, 13 and 15. The portfolio is split between the Impact Fund (42%), responsible equities (55%) and responsible fixed income (3%). 7% of the responsible equities are invested in responsible companies in emerging markets. The portfolio's presentation page shows the percentage of each of its investments and the relevant SDGs. In addition, the impact fund also makes specific reference to the SDGs in its asset classes, which in some cases differ from the targets mentioned in the portfolio. For example, microloans are said⁶⁸ to help people in developing countries to become entrepreneurs and thus contribute to SDGs 1, 5, 8 and 10. There is a wide geographical spread in microloans, with 26.10% invested in Central America and the Caribbean, compared for instance to 5.95% in sub-Saharan Africa and 0.59% in the Middle East and North Africa.

61 In Finnish. <https://www.morningstar.fi/fi/funds/snapshot/snapshot.aspx?id=F00000ZTF3>

62 In Finnish. https://www.mandatumlife.fi/49418c/globalassets/sijoituskohteet_uusi/138--ml-kehittyvat-markkinat-indeksi/kehittyvat-markkinat-indeksi-esite.pdf?stamp=3a9f93c2-83d4-4ab4-be45-0677a7c47641

63 In Finnish. https://www.seligson.fi/suomi/esitteet/Vastuullinen_Sijoittaminen_SCO.pdf?v=1619308800107

64 In Finnish. https://www.seligson.fi/suomi/rahastot/rahes_aasia.htm

65 In Finnish. <https://www.seligson.fi/luotain/FundViewer.php?task=intro&fid=818423&view=40&lang=0#>

66 In Finnish. https://www.taaleri.com/application/files/5215/8633/3135/Taaleri_Corporate_responsibility_policy.pdf

67 In Finnish. <https://www.impakti.fi/impakti/>

68 In Finnish. https://varainhoito.aktia.fi/application/files/1016/1366/2268/taaleri_impakti_2021.pdf

CASE STUDY 1

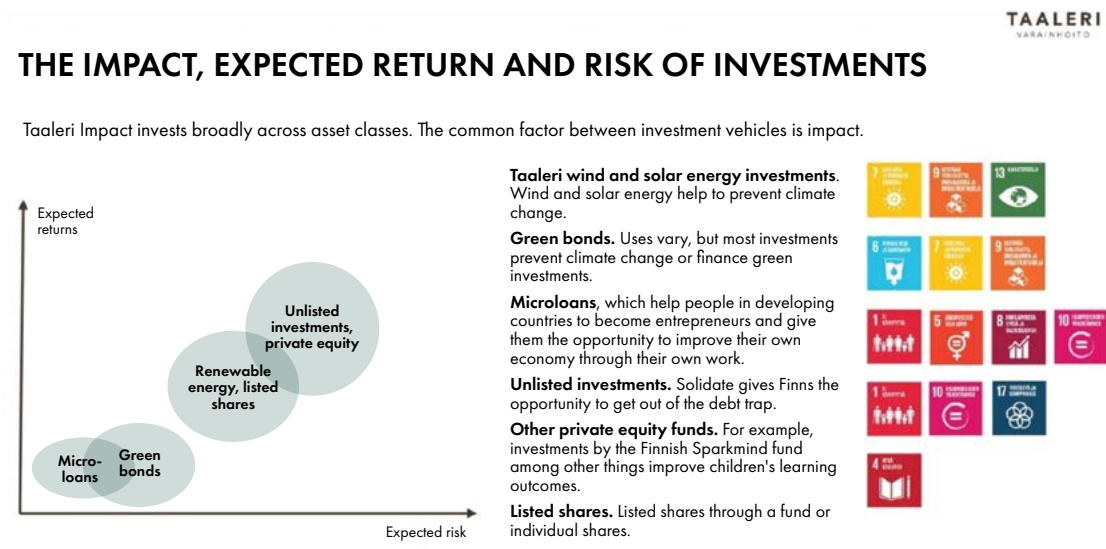
The impact, return and risk of Taaleri investments

Taaleri reports on SDG impact at the company level, as well as in the context of the Impact portfolio.

Taaleri presents its Impact portfolio against the corresponding eleven SDG targets. These are SDGs 1, 3, 5, 7, 8, 9, 10, 11, 12, 13 and 15. The portfolio is split between responsible equities (55%), the Impact Fund (42%), and responsible interest rates (3%).

Of the responsible equities, 7% are invested in Emerging Markets SRI (EMSRI). EMSRI's⁶⁹ largest holding (5.77%) is the Chinese e-commerce platform Meituan. The impact of the fund's investments is communicated through the SDGs and the expected return/risk ratio is illustrated in the graphic below.

Figure 3. Taaleri Impact portfolio return, risk SDGs (Source: Taaleri)



69 <https://www.amundi.fr/professional/product/view/LU1861138961>

For example, microfinance is said to help people in developing countries become entrepreneurs and thus contribute to SDG targets 1, 5, 8 and 10. There is a wide geographical dispersion in microfinance, with 26.10% invested in Central America and the Caribbean, compared for example to 5.95% in sub-Saharan Africa and 0.59% in the Middle East and North Africa.

The percentage of each investment in the Impact Fund is shown, along with the SDG targets relevant to it. For instance, the fund's second largest investment (23%) is in Blue-Orchard's microcredit fund. Taaleri says the fund finances microloans to entrepreneurs in developing countries and that the investment contributes to SDGs 1 and 5 (see figure below).

Figure 4. Relationship of Taaleri's Impact investments to SDG targets

(Source: Taaleri)

Social responsibility

This impact investment contributes to the following UN SDGs



The target of Taaleri's Impact investment, BlueOrchard⁷⁰, an impact investing company, itself communicates that its Microfinance fund will impact SDGs 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 17. The fund's net asset value as of June 2021 was approximately USD2.5 billion. The Fund's largest regions were Central America and the Caribbean (22.84%), South Asia (15.23%) and South America (14.06%), and individually India, Georgia, Cambodia, Ecuador and Mexico. The largest holdings are in banks in Georgia, Serbia, Ecuador and Nicaragua.

Taaleri also has investments in developing countries in other funds, such as the Africa I and II funds, which invest in East African real estate, but the SDG impact is not specified for these funds.

70 https://www.blueorchard.com/wp-content/uploads/report/bomf/BOMF_EN_P.pdf

United Bankers. In its 2020 sustainable investment review, United Bankers states that its ESG responsibility is measured using the services of Morningstar and its subsidiary Sustainalytics, while the Impact-Cubed's fund impact assessment⁷¹ is based on the SDGs (VSV 2020, p. 4). The Impact-Cubed⁷² report compares United Bankers' UD1 million investment to a peer group, thereby scoring different aspects. For example, the company's carbon efficiency is reported to produce 1.22 tonnes less greenhouse gases, thereby contributing to SDGs 7 and 15. Similarly, the company's gender equality score is -5.2% due to the lack of female leaders, relating to SDG 5. This is notable because, while many companies communicate that they have mapped both positive and negative impacts on their SDGs, other players have not expressed such explicitly negative figures (IC, p. 2).

There is also a percentage mention of SDG impact for each of the United Bankers funds. For example, the UB Asia REIT Plus fund, which invests in emerging markets, has a 15% lower impact on the SDGs than the benchmark index, and the UB EM Infra fund has a 5% higher impact than the benchmark index (VSV 2020, pp. 10-13).

Sustainability reports are also presented for each fund. For example, the UB EM Infra fund⁷³, which invests in emerging market infrastructure companies, presents both a summary of SDG impact (5% higher than the benchmark) and a breakdown of positive and negative SDG impacts (see case study 2). The fund size is €59.69 million and the main geographical regions are developing countries in Asia (59.42%), Latin America (21.18%), developed countries in Asia (14.23%) and emerging economies in Europe (4.74%)⁷⁴. Similarly, the SDG impact of the UB Asia REIT Plus fund is 15% lower than the benchmark index. The fund's size is €87.87 million and is geographically invested in developed Asia (50.08%), emerging Asia (25.03%), Japan (17.46%) and Asia and Australia (7.43%)⁷⁵.

71 In Finnish. https://www.unitedbankers.fi/api/content/media/2159/vastuullisen-sijoittamisen-vuosikat-saus-2020_30-3-2021.pdf

72 <https://www.unitedbankers.fi/api/content/file?id=/media/1831/united-bankers-peer-group-impact-cubed-report-mar-2020.pdf>

73 <https://www.unitedbankers.fi/api/products/file?lang=fi&id=2c1c92ca-8cd1-40f6-812f-3b668e7813e3>

74 In Finnish. <https://www.morningstar.fi/fi/funds/snapshot/snapshot.aspx?id=F000000OGU>

75 In Finnish. <https://www.morningstar.fi/fi/funds/snapshot/snapshot.aspx?id=F000000OGT>

CASE STUDY 2

United Bankers

United Bankers communicates impact through the UN Sustainable Development Goals (SDGs), both for the company as a whole and for individual funds.

The impact assessment was carried out with the help of an external company, Impact-Cubed. The impact of the company as a whole is measured by comparing United Bankers' USD 1 million investment with a peer group and scoring different aspects. This has been used as a basis for reporting both negative and positive impacts on the SDG targets in percentage terms.

The SDG impact and the sustainability report of each fund have also been broken down separately. Among United Bankers funds, UB Asia REIT Plus and UB EM Infra also invest in emerging markets. The SDG impact of UB Asia REIT Plus is 15% lower than the benchmark index, while UB EM Infra has a 5% higher SDG impact.

Figure 5. General description of the SDG impact of the UB EM Infra fund

(Source United Bankers)



Figure 6. Impact of UB's EM Infra fund in relation to the SDG targets

(Source United Bankers)

INVESTMENT EQUIVALENTS			
In real terms compared to the Emerging Markets Infrastructure benchmark, \$1M invested in EM Infra finances:			
		Real world equivalent	SDG relevance
Carbon efficiency	-64.99	more tons of GHG emissions	7, 15
Waste efficiency	2.91	less tons of waste generated	6, 12, 14, 15
Water efficiency	5.0	less thousand cubic metres fresh water used	6
Gender equality	3.6%	more women in top management	5
Executive pay	5.7	less multiples of average employee pay paid to top executives	10
Board independence	-0.6%	less board independence	10, 16
Environmental good	2.1%	more invested in industries contributing to solving environmental issues	most SDGs
Social good	1.1%	more invested in industries helping alleviate social issues	most SDGs
Avoiding environmental harm	16.5%	less invested in industries aggravating environmental issues	most SDGs
Avoiding social harm	-0.5%	more invested in industries aggravating social issues	most SDGs
Economic development	\$(6100)	less economic activity in less developed economies	1, 8, 9, 16, 17
Avoiding water scarcity	-0.04	more water use in water scarce localities (World Resource Institute)	16, 17
Employment	-0.3%	less economic activity in high unemployment geographies	1, 8, 11, 12, 16
Tax gap	-0.68%	less tax paid	1, 9, 10, 16

The UB EM Infra fund invests in infrastructure companies in developing countries. The fund's size is €59.69 million and the largest geographical areas are developing countries in Asia (59.42%), Latin America (21.18%), developed countries in Asia (14.23%) and emerging economies in Europe (4.74%). The largest investment (4.14%) of the fund is in the Philippine port industry company International Container Terminal Services Inc (ICTSI). ICTSI also refers to sustainability in its sustainability report⁷⁶ in terms of the SDGs. The report mentions the SDGs both as principles driving the company's operations and as a measure of the effectiveness of individual projects.

76 https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-sustainability-report-v2_webfinal.pdf

The table below summarises investment banks' SDG-related communication, target levels and integration of SDGs, funding size and monitoring.

Table 3. Summary of investment banks' SDG financing

Institution	SDG mentioned	Mention of SDG, target, indicator	SDG integration/assessment in progress	Sustainable finance / ESG	Mention of SDG and scope of financing	Sustainable Development / SDG Fund	Mention of reporting / monitoring related to SDG activities / investments
Elite Alfred Berg	–	–	–	X, X	–	X	–
eQ Asset Management	X	–	X	X, X	–	X	–
Evli Bank Plc	X	SDGs 1, 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15	–	X, X	–	X	–
FIM Asset Management	X	SDGs 3, 17	–	X, X	–	–	–
Mandatium Life Insurance Company Limited, Wealth and Investment Management	X	SDGs 3, 8, 13	X	X, X	–	X	–
Seligson & Co Rahastoyhtiö	–	–	–	X, X	–	X	–
Taaleri	X	SDGs 1, 3, 5, 7, 8, 9, 10, 11, 12, 13, 15	–	X, X	X	X	–
United Bankers	X	SDGs 1, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15, 16, 18	–	X, X	–	–	X
Overall	6/8	5/8	2/8	8/8	1/8	6/8	1/8

Investment banks report moderately on SDGs, but their activities seem to focus more on ESGs than SDGs. SDG targets are reasonably well listed, but the size of SDG funding is very difficult to ascertain, and the results of SDGs are not publicly disclosed, except really only by United Bankers. For all of them it is highly difficult to track how much SDG investment is being made in developing countries.

2.7. Reporting SDG financing results

There is no clear common definition of SDG investment such as the EU has for environmental sustainability, so reporting on the impact of SDG investment is also variable and there is no consistent way for investors to report on impact. There are a number of different reporting guidelines and tools for reporting on SDG investing. For example, in 2020, DANSIF, together with FINSIF and SWESIF⁷⁷, commissioned a study on SDG-based reporting. The study looked at eight different SDG reporting guidelines. The guidelines reviewed were the Global Reporting Initiative and the UN Global Compact SDG Compass; Future Fitness Business Benchmark; PGGM/APG Sustainable Development Investments; Global Reporting Initiative and UN Global Compact Action Platform: Business Reporting on the SDGs; the Corporate Reporting Dialogue and the SDGs; Cambridge Institute for Sustainability Leadership, Investment Impact Framework; IRIS+ and GIIN System and the United Nations Development Program SDG Impact Platform. There are also a number of ongoing international processes that are more

Sustainable investment reporting related to investments under the SDGs is being developed at EU level, but it will take years to define and roll out more widely.

⁷⁷ Denmark's Sustainable Investment Forum, Finland's Sustainable Investment Forum, Sweden's Sustainable Investment Forum

generally related to the definition of investment sustainability, such as the International Financing Reporting Standards Foundation's initiative to develop international sustainability standards⁷⁸ and the European Financial Reporting Advisory Group's definition of standards for sustainable reporting⁷⁹.

Additionally, the EU's Corporate Sustainability Reporting Directive (CSRD)⁸⁰ is a proposed directive that will be widely adopted in the coming years and will include mandatory verification of sustainability disclosures. Companies will also be required to report according to more detailed data requirements and sustainability standards. Under the proposal, national implementation would start with large listed and unlisted companies reporting from the 2023 financial year and listed SMEs and, on a voluntary basis, unlisted SMEs starting from the 2026 financial year.

Sustainable investment reporting related to investments under the SDGs is being developed at EU level, but it will take years to define and roll out more widely. It is possible that the SDGs will provide a broader framework for this definition work, but reporting will not be directly linked to the SDG targets, which are already due in 2030.

2.8. The 'leave no one behind' principle

It appears based on this investigation that the UN's 'leave no one behind' (LNOB) principle is not strongly reflected in donors' investment reports, even though the prevention of non-discrimination is a key SDG principle. Among the institutions, only Evli and Nordea mentioned the LNOB principle. The survey also did not show that investors had assessed where there was the greatest need and opportunity for development impact or whether the investment would specifically support the reduction of inequalities.

The 'leave no one behind' principle is probably unfamiliar to investors and setting and monitoring targets is likely to be a challenge for them. Neither the EU's draft Corporate Sustainability Reporting Directive nor the Sustainable Finance Disclosure Regulation (SFDR) mention the LNOB principle and non-discrimination. Instead, the EU taxonomy states that it will help scale up environmentally sustainable investments, including activities that "works for people and ensures a just transition that creates employment and leaves nobody behind". Human rights are referred to in both of the above documents. There are also varying references to the UN Guiding Principles on Business and Human Rights. The human rights principles transect the different investment sites, so the LNOB could have been taken into account in similar fashion.

In practice, taking account of the LNOB principle in investors' activities would require that in the context of each investment, consideration be given to targeting activities in line with the LNOB principle. This in turn would require an analysis on the basis

78 <https://www.ifrs.org/projects/work-plan/sustainability-reporting/consultation-paper-and-comment-letters/>

79 <https://www.efrag.org/Activities/2010051123028442/Sustainability-reporting-standards-roadmap>

80 https://ec.europa.eu/info/publications/210421-sustainable-finance-communication_en#csrd

of which decisions are taken. However, non-investors also face challenges in monitoring discrimination. For example, the Finland's Ministry of Justice's 2020 assessment⁸¹ states that the monitoring of discrimination should be more strongly linked to the monitoring of the SDGs, that more indicators are needed in the monitoring system and, inter alia, that entirely new indicators should be defined in terms of discrimination.

The LNOB principle seems to be clearly one of the issues that should be strengthened in the context of the development of a holistic approach to investment in line with the SDGs.

The LNOB principle seems to be clearly one of the issues that should be strengthened in the context of the development of a holistic approach to investment in line with the SDGs.

81 Ministry of Justice; Policy Brief 3, Discrimination in Finland, 2020, current information on discrimination and equality (in Finnish).

3.

Amount of SDG financing from Finland to developing countries

3.1. Amount of SDG-related financing

One aim of this report is to examine the financial amounts of SDG investments and where the funding is directed (for example Finland, developed markets or emerging markets). The aim is also to assess the countries within emerging markets, for example by income level and how much of the investment is directed to LDCs and fragile states.

Investors almost always channel their investments into funds and do not always distinguish between individual countries or investment targets. An overall assessment of Finnish investors' financial flows under the SDGs or the allocation of SDG financial flows to developing countries or LDCs has therefore not been possible. For some investors and funds, as the Handelsbanken example above shows, it is possible to separately calculate the SDG financing allocated to emerging markets.

3.2. Amount of investment financing from Finland to emerging markets

As a compensatory measure, we examined the amount of investment from Finland to developing countries in general. The 20 developing countries with the highest aggregate ODA disbursements from 2013 to 2019 were selected as the target countries. The available investment flows data from Statistics Finland is only available for the years 2013 to 2019, so the same years were selected as the aggregate period for ODA disbursements. The aggregation of several years gives a more accurate picture, as in a single year the deviation of ODA payments can be very large.

The table below shows the top 20 recipient countries of Finnish ODA disbursements from 2013 to 2019. The totals are aggregated (in € million), based on the OECD.

Table 4. Top 20 recipient countries of Finnish ODA disbursements, total ODA disbursements from 2013 to 2019.

Country	ODA disbursements from 2013 to 2019 (OECD)
Afghanistan	201
Tanzania	188
Nepal	170
Ethiopia	167
Kenya	160
Mozambique	146
Zambia	117
Somalia	114
Viet Nam	96
Syrian Arab Republic	81
Myanmar	73
West Bank and Gaza Strip	72
Iraq	46
South Sudan	46
Turkey	45
Ukraine	43
Yemen	38
Indonesia	34
Uganda	33
Lao People's Democratic Republic	27

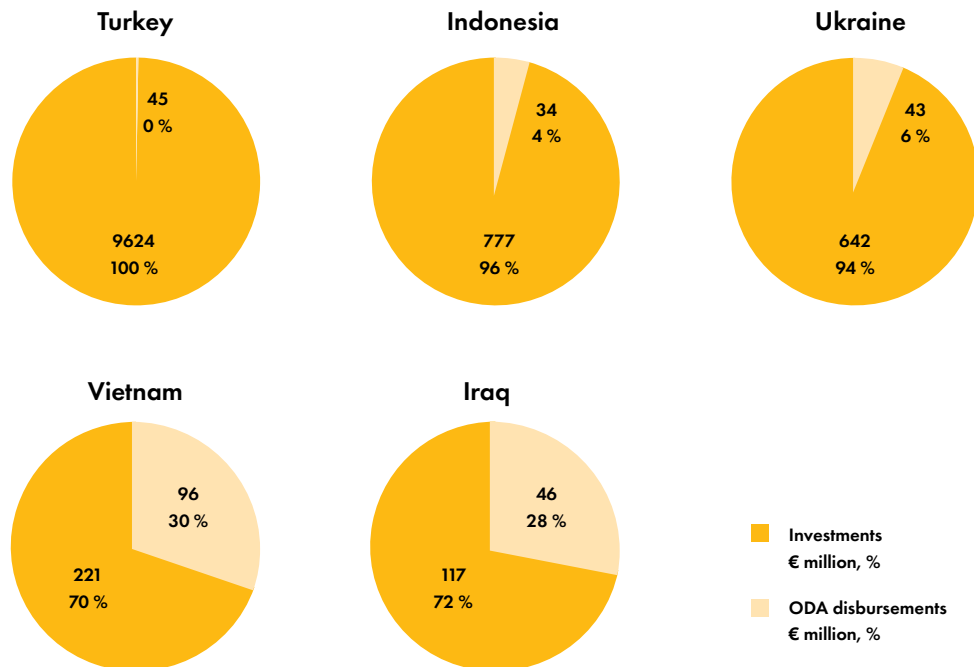
The table below shows the top ODA recipient countries and investments in them from 2013 to 2019, in € million. Sources: OECD on ODA disbursements and Statistics Finland on investments.

Table 5. Top 20 recipient countries of Finland's ODA disbursements and investments from Finland (total ODA disbursements 2013-2019 and total investments 2013-2019)

Country	ODA disbursements from 2013 to 2019	Investments from Finland from 2013 to 2019	Volume of investments in relation to ODA (%)
Afghanistan	201	0	0,0
Tanzania	188	33	17,5
Nepal	170	0	0,0
Ethiopia	167	0	0,0
Kenya	160	42	26,3
Mozambique	146	6	4,1
Zambia	117	59	50,5
Somalia	114	0	0,0
Viet Nam	96	221	230,7
Syrian Arab Republic	81	1	1,2
Myanmar	73	16	22,0
West Bank and Gaza Strip	72	0	0,0
Iraq	46	117	256,5
South Sudan	46	-7	-15,3
Turkey	45	9624	21554,3
Ukraine	43	642	1483,0
Yemen	38	2	5,2
Indonesia	34	777	2311,1
Uganda	33	8	24,4
Lao People's Democratic Republic	27	0	0,0

The table shows that of Finland's top 20 ODA recipient countries, five have investments exceeding ODA payments. In a further five, investments are around 20% or more. The graphs below show that investments from Finland exceed Finland's ODA in the following countries: Turkey (15th largest ODA recipient country), Indonesia (18th largest), Ukraine (16th largest), Iraq (13th largest) and Vietnam (9th largest). Figures in millions of euros for 2013-2019, investments in yellow and ODA disbursements in light yellow.

Graphic 1. Of the top 20 recipient countries of Finnish ODA funding, those with investments larger than ODA disbursements from 2013 to 2019.

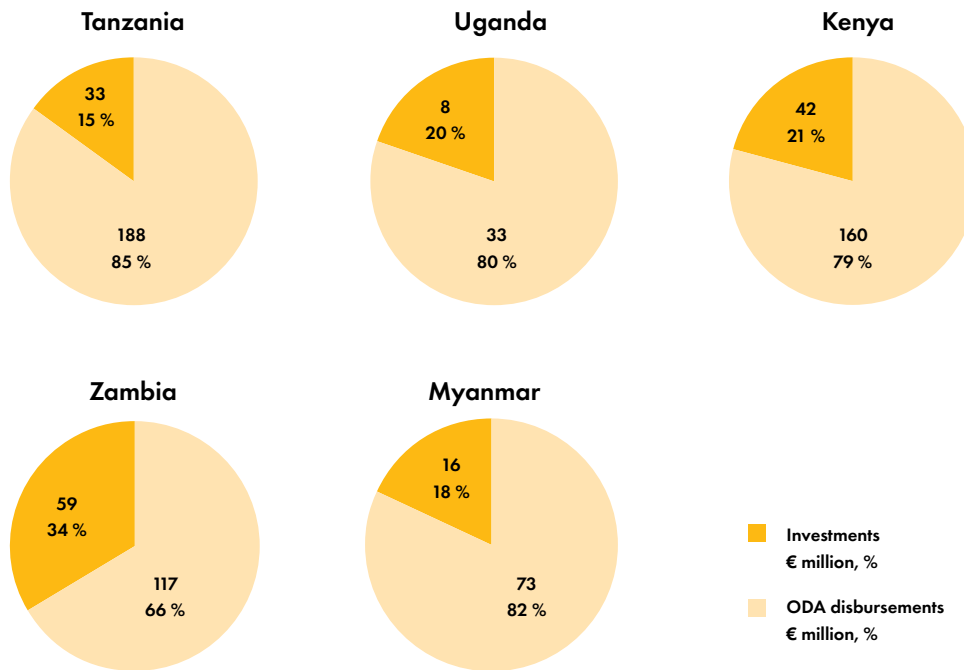


None of the five countries mentioned above is a LDC anymore, but Iraq is classified as a fragile country in the World Bank's classification of fragile states.

The graphs below show that investments from Finland are moderately significant in relation to Finland's ODA disbursements in the five countries: Zambia (7th largest ODA recipient country), Kenya (5th), Uganda (19th), Myanmar (11th) and Tanzania (2nd). Figures in € millions collated from 2013 to 2019, investments in yellow and ODA disbursements in light yellow.

None of the five countries mentioned above is a LDC anymore, but Iraq is classified as a fragile country in the World Bank's classification of fragile states.

Graphic 2. Of the top 20 recipient countries of Finnish ODA, those with moderate investment relative to ODA funding from 2013 to 2019



Of the five countries mentioned above, Myanmar is classified as fragile by the World Bank. Also, Zambia, Myanmar, Uganda and Tanzania are LDCs. There appears to be a moderate flow of Finnish private investment to LDCs.

The following table shows the financial flows of Finnish companies to their own subsidiaries in Africa in 2019.

There appears to be a moderate flow of
Finnish private investment to LDCs.

Table 6. Financial flows of Finnish enterprises to their own subsidiaries in Africa in 2019

Country	Number of personnel	Personnel expenditure (€ million)	Gross investment in tangible assets (€ million)	Turnover (€ billion)	Number companies
Egypt	920	17,2	5,2	110,3	6
South Africa	2 865	101	7,6	675,7	38
Ghana	73	2,5	..	21,5	4
Kenya	530	31,4	0,4	79,5	6
Marocco	434	30,5	0,2	39	5
Mozambique	177	2,6	..	8,2	3
Nigeria	259	11,3	0,5	53,3	6
Zambia	75	3,8	0,2	20	4
Uganda	49	1,4	..	7,4	3
Africa	6 437	243,7	15,2	1 200,60	102

As the above table shows, there are moderately significant financial flows to subsidiaries of Finnish companies. SDG financing compliance was not assessed for these financial flows. But if, say, some of this funding is earmarked for employment, staff training or renewable energy/energy efficiency, then they are at least close to SDG-compliant funding. In this case, a limited targeting of ODA funding, such as through risk coverage, could probably increase or at least enhance the alignment of these funding flows with the SDG targets. For example, both the Netherlands and the US have used ODA to support the expansion and personnel training of banks in their respective countries.

4. SDG-compatible financing - public and private finance together

SDG-compliant investments in developing countries are made by both public and private actors. In addition, there is significant non-SDG investment in developing countries. Over the last decade, several approaches have emerged in the Nordic countries where the private and public sectors and finance are working together to promote and invest in SDG-compliant investments.

4.1. Number of responsible investment actors

As we saw above, analysing Finnish financing to developing countries in line with the SDGs due to different investor practices and reporting practices is not straightforward. Consequently, the comparison between the Nordic countries is also not unambiguous. Comparisons can be made indirectly, though, by looking at statistics that can be taken as an indicator of financing in line with the SDGs.

Comparison of the number of countries that have made the UNPRI commitment.

Among the Nordic countries, Sweden has the highest number of UNPRI pledgers. There are UNPRI adherents in all Nordic countries, but Sweden in particular has the highest number of asset management companies. The number of UNPRI pledgers is not an indication of the amount of funding, but it is an indication of how selective responsible investment is in the country (there are large differences in developing countries, for example 64 UNPRI pledgers in South Africa (10+5+49), 1 in Kenya (0+0+1), 2 in Turkey (0+0+2), 3 in Vietnam (0+0+3), etc.).

Table 7. Summary of the number of UNPRI pledgers in the various Nordic countries

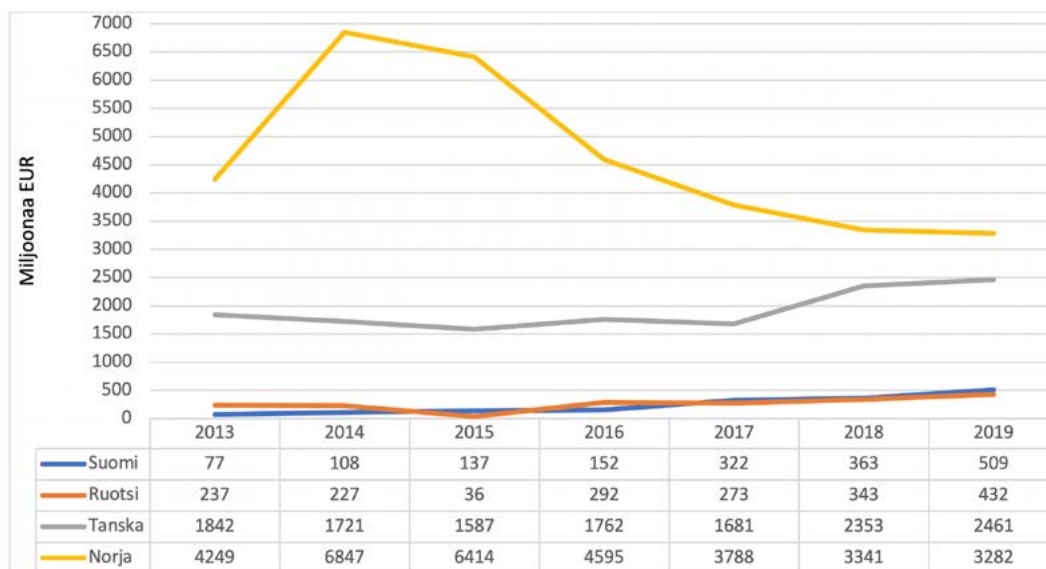
Country	Asset owners	Service providers	Investment managers	Total
Sweden	26	6	94	126
Denmark	18	7	37	62
Finland	15	2	34	51
Norway	11	1	37	49

Among the Nordic countries,
Sweden has the highest number of
UNPRI pledgers.

4.2. Number of investments from Nordic countries to Africa

It is not possible to accurately estimate the amount of investment in the SDG targets from the Nordic countries to developing countries, but it is possible to look at the total amount of investment flows. The following graph shows the FDI flows to Africa from Finland, Norway, Sweden and Denmark from 2013 to 2019.

Graphic 3. Nordic investment in Africa, 2013-2019 (€ million)



For Nordic investments, Africa has been chosen because most African countries are developing countries, meaning they represent emerging markets and mainly the least developed countries. No other geographical area would allow such an indicative generalisation. The data is based on figures from the Nordic statistical offices and central banks. However, the figures should be interpreted with caution, as they do not reflect the economic activity of companies, wage payments or other financial flows in the countries.

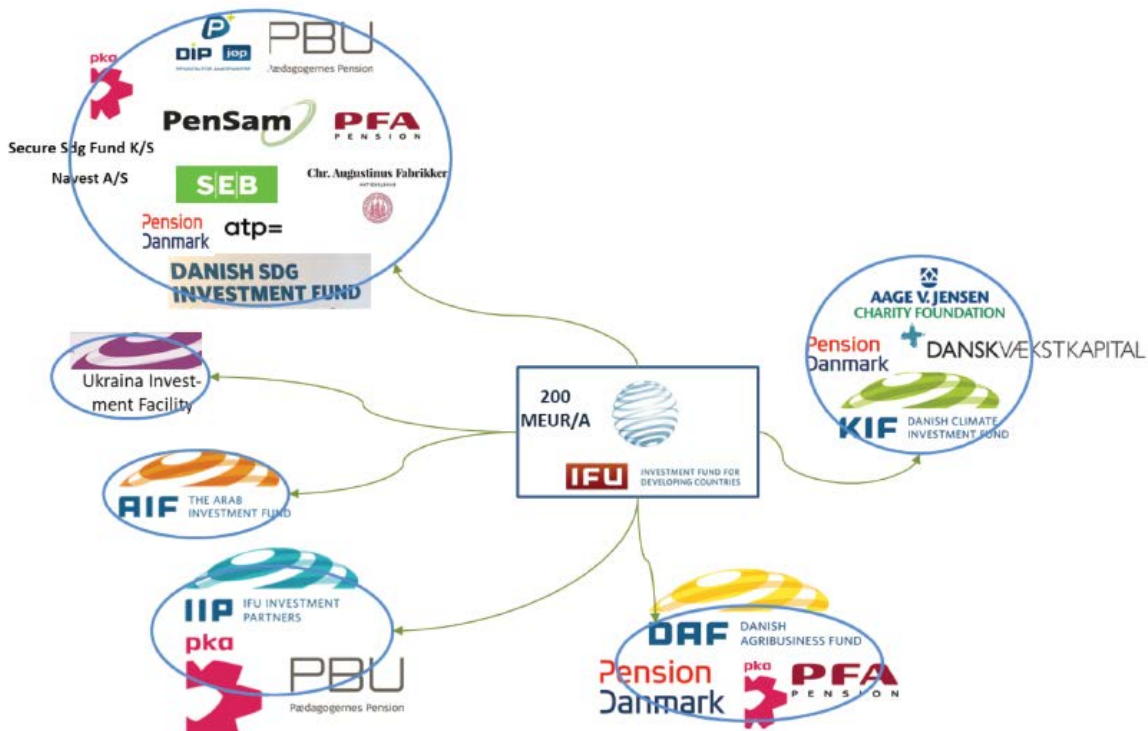
The graph shows that Norway has significantly higher financial flows to Africa than the other Nordic countries. This is probably due to the Norwegian sovereign wealth fund, which is worth some €1,100 billion, with African investments accounting for only a few percent.

Other countries show a steady increase. Finland has seen the largest percentage increase. In euro terms, the biggest increase in investment has been in Denmark. According to UNCTAD, direct investment in Africa in 2019 was around €40 billion⁸², so in relation to total investment, the Nordic countries are reasonably well represented overall. The figures are a conservative estimate that Africa as an investment destination is of growing interest to Nordic investors.

4.3. Models from other Nordic countries

Denmark. Since 2012, Denmark has had a number of funds with extensive involvement of Danish ODA, pension funds and other investors.

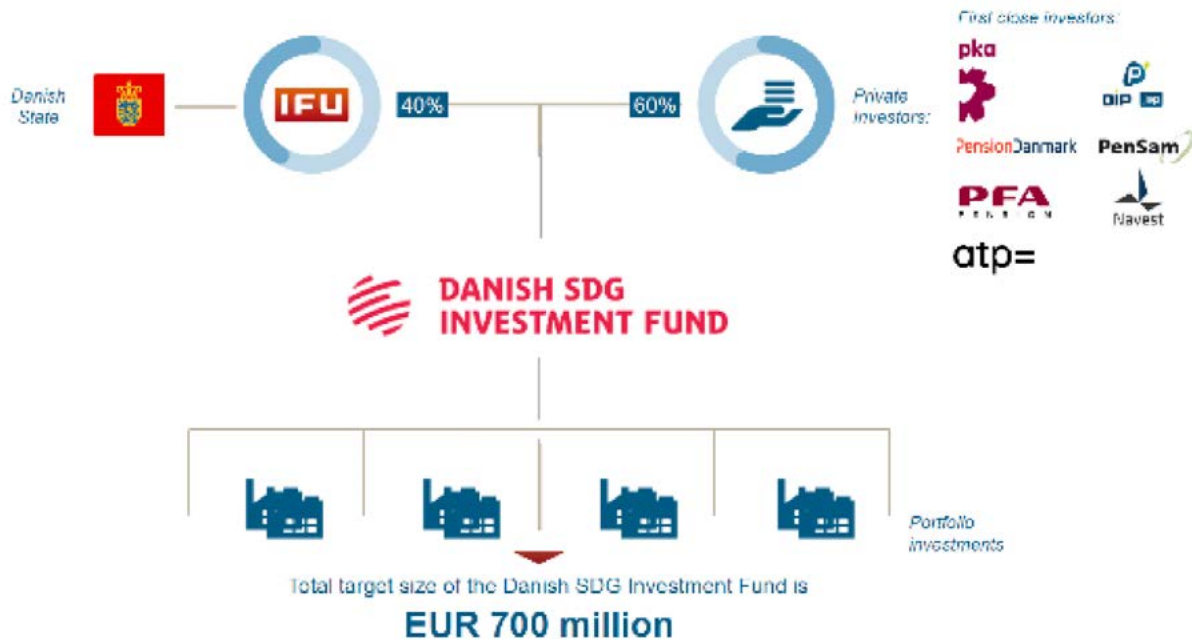
Graphic 4. Example of funds built around IFUs



82 <https://unctad.org/news/covid-19-slashes-foreign-direct-investment-africa-16>

As we see from the diagram below, the distribution of funds in Denmark could be such that public sector ODA is 40% and private financing is 60%.

Figure 7. Public and private funding of the Danish SDG fund



Denmark. The Danish umbrella organisation for responsible investment, DANSIF, conducted a study on SDG-based reporting together with FINSIF and SWESIF. The study looked at eight different SDG reporting guidelines. The guidelines reviewed were the Global Reporting Initiative and UN Global Compact SDG Compass; Future Fitness Business Benchmark; PGGM/APG Sustainable Development Investments; Global Reporting Initiative and UN Global Compact Action Platform: Business Reporting on the SDGs; the Corporate Reporting Dialogue and the SDGs; Cambridge Institute for Sustainability Leadership, Investment Impact Framework; IRIS+ and GIIN System and United Nations Development Program SDG Impact Platform. Additionally, 17 Nordic investors were interviewed.

The findings included the following; 1) There is no uniform way to report on investments in line with the SDGs, but rather reporting on a few selected SDGs or using an external consultant/provider for SDG-based reporting is common. 2) Different SDG reporting models for investment targets and companies make it hard for investors to report consistently on SDGs, despite the perceived growing need for SDG reporting.

3) Regulation – such as the EU Sustainable Finance taxonomy – is seen as an important driver for standardised reporting on SDGs. 4) Investors perceive that prescriptive SDG reporting practices can lead to "SDG washing".

Sweden. SIDA has been active in promoting investment literacy in line with the SDGs. SIDA and Sweden's largest investors established Swedish Investors for Sustainable Development (SISD)⁸³ in 2016 to assess the role of investors in relation to the SDGs. The introduction of the SISD model internationally led to the launch of the Global Investors for Sustainable Development Alliance (GISD) by the UN Secretary General in 2019. Today, SISD brings together 21 of Sweden's largest financial players and to some extent also competitors that nevertheless work together to promote financing in line with the SDGs. Members currently include; Alecta, AMF, AP2, AP3, AP4, AP7, Carl Bennet AB, Church of Sweden, East Capital, Folksam, Handelsbanken Fonder, Industrivärden, Investor, Kinnevik, Nordea Asset Management, Nordea Life and Pension, SEB Investment Management, Skandia, SPP, Swedbank Robur and Swedfund. SIDA is a facilitator and catalyst for the SISD platform.

SISD works in the areas of knowledge development, experience sharing, volunteer projects and communication. It focuses on the role of investors in three key areas: investment, reporting and governance. The work is carried out in working groups and presented to the whole group at network meetings and CEO meetings. SIDA has also been involved in the launch of the Swedish Leadership for Sustainable Development (SLSD) network comprising 20 large Swedish companies with a mandate to implement the 2030 Agenda internationally.

Sweden. Of the retail banks, Handelsbanken in Sweden had the clearest publicly presented SDG investment modelling. In Handelsbanken's model, consumers can choose a fund that shows which SDG targets the funding contributes to and with what impact (percentage). However, the model does not make clear which targets or countries are targeted.

83 <https://www.sida.se/en/for-partners/private-sector/swedish-investors-for-sustainable-development>

CASE STUDY

Handelsbanken's SDG Solutions tool

On its website⁸⁴, Handelsbanken states that it is working towards a sustainable future by focusing on six SDG targets: SDGs 5 (gender equality), 8 (decent work and economic growth), 9 (sustainable industry, innovation and infrastructure), 11 (sustainable cities and communities), 13 (climate action) and 16 (peace, justice and good governance). Apart from the focus goals, the Handelsbanken Sustainability Report⁸⁵ mentions SDGs 3, 6, 15 and 17.

The bank uses the Handelsbanken SDG Solutions analysis model⁸⁶ for its SDG assessments of its financing. The model uses artificial intelligence to analyse each company's annual report against all 169 SDG targets. The model also allows the consumer to select the fund of their choice and the analysis tells them which targets the fund is investing in. Below is a screenshot of an example of Handelsbanken's EMEA Tema fund⁸⁷. It shows that 38% of the fund's corporate income comes from sources that support the SDGs. The individual headline targets and their percentages are listed on the right.

The fund also has direct holdings in emerging markets, including the South African companies Naspers, MTN Group⁸⁸, Impala Platinum Holdings, Sanlam, Sibanye Stillwater and Firstrand. Among the more questionable companies, telecoms operator MTN Group, for example, communicates sustainability issues, believing its products contribute to the achievement of the UN Sustainable Development Goals.



Figure 8. The largest geographical areas of the EMEA Tema fund above are Africa (50.01%), emerging Europe (34.23%), and the Middle East (6.48%)

(Source: Handelsbanken)

84 <https://www.handelsbanken.com/en/sustainability/sustainable-development-goals>

85 <https://www.handelsbanken.fi/tron/fipu/info/contents/v1/document/65-110078>

86 <https://www.handelsbanken.se/sv/foretag/placera/placeringsformer/testa-var-modell>

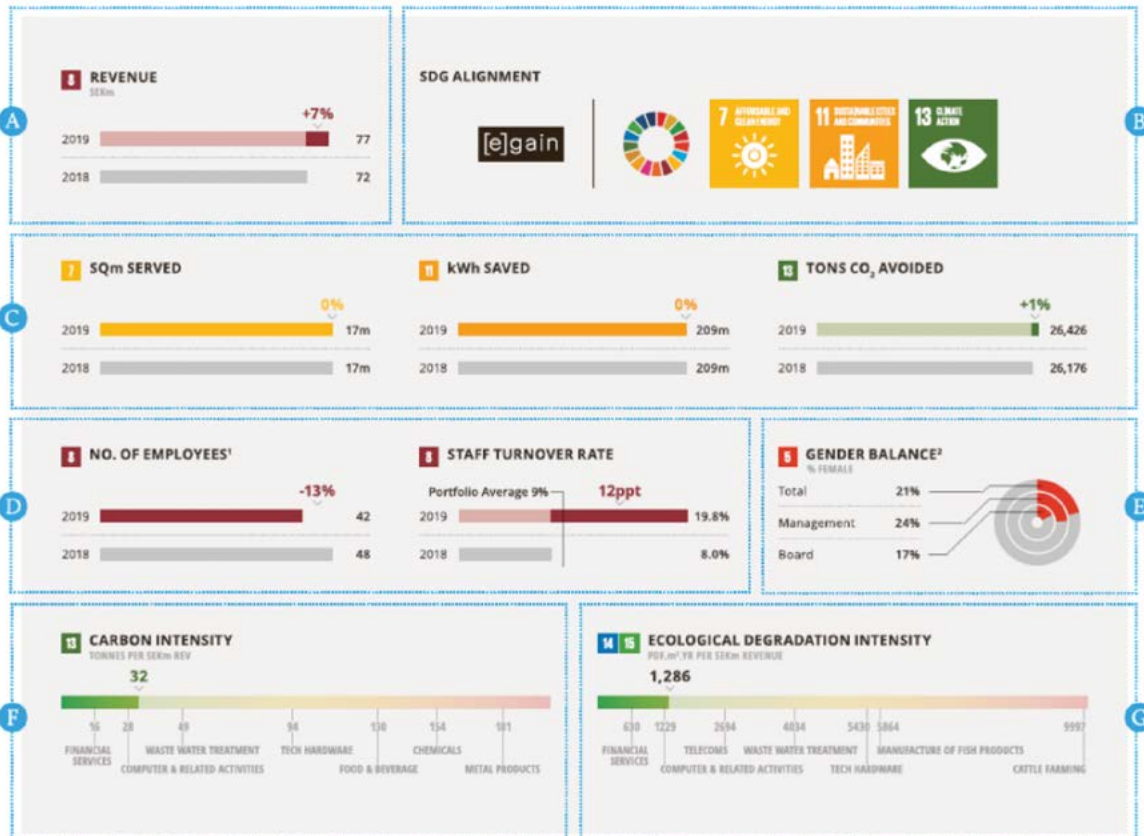
87 <https://www.nordnet.fi/markkinakatsaus/rahastolistat/16801699-handelsbanken-emea-tema>

88 <https://www.mtn.com/sustainability/>

Sweden. Sweden's Summa Equity⁸⁹ says it is one of the first private investment companies to base its investment strategy on the SDGs.

Summa Equity has developed an SDG tracking and reporting model designed to provide transparency on any negative performance.

Investments are not disaggregated by target country, and the results do not elucidate which targets or countries are targeted.



89 <https://summaequity.com/>

5. Conclusions

The conclusions of this study are divided into those related to the different investors and general conclusions.

Pension insurers:

- All pension insurers that have signed the UNPRI communicate on their websites about responsible investment. The UNPRI requires its signatories to report not only on responsible investment but also on ESG factors, which is why many operators base their liability reporting on ESG considerations.
- The SDGs are mentioned by all except the State Pension Fund, which only talks about sustainable development. Concrete individual SDG targets are mentioned by the Church Pension Fund, Varma and Veritas. In total, SDGs 3, 6, 7, 8, 9, 10, 11, 12, 13, 16 and 17 are mentioned. None of the actors reported on themes for the targets, but Varma reports that it has mapped SDGs concerning the main goals and the targets.
- As also noted in the Church Pension Fund report, there is no uniformity in reporting practices related to the SDGs, which makes it difficult to compare them. Ilmarinen, for example, writes that an SDG assessment will be carried out by an external party, but the more detailed criteria are not spelled out.

- Moreover, mention of the SDGs is no guarantee that a goal will be translated into concrete terms in the companies' investments.
- For Veritas, SDG3 relates to internal company activities such as employee involvement and customer service. Keva states that it has established a sustainable development portfolio, but there is no information on its emerging market share. The Church Pension Fund and Varma have also made impact investments in emerging markets.
- Ilmarinen and Elo signal that they aim to increase the number of SDG investments.

Retail banks:

- All retail banks surveyed refer to responsible investment and ESG factors.
- All banks reviewed refer to the SDGs, with the exception of POP Bank, which only talks about the principles of sustainable development. But mentions of the SDGs differ among banks in terms of both quality and quantity. At the top level, Aktia, Handelsbanken, Nordea, Osuuspankki and S-bank refer to the SDGs, while Danske Bank and Ålandsbanken also list the SDG targets.
- Aktia, Danske Bank, Handelsbanken, Nordea, Osuuspankki and Ålandsbanken refer to the SDGs more broadly as principles guiding their operations or strategy, while S-bank's reference to the SDGs is limited to a single initiative. In addition to strategy-level policies, the banks also concretise the SDGs variously. Among the operators, Aktia, Danske Bank, Handelsbanken and Osuuspankki mention concrete SDGs in the context of various funds. Nordea's responsible funds primarily talk about ESG factors, but also "take into account how well each company's business model meets the UN SDGs". Ålandsbanken's specification takes a different approach, and under each SDG, the bank's actions to achieve the goal are recorded. However, ESG factors seem to dominate the fund analyses.
- Some of the SDG actions of the actors are very local, and the mention of an SDG is therefore not a direct guarantee that the company's investments will translate into concrete action. Aktia, Handelsbanken, Nordea and Osuuspankki signal that they are investing in emerging markets and taking SDG factors into account.
- Only Handelsbanken presents the most comprehensive SDG analysis tool, which can also be tested by consumers.

Investment banks

- All the investment banks reviewed here talk about ESG and responsible investment.
- Evli, FIM, Mandatum, Taaleri and United Bankers communicate their SDG objectives. Seligson also talks about sustainability principles and offers its clients sustainability index funds. However, the sustainability aspects of Seligson's funds are not expressed in terms of SDGs.
- For those communicating about the SDGs, all talk about the goals at the level of the overarching targets, but the mentions differ in terms of quality and quantity. For example, FIM mentions the SDGs only once when talking about a single initiative. Evli communicates the SDGs in the context of a single fund investing in Europe. At company level, Mandatum, Taaleri and United Bankers communicate their commitment to the UN SDGs. Of these, Taaleri and United Bankers also write about the SDGs in relation to funds.
- In its assessment of the SDGs, Mandatum states that it has used the SDG Compass. The most comprehensive background to its impact analysis is provided by United Bankers, whose SDG assessment of its funds was carried out by Impact-Cubed. United Bankers is the only player to also publish assessments of SDGs that it negatively impacts.
- Of the players, only Taaleri and United Bankers have investments that communicate the SDG targets and focus on developing countries.

Table. Summary of all SDG investors assessed

SDG mentioned	Mention of SDG, target, indicator	SDG integration/assessment in progress	Sustainable finance / ESG	Mention of SDG and scope of financing	Sustainable Development / SDG Fund	Mention of reporting / monitoring related to SDG activities / investments
19/23	16/23	6/23	23/23	7/23	13/23	9/23

Responsibility and sustainability are communicated, but the measurement of SDG-related activities and investments is not very extensive.

General conclusions

- Investments in line with the SDGs are not defined by public authorities, unlike e.g. (environmentally) sustainable investments e.g. through the EU taxonomy. Nevertheless, several Finnish investors have started to adapt their investment offerings and investments to the SDG framework on their own initiative.
- Finnish investors seem to be reasonably well aware of the SDGs, even if concrete investments and measurement of the SDG targets are limited and variable. Also, compared to other Nordic countries, Finland has the same number of actors that have committed to, for instance, the UNPRI (although Sweden has significantly more).
- Responsibility and sustainability are communicated, but the measurement of SDG-related activities and investments is not very extensive. Measuring sustainability through ESG factors is still more common than SDG measurement. In addition, investors' SDG statements differ in terms of quality and quantity.
- There is room for improvement in the transparency and comparability of criteria for SDG assessments. Referring to the Dansif, Finsif and Swesif study, the situation seems to be similar in other Nordic countries and internationally.

- Of the companies reviewed, only Evli and Nordea mentioned the LNOB principle. The study also does not reveal whether investors had assessed where there was the greatest need and opportunity for development impact – for example, LDCs and fragile countries – or whether the investment would specifically support the reduction of inequality.
- Some SDG targets are highly localised – for example, only in own office operations, commitment to a particular SDG target may not be translated into company investments in developing countries. SDG 8 is a good example of a goal that is intrinsically linked to the most important resource of the investment sites, the employees, but again this goal is not reflected in the SDG investments or their monitoring.
- However, it should be noted when looking at SDGs that many of the SDG targets relate to public sector goals that only the public sector can achieve, making it more difficult for investors to concretely contribute to the SDGs and measure progress towards the SDG targets.
- Denmark has several funds that have been set up with IFU support, most of which are national funds other than Danish ODA. Denmark has large pension funds as well as private investment companies that are involved in these SDG funds, e.g. the Danish Kindergarten Teachers' Pension Fund. However, there is little public presentation of the SDG-based investments or results of Danish funds.
- Estimating the amount of SDG funding from Finland to developing countries is challenging because country-specific investments are rarely published. In general, however, it is possible to examine the size of investment flows from Finland to developing countries.
- The "investment from Finland" data used in the report is from Statistics Finland and the ODA data (not including OOF) is from the OECD. It is not possible to obtain investor-specific data from Statistics Finland. Therefore, it is possible that, for example, Finnfund's investments are registered both in ODA payments and in Statistics Finland's investments. As a result, these figures are also indicative. However, it can be seen from these flows that Finland's ODA disbursements and Finland's investment flows are directed to several of the same countries.
- Since the countries of destination are the same, there is some potential for some countries to combine ODA and ODA financing and thus to leverage ODA financing into other investments that contribute to the SDGs.

6. Recommendations

Authorities (MFA / MEAE / KKT / FIN-FSA)

1. The MFA and the FIN-FSA should actively promote SDG-compliant investments in developing countries and encourage investors to assess and report on investments. In promoting investment, the work of the EU taxonomy should be taken into account, as it is likely to be a more relevant and practical framework for investors than the SDGs. Tools exist to improve SDG assessment and reporting, these practices could be shared, e.g. through training of actors. Such training in Finland is ODA-eligible if the objective is to invest in developing countries in line with the SDG targets. The training should pay particular attention to cross-cutting objectives and principles such as the 'leave no one behind' principle. Finnfund's experience should also be used. The training should be organised in cooperation with the MEAE, the KKT and/or the FIN-FSA. The training/discussion should be organised at least once and then the need for continuity should be assessed.
2. The MFA or MEAE should establish a group similar to Swedish Investors for Sustainable Development to promote private SDG-compliant investments in developing countries from Finland.
3. The MFA should set an example to Finnish investors by presenting a model for monitoring and reporting on the SDG impact of its nearly €1 billion development

UM:n tulisi näyttää esimerkkiä suomalaisille sijoittajille esittelemällä malli, jolla se itse seuraa ja raportoi SDG-tavoitteiden mukaisesti lähes miljardin euron suuruisen kehityspoliittisen finanssisijoituksensa SDG-vaikutuksia.

finance investment in line with the SDG targets. The MFA should then openly share the SDG investment tracking model it uses and applies so that private investors can use it to track their own SDG investments or develop their own models. In particular, the model should take into account SDG investment in LDCs and fragile countries.

4. The Finnish Climate Fund, under the corporate governance of MEAE, could also set an example to Finnish investors on how its investments are SDG-compliant and how it reports results in line with the SDGs.
5. There is some potential for some countries to combine Finnish investments with ODA funding and thus leverage other Finnish investments towards the SDGs through ODA funding. The MFA should therefore support and encourage Finnfund to continuously develop different co-financing models that also mobilise Finnish private finance in developing countries for investments in line with the SDGs. The OP Finnfund fund is a good start. It is a structured fund that invests both Finnfund ODA and private finance in specific investment targets.
6. The MFA should also use Finnfund's expertise to develop its own financial instruments and measure the SDG targets.
7. In developing SDG investment tracking, the MFA (and Finnfund) could assess which investors would be the easiest to discuss with and start developing SDG investment tracking in developing countries. This should build on the existing EU

taxonomy and assess the overlap between the SDG targets and the EU taxonomy. How, for example, Finnfund's investments and development finance investments could be in line with both the EU taxonomy and the SDGs. This would help investors to start investing in line with the SDGs.

8. The MFA could undertake or commission a study on which countries and sectors Finnish ODA funding and Finnish private funding could meet in such a way that a targeted amount of ODA could lead to higher private funding flows in support of the SDGs. The OECD has published studies in this regard, e.g. at which country performance level and in which sectors private finance is outpacing ODA. For example, banking, investment and energy are sectors where private investment is already outpacing ODA in LDCs and lower income countries.
9. Statistical methods should be developed to monitor the allocation of SDG-related investments (or EU taxonomy investments) to developing countries. Currently, no data is available.
10. MEAE should promote the implementation of the SDG financing roadmap, especially in Finland, by developing models for investing in line with the SDG targets and monitoring progress towards the SDG targets. Before exporting the models to developing countries, it will be easier to develop them with investors in Finland. After that, the models can still be exported to developing countries with Finnish investors.

Investors / Investor advocacy groups

1. FINSIF or the Finnish Pension Alliance (TELA) could explore among their members whether it is possible to find a consistent way to define SDG aligned investments and monitoring, even for some of the targets. In addition, discuss with e.g. the Commission on Sustainable Development how to develop the use of the social commitment model in the context of financing for sustainable development.
2. Investors and umbrella organisations, together with public authorities, should promote SDG investment alignment based on the EU taxonomy, as the EU taxonomy, starting from the environmental side, seems to be expanding and thus provides a more stable basis than just defining and monitoring SDG aligned investments.
3. TELA should try to support its members' reporting and develop its own reporting, so that Finns would know how much of their occupational pensions are invested in developing countries and how much of these investments are in line with the SDG targets (support poorer countries in achieving their Agenda 2030).
4. Investors and umbrella organisations, together with relevant authorities, should seek to estimate annually how much of Finland's investments in developing countries are in line with the SDGs. An increased understanding of volume and content would support the development of possible parallel financial instruments.

5. Investors should increasingly aim for the most concrete and measurable results possible in their SDG investments, so that SDG investments do not remain just a superficial “SDG wash”.
6. Finnish companies make significant payments to their subsidiaries every year. They should assess whether ODA funding or e.g. NGO expertise (e.g. no one left behind, human rights) could be used to make this funding more compatible with the SDGs.

Civil society

1. Debate should start concerning companies investing in developing countries, especially those investing in line with the SDGs, and express their willingness to share information and training on SDG monitoring, especially on cross-cutting principles such as the ‘leave no one behind’ principle.
2. Umbrella organisations such as Fingo should share information with their members on how SDG financing to developing countries is increasing, and together with members assess how umbrella organisations and members can play a role in supporting change, while ensuring that increased financing is allocated inclusively and in line with the cross-cutting principles.
3. Other Finnish actors should be supported, for instance through lobbying, to develop monitoring mechanisms so that Finland has a better understanding of how much Finland is investing in developing countries in line with the SDGs.
4. The discourse should also continue to monitor and promote the reporting of not only positive SDG impacts, but also potential negative impacts. In addition, in the direction of MFA financial instruments, the idea of supporting fragile countries even at the expense of expected returns should be highlighted.

Appendixes

APPENDIX 1. Sources

Institution	Publication / webpage
VARMA	https://www.varma.fi/globalassets/muut-sivut/yhtiotietoa/vastuullinen-sijoittaminen/vastuullinen-sijoittaminen-eri-omaisuuslajeissa.pdf
VARMA	https://www.varma.fi/globalassets/muut-sivut/yhtiotietoa/vastuullisuus/varman-vastuullisen-sijoittamisen-periaatteet.pdf
Helsinki Capital Partners	https://oey9s2z6itv32c8so28s4m1b-wpengine.netdna-ssl.com/wp-content/uploads/2020/09/HCP-Sustainability-Report-2019.pdf
Bank of Åland (Ålandsbanken)	https://www.alandsbanken.fi/uploads/pdf/result/arsredovisn2020en.pdf
Keskinäinen Työeläkevakuutusyhtiö Elo	https://www.elo.fi/-/media/files/yhtioasiat/tulos-ja-taloustieto/2020/elo_vuosi_ja_vastuu_2020.ashx
Keva	https://www.keva.fi/globalassets/2-tiedostot/tama-on-keva--tiedostot/vastuullisuus/kevan-vastuullisuuden-tunnusluvut-2020.pdf
Ilmarinen	https://www.ilmarinen.fi/tietoa-ilmarisesta/ajankohtaista/blogit-ja-artikkelit/blogikirjoitukset/anna-hyrskematkalla-ilmastosankariksi/
Ilmarinen	https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/voosikertomus/2019/yritysvastuuraportti_2019.pdf
Ilmarinen	https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/voosikertomus/2020/ilmarisen-vuosi-ja-yritysvastuuraportti-2020.pdf
Valtion Eläkerahasto	https://www.ver.fi/fi-FI/VER_sijoittajana/Vastuullinen_sijoittaminen
VARMA	https://www.varma.fi/tama-on-varma/vastuullinen-sijoittaminen/vastuullisen-sijoittamisen-periaatteet/
Suomen evankelisluterilainen kirkko	https://evl.fi/documents/1327140/48902395/KER+vastuullisen+sijoittamisen+toimintakertomus+2020.pdf/dd3a75a6-5d8b-6cd6-04a0-6d7e8d2391fe?i=1612273417606
Veritas	https://veritas.fi/wp-content/uploads/Veritas_Yritysvastuuraportti_2020_0505.pdf
Keskinäinen Työeläkevakuutusyhtiö Elo	https://www.elo.fi/-/media/files/yhtioasiat/elo_omistajaohjauksen_periaatteet.ashx?la=fi-fi&hash=D012715114D129764C8AA1B2664D88B166769583
Keskinäinen Työeläkevakuutusyhtiö Elo	https://www.elo.fi/-/media/files/yhtioasiat/tulos-ja-taloustieto/2017/elo_vuosi_ja_vastuu_2017.ashx?la=fi-fi&hash=00E52BC02AFAAB3310807D1AA0547129618FC4D
Alibaba Group	https://www.alizila.com/alibaba-a-major-contributor-to-un-SDG/
STT Viestintäpalvelut Oy	https://www.sttinfo.fi/tiedote/varman-udistettu-kestavan-kehityksen-osakesalkku-edistaa-yn-tavoitteita-ja-omia-ilmastotavoitteitaan?publisherId=1794&releaseId=69888742
VARMA	https://www.varma.fi/muut/uutishuone/uutiset/2021-q1/varma-teki-240-miljoonan-dollarin-sijoituksen-vastuullisuusrahastoon-kehittyville-markkinoille/
Aktia Pankki Oyj	https://misc.aktia.fi/data-service/documents/investment/Rahastot/Vuosikatsaukset/Aktia/Vuosikatsaus_Aktia_EMLCFBond.pdf
Aktia Pankki Oyj	https://www.aktia.fi/docs/default-source/yleiset/ajankohtaista/sijoitusnakemys-helmikuu-2021.pdf?sfvrsn=9cc67c08_10
Aktia Pankki Oyj	https://misc.aktia.fi/data-service/documents/investment/Vastuullinen_sijoittaminen/Vastuullisen_sijoittamisen_katsaukset/Vastuullisen_sijoittamisen_katsaus.pdf
Aktia Pankki Oyj	https://misc.aktia.fi/data-service/documents/investment/ahastot/Markkinointiesitteet/Markkinointiesite_Impakti.pdf
Aktia Pankki Oyj	https://misc.aktia.fi/data-service/documents/investment/Rahastot/Vuosikatsaukset/Aktia/Vuosikatsaus_Aktia_CorpBond.pdf

Institution	Publication / webpage
Danske Bank	https://danskebank.com/-/media/danske-bank-com/file-cloud/2021/2/sustainability-report-2020.pdf?rev=9e97efda94d5437181f320ed84be1ffc&hash=78BA7E911FC96C8C8C4074980AEE0409
Nordea	https://www.nordea.fi/henkiloasiakkaat/palvelumme/saastaminen-sijoittaminen/rahastot/rahastot-nyt.html?isin=LU0985320059
Nordea	https://www.nordea.fi/henkiloasiakkaat/palvelumme/saastaminen-sijoittaminen/rahastot/nordea-funds-oy.html
Nordea	https://www.nordea.com/en/doc/nordea-sustainability-report-2020.pdf
Handelsbanken	https://secure.msse.se/shb/fi.fi/funds/shb0000192/more?hb=false&nopension=false&sa=2&hw=true
Handelsbanken	https://secure.msse.se/shb/temp/pdf/Handelsbanken_Fonder_AB_1_fi-FI_Vuosikatsaus_Full.pdf
Handelsbanken	https://www.handelsbanken.fi/tron/fipu/info/contents/v1/document/65-110078
Osuuspankki	https://www.op.fi/documents/20556/36037068/OP+Finnfund+Global+Impact+-+op-fi.pdf/4f90cddb-46c1-6b25-ba3d-3161359a6b64
Osuuspankki	https://www.op.fi/documents/20556/36037068/OP+Finnfund+Global+Impact+-+op-fi.pdf/4f90cddb-46c1-6b25-ba3d-3161359a6b64
Finnish Fund for Industrial Cooperation Ltd. (FINNFUND)	https://www.finnfund.fi/investoiminen/investoinnit/
Osuuspankki	https://www.op-year2019.fi/pdf/OP_Ryhma_vuosi_2019.pdf#page=23
Nordea	https://www.nordea.fi/henkiloasiakkaat/palvelumme/saastaminen-sijoittaminen/rahastot/rahastot-nyt.html?isin=LU0985320059
S-Pankki Oyj	https://dokumentit.s-pankki.fi/tiedostot/vastuullisen_sijoittamisen_raportti_2020_fi
POP Pankki	https://www.poppankki.fi/pop-pankki/vastuullisuus/vastuullinen-sijoittaminen
POP Pankki	https://www.poppankki.fi/pop-pankki/vastuullisuus/vastuullisuus-pop-pankki-ryhmassa
Bank of Åland (Ålandsbanken)	https://www.alandsbanken.fi/pankkipalvelut/sijoita-saasta/rahastot/green-bond-esg-b
Bank of Åland (Ålandsbanken)	https://www.alandsbanken.fi/uploads/pdf/result/arsredovisn2020en.pdf
S-Pankki Oyj	https://dokumentit.s-pankki.fi/tiedostot/vastuullisen_sijoittamisen_raportti_2020_fi
S-Pankki Oyj	https://www.fim.com/fi/vastuullisuus-ja-vaikuttavuus/vastuullisuus/
Evli Fund Management Company Ltd	https://pankki.evli.com/hubs/Evli.com/Documents/Responsibility/EN/Reports/Evli%20Green%20Corporate%20Bond%20-%20Fund%20Allocation%20and%20Impact%20report%202020%20[EN].pdf
Evli Fund Management Company Ltd	https://www.evli.com/en/products-and-services/mutual-funds/funds/corporate-bond/egb
Evli Fund Management Company Ltd	https://www.evli.com/vastuullinen
eQ Oyj	https://www.eq.fi/~/_media/files/funds/eq-sininen-planeetta/monthly-reports/kk-eq-sininen_planeetta_202106.pdf
eQ Oyj	https://www.eq.fi/fi/asset-management/eqnakemys
eQ Oyj	https://www.eq.fi/~/_media/files/funds/eq-sininen-planeetta/esg-eq-sininen-planeetta-202012.pdf
eQ Oyj	https://www.eq.fi/~/_media/files/funds/esg/2020-transparency-report-for-eq-asset-management-ltd_public.pdf?la=fi
eQ Oyj	https://www.eq.fi/fi/funds/responsible-investment
EAB Group Oyj	https://www.eabgroup.fi/yksityinen/rahastot/bnp-paribas-energy-transition
EAB Group Oyj	https://www.eabgroup.fi/yksityiset/rahastot/elite-alfred-berg-vastuulliset-sijoitukset
EAB Group Oyj	https://www.eabgroup.fi/vastuullinen-sijoittaminen/mita-on-vastuullinen-sijoittaminen
Aktia	https://www.impakti.fi/impakti/

REPORT

Institution	Publication / webpage
Taaleri Plc.	https://www.taaleri.com/application/files/5215/8633/3135/Taaleri_Corporate_responsibility_policy.pdf
Seligson & Co Rahastoyhtiö Oyj	https://www.seligson.fi/luotain/FundViewer.php?task=intro&fid=818423&view=40&lang=0#
Seligson & Co Rahastoyhtiö Oyj	https://www.seligson.fi/suomi/rahastot/rahes_aasia.htm
Seligson & Co Rahastoyhtiö Oyj	https://www.seligson.fi/suomi/esitteet/Vastuullinen_Sijoittaminen_SCO.pdf?v=1619308800107
Mandatum	https://www.mandatumlife.fi/49418c/globalassets/sijoituskohteet_uusi/138--ml-kehittyvat-markkinat-indeksi/kehittyvat-markkinat-indeksi-esite.pdf?stamp=3a9f93c2-83d4-4ab4-be45-0677a7c47641
Morningstar Inc.	https://www.morningstar.fi/fi/funds/snapshot/snapshot.aspx?id=F00000ZTF3
Mandatum	https://www.mandatumlife.fi/493e8d/globalassets/sijoituskohteet_uusi/sfdr/maailma-ilmasto-indeksi-vastuullisuudesta-annettavat-tiedot.pdf?stamp=3a9f93c2-83d4-4ab4-be45-0677a7c47641
Mandatum	https://www.mandatumlife.fi/4956f8/globalassets/yhtio/yritysvastuu/mandatumlife-corporate-sustainability-summary-2020.pdf
Sampo Oyj	https://www.sampo.com/globalassets/vuosi2020/mandatumlife/mandatum-life_vuosikertomus_2020.pdf
FIM Asset Management Ltd'	https://lrs.altusinvestor.com/render/document/released-snapshot/category/56/reference/KEHMAR/lang/fi
S-Pankki Oyj	https://lrs.altusinvestor.com/render/document/released-snapshot/category/18/reference/KEHMAR/lang/fi
Amundi	https://www.amundi.fr/professional/product/view/LU1861138961
Aktia Pankki Oyj	https://varainhoito.aktia.fi/application/files/1016/1366/2268/taaleri_impakti_2021.pdf
United Bankers	https://www.unitedbankers.fi/api/content/file?id=/media/1831/united-bankers-peer-group-impact-cubed-report-mar-2020.pdf
United Bankers	https://www.unitedbankers.fi/api/content/media/2159/vastuullisen-sijoittamisen-vuosikatsaus-2020_30-3-2021.pdf
BlueOrchard	https://www.blueorchard.com/wp-content/uploads/report/bomf/BOMF_EN_P.pdf
Morningstar Inc.	https://www.morningstar.fi/fi/funds/snapshot/snapshot.aspx?id=F000000OGT
Morningstar Inc.	https://www.morningstar.fi/fi/funds/snapshot/snapshot.aspx?id=F000000OGU
United Bankers	https://www.unitedbankers.fi/api/products/file?lang=fi&id=2c1c92ca-8cd1-40f6-812f-3b668e7813e3
ICTSI	https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-sustainability-report-v2_webfinal.pdf
European Commission	https://ec.europa.eu/info/publications/210421-sustainable-finance-communication_en#csrd
EFRAG	https://www.efrag.org/Activities/2010051123028442/Sustainability-reporting-standards-roadmap
IFRS	https://www.ifrs.org/projects/work-plan/sustainability-reporting/consultation-paper-and-comment-letters/
UNCTAD	https://unctad.org/news/covid-19-slashes-foreign-direct-investment-africa-16
Handelsbanken	https://www.handelsbanken.com/en/sustainability/sustainable-development-goals
Sida	https://www.sida.se/en/for-partners/private-sector/swedish-investors-for-sustainable-developmen
MTN	https://www.mtn.com/sustainability/
Nordnet	https://www.nordnet.fi/markkinakatsaus/rahastolistat/16801699-handelsbanken-emea-tema
Handelsbanken	https://www.handelsbanken.se/sv/foretag/placera/placeringsformer/testa-var-modell
Handelsbanken	https://www.handelsbanken.fi/tron/fipu/info/contents/v1/document/65-110078
Summa Equity	https://summaequity.com/
Oikeusministeriö	OM ; Policy Brief 3, Syrjintä Suomessa, 2020, ajankohtaista tietoa syrjinnästä ja yhdenvertaisuudesta

APPENDIX 2.

Finnish organisations that have made a UNPRI commitment, September 2021.

Service Providers – 2

Solidate Oy

NorthPeak Governance LP

Asset Owners – 15

Society of Swedish Literature in Finland

Merimieseläkekassa

Hartwall Capital Oy Ab

Nordic Investment Bank

Bank of Finland

Sampo Group

Sitra

Veritas Pension Insurance Company Ltd

Varma Mutual Pension Insurance Company

Valtion Eläkerahasto

Keva

Elo Mutual Pension Insurance Company

Church Pension Fund

Tradeka Corporation

Ilmarinen Mutual Pension Insurance Company

Investment Managers – 34

Estlander & Partners Investment Ab

Trevian Funds AIFM

Samla Capital Oy

Bocap Private Equity Ltd.

Intera Partners

Front Capital Ltd.

EDUIMPACT Venture Capital Ltd

Avara Ltd

Aristoi Capital Management Ltd.

Certior Capital

ICECAPITAL REAM Ltd.

Korkia Asset Management Oy

Titanium Rahastoyhtiö Oy

IndexHelsinki Osakeyhtiö
Helsinki Capital Partners Ltd
VISIO Asset Management
Obsido Oy
AIM Capital Oy
Sp-Fund Management Company Ltd
CapMan Plc
Seligson & Co Fund Management Company PLC
United Bankers Ltd
Mandatum Life Insurance Company Limited, Wealth and Investment Management
EAB Group
Aktia Bank p.l.c.
eQ Asset Management Ltd
Taaleri
Evli Bank Plc
Fondita Fund Management Company Ltd
Ålandsbanken
LocalTapiola Asset Management
LocalTapiola Real Estate Asset Management Ltd.
OP Wealth Management (OP Asset Management Ltd, OP Fund Management Ltd and
OP Real Estate Asset Management Ltd)
S-bank Plc.

APPENDIX 3.

Sustainable Development Goals

There are a total of 17 SDGs and 169 targets. Over 200 global indicators are used to monitor progress towards the SDGs, and countries have their own national indicators. All countries are committed to advancing the 2030 Agenda as a whole. The principle is to leave no one behind.

The 17 Sustainable Development Goals:

1. End poverty in all its forms everywhere
2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture
3. Ensure healthy lives and promote well-being for all at all ages
4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
5. Achieve gender equality and empower all women and girls
6. Ensure availability and sustainable management of water and sanitation for all
7. Ensure access to affordable, reliable, sustainable and modern energy for all
8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
9. Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation
10. Reduce inequality within and among countries
11. Make cities and human settlements inclusive, safe, resilient and sustainable
12. Ensure sustainable consumption and production patterns
13. Take urgent action to combat climate change and its impacts*
14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development
15. Protect, restore and promote sustainable use of terrestrial ecosystems
16. Promote peaceful and inclusive societies for sustainable development
17. Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development



APPENDIX 4.

Summary tables for different investors

Occupational pension insurance companies

Institution	Webpage	Mention of SDGs	Mention of specific SDG, target and indicator	SDG integration/ assessment in progress	Sustainable finance/ ESG	Mention of SDG and scope of financing	Sustain-able Development / SDG Fund	Other impact/ ESG fund	Mention of reporting / monitoring related to SDG activities / investments
Mutual occupational pension insurance company Elo	<p>Annual and Responsibility Report 2020 https://www.elo.fi/-/media/files/yhtioasiat/tulos-ja-taloustieto/2020/elo-annual-and-responsibility-report-2020.ashx</p> <p>Annual and Responsibility Report 2017 https://www.elo.fi/-/media/files/yhtioasiat/tulos-ja-taloustieto/2017/eloannualresponsibilityreport2017.ashx?la=en&hash=88890E95C42DF2F1C5C786C216F8968DC3722B21</p>	<p>SDG mentioned.</p> <p>"We assess the ability of the investee to manage and mitigate ESG risks, and on the other hand, the potential to use sustainable development themes in its business." (p.18)</p> <p>https://www.elo.fi/-/media/files/yhtioasiat/tulos-ja-taloustieto/2017/eloannualresponsibilityreport2017.ashx?la=en&hash=88890E95C42DF2F1C5C786C216F8968DC3722B21</p>	<p>The graphic shows all the SDGs and the text "In autumn 2015, the UN launched the Sustainable Development Goals (SDGs), which include the biggest environmental and social challenges facing the world. Elo aims to measure and increase investment in addressing these challenges." (p. 5)</p> <p>https://global-pension-transparency-benchmark-top1000funds.com/wp-content/uploads/2021/01/Elos-principles-of-responsible-investing2019.pdf</p>	<p>"Elo set the long-term goal in 2017 whereby a significant proportion of its investments will support the achievement of the UN Sustainable Development Goals by 2025. This target applies to Elo's direct equity and corporate bond investments as well as all infrastructure and real investments." (p. 32)</p> <p>https://www.elo.fi/-/media/files/yhtioasiat/tulos-ja-taloustieto/2017/elo_vuosi_ja_vastuu_2017.ashx?la=fi-fi&hash=00E52BC02AFAAB3310807D1AA0547129618FC4D</p>	<p>ESG, RI mentioned</p> <p>https://www.elo.fi/-/media/files/yhtioasiat/tulos-ja-taloustieto/2020/elo-annual-and-responsibility-report-2020.ashx</p>				<p>"we recommend that companies report on how their business operations contribute to the achievement of the UN Sustainable Development Goals" (pp. 4-5)</p> <p>https://global-pension-transparency-benchmark-top1000funds.com/wp-content/uploads/2021/01/Elos-principles-of-responsible-investing2019.pdf</p>
Ilmarinen Mutual Pension Insurance Company	<p>Annual report and sustainability report 2020 https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2020/ilmarinens-annual-and-sustainability-report-2020.pdf</p> <p>2019 https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2019/annual_and_sustainability_report_2019_final.pdf</p>	<p>SDG mentioned</p> <p>From 2016 to 2020, "the contribution of SDGs to the turnover of direct listed equity investments almost doubled." (s.41)</p> <p>https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2020/ilmarinens-annual-and-sustainability-report-2020.pdf</p>		<p>"Our goal is to significantly increase investment in SDG business solutions."</p> <p>https://www.ilmarinen.fi/tietoa-ilmarinesta/ajankohtaista/blogit-ja-artikkelit/blogirjoitukset/anna-hyrskelmatkalla-ilmastosankariksi/</p>	<p>ESG, RI mentioned</p> <p>https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2020/ilmarinens-annual-and-sustainability-report-2020.pdf</p>	<p>"Sustainable development accounts for 11.5% of investment turnover" (p.42)</p> <p>https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2020/ilmarinens-annual-and-sustainability-report-2020.pdf</p>		<p>"ESG ETF (iShares) for emerging markets" (p. 11)</p> <p>https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2020/ilmarinens-annual-and-sustainability-report-2020.pdf</p>	<p>"The assessment of the business volumes related to sustainable development solutions (SDG - sustainable development goals) is carried out by an external actor." (s. 29)</p> <p>https://www.ilmarinen.fi/media_global/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/2019/annual_and_sustainability_report_2019_final.pdf</p>
Keva	<p>Responsibility indicators 2020 https://www.keva.fi/globalassets/2-tiedostot/tama-on-keva-tiedostot/vastuullisuus/kevan-vastuullisuuden-tunnusluvut-2020.pdf</p>	<p>SDGs mentioned in the Sustainable Development portfolio. "the portfolio's investments are expected to deliver solutions to sustainable development challenges, guided by the UN SDGs, while respecting the portfolio's normal return objective." (s. 25)</p> <p>https://www.keva.fi/globalassets/2-tiedostot/tama-on-keva-tiedostot/vastuullisuus/kevan-vastuullisuuden-tunnusluvut-2020.pdf</p>	-		<p>ESG, RI mentioned</p> <p>https://www.keva.fi/globalassets/2-tiedostot/tama-on-keva-tiedostot/vastuullisuus/kevan-vastuullisuuden-tunnusluvut-2020.pdf</p>	<p>The sustainability portfolio "had a market value of €450 million at the end of 2020" (p.25)</p> <p>https://www.keva.fi/globalassets/2-tiedostot/tama-on-keva-tiedostot/vastuullisuus/kevan-vastuullisuuden-tunnusluvut-2020.pdf</p>	<p>"Portfolio of sustainable development solutions" established in 2020 (p.25)</p> <p>https://www.keva.fi/globalassets/2-tiedostot/tama-on-keva-tiedostot/vastuullisuus/kevan-vastuullisuuden-tunnusluvut-2020.pdf</p>		

Institution	Webpage	Mention of SDGs	Mention of specific SDG, target and indicator	SDG integration/ assessment in progress	Sustainable finance/ESG	Mention of SDG and scope of financing	Sustain-able Development / SDG Fund	Other impact/ESG fund	Mention of reporting / monitoring related to SDG activities / investments
Church pension Fund	Responsible Investment Report 2020 https://evl.fi/documents/1327140/48902395/KER+vastuullisen+sijoittamisen+toimintakertomus+2020.pdf/dd3a75a6-5d8b-6cd6-04a0-6d7e8d2391fe?e=1612273417606	SDGs mentioned	SDGs 6, 8, 9, 10, 11, 12, 13, 16, 17 (p. 11-12) https://evl.fi/documents/1327140/48902395/KER+vastuullisen+sijoittamisen+toimintakertomus+2020.pdf/dd3a75a6-5d8b-6cd6-04a0-6d7e8d2391fe?e=1612273417606		ESG, RI mentioned https://evl.fi/documents/1327140/48902395/KER+vastuullisen+sijoittamisen+toimintakertomus+2020.pdf/dd3a75a6-5d8b-6cd6-04a0-6d7e8d2391fe?e=1612273417606			"In spring 2020, the Church Pension Fund invested in a new Finnish impact fund that invests in emerging markets." (OP Finnfund Global Impact Fund I) (p. 5) https://evl.fi/documents/1327140/48902395/KER+vastuullisen+sijoittamisen+toimintakertomus+2020.pdf/dd3a75a6-5d8b-6cd6-04a0-6d7e8d2391fe?e=1612273417606	"41% of equity funds and 31% of corporate bond funds also report effectiveness. The impact metrics are most often linked to the UN Sustainable Development Goals." (p. 16) https://evl.fi/documents/1327140/48902395/KER+vastuullisen+sijoittamisen+toimintakertomus+2020.pdf/dd3a75a6-5d8b-6cd6-04a0-6d7e8d2391fe?e=1612273417606
State Pension Fund	Responsible investment https://www.ver.fi/en-US/VER_as_an_Investor/Responsible_Investing	None of SDGs			ESG, RI mentioned https://www.ver.fi/en-US/VER_as_an_Investor/Responsible_Investing				"The principles of sustainable development are complied with by using ESG criteria in the assessment of investments." https://www.ver.fi/en-US/VER_as_an_Investor/Responsible_Investing
Varma mutual Pension insurance company	Principles of Responsible Investment https://www.varma.fi/en/this-is-varma/responsible-investment/principles-for-responsible-investment/	DGs mentioned "Tavoitteenamme on edistää YK:n kestävän kehityksen tavoitteiden toteutumista sekä suoraan että välillisesti. (s. 2) https://www.varma.fi/en/this-is-varma/responsible-investment/principles-for-responsible-investment/	SDGs 3, 7, 9, 12, 13 in the context of the Sustainable Development portfolio (p. 16) https://www.varma.fi/en/this-is-varma/responsible-investment/principles-for-responsible-investment/		ESG, RI mentioned https://www.varma.fi/en/this-is-varma/responsible-investment/principles-for-responsible-investment/	Sustainability portfolio 4/2021 "The current portfolio size is €250 million and includes investments in 150 companies. The target size of the total portfolio is between €500 million and €1,000 million in the long term, depending on market conditions." (s. 16) https://www.varma.fi/globalassets/muut-sivut/yhtiotietoa/vastuullinen-sijoittaminen-erimaisuuslajeissa.pdf	Sustainability portfolio (p. 16) https://www.varma.fi/globalassets/muut-sivut/yhtiotietoa/vastuullinen-sijoittaminen-erimaisuuslajeissa.pdf		In the context of the Sustainable Development portfolio, "In June 2020, we mapped in detail the 17 UN Sustainable Development Goals (SDGs) and their associated sub-targets (169 KPIs)" (p. 16). https://www.varma.fi/globalassets/muut-sivut/yhtiotietoa/vastuullinen-sijoittaminen-erimaisuuslajeissa.pdf
Veritas pension insurance	Responsibility https://veritas.fi/en/about-us/ Vastuullisuus https://veritas.fi/wp-content/uploads/Veritas_Yritysvastuura-portti_2020_0505.pdf	SDGs mentioned (pp. 7–8) https://veritas.fi/wp-content/uploads/Veritas_Corporate_responsibility_report_2020_0505.pdf	SDGs 3, 8, 11, 13 (pp. 7-8) https://veritas.fi/wp-content/uploads/Veritas_Corporate_responsibility_report_2020_0505.pdf		ESG, RI mentioned https://veritas.fi/en/about-us/				

Retail banks

Institution	Webpage	Mention of SDGs	Mention of specific SDG, target and indicator	SDG integration/ assessment in progress	Sustainable finance/ESG	Mention of SDG and scope of financing	Sustain-able Development / SDG Fund	Other impact/ESG fund	Mention of reporting / monitoring related to SDG activities / investments
Aktia Bank	Impact Report Q4/2020 https://misc.aktia.fi/data-service/documents/investment/Vastuullinen_sijoittaminen/Vaikuttavuusprofiili/Quarterly_Impact_Report.pdf	SDGs mentioned p.15 https://www.aktia.fi/docs/default-source/yleiset/ajankohtaista/sijoitusnakemys-helmikuu-2021.pdf?sfvrsn=9cc67c08_10	"SDGs 2, 3, 7, 12 and 13 will be given special attention in the company's strategy." (s. 10) "Examples of the Aktia Emerging Market Local Currency Frontier Bond+ Fund": Armenia: SDG 5, 8. Mongolia: SDG 6, 7, 9, 13. (p. 15) https://misc.aktia.fi/data-service/documents/investment/Rahastot/Vuosikatsaus_Aktia_EMLCFBond.pdf		ESG, RI (multiple mentions) https://misc.aktia.fi/data-service/documents/investment/Rahastot/Vuosikatsaus_Aktia_EMLCFBond.pdf		"Of the Aktia Corporate Bond+ fund, typically around 15-20% is invested in green JV bonds or similar other investments (e.g. SDG bonds and social JV bonds) (p.13). https://misc.aktia.fi/data-service/documents/investment/Vastuullinen_sijoittaminen/Vastuullisen_sijoittamisen_katsaukset/Vastuullisen_sijoittamisen_katsaus.pdf	Impact Fund https://www.aktia.fi/fi/sijoitustuotteet/impakti "Impact investing in emerging market fixed income funds" (p. 15) https://misc.aktia.fi/data-service/documents/investment/Vastuullinen_sijoittaminen/Vastuullisen_sijoittamisen_katsaus.pdf Aktia Emerging Market Local Currency Frontier Bond + (s. 15) https://www.aktia.fi/docs/default-source/yleiset/ajankohtaista/sijoitusnakemys-helmikuu-2021.pdf?sfvrsn=9cc67c08_10	"The UN Sustainable Development Goals (SDGs) and the ESG indicators recommended by the World Bank have been incorporated into the analytical framework for developing countries" (p. 6) https://misc.aktia.fi/data-service/documents/investment/Vastuullinen_sijoittaminen/Vastuullisen_sijoittamisen_katsaukset/Overview_of_responsible_investment.pdf
Danske bank	Sustainability report 2020 https://danskebank.com/-/media/danske-bank-com/file-cloud/2021/2/sustainability-report-2020.pdf?rev=9e97efda94d5437181f320ed84be1ffc&hash=78BA7E911FC96C8C8C4074980AEE0409 (No Finnish-specific information)	SDGs and targets	SDGs: 4, 5, 8, 13, 16 (s. 11) Targets: 4.6. (p. 22) 5.5. (p. 31) 8.3., 8.8. 8.10. (p. 20, 32, 24) 12.6. (p. 30) 13.2. (p. 14, 35) 16.4., 16.5. (p. 28, 26) https://danskebank.com/-/media/danske-bank-com/file-cloud/2021/2/sustainability-report-2020.pdf?rev=9e97efda94d5437181f320ed84be1ffc&hash=78BA7E911FC96C8C8C4074980AEE0409	Through our sustainable finance activities, we potentially have an indirect impact on all 17 SDGs. Depending on the underlying activities, the impact can be both negative and positive, which we will start mapping in more detail in 2021 (s. 11) https://danskebank.com/-/media/danske-bank-com/file-cloud/2021/2/sustainability-report-2020.pdf?rev=9e97efda94d5437181f320ed84be1ffc&hash=78BA7E911FC96C8C8C4074980AEE0409	ESG, RI mentioned	SDG 13: Sustainable financing: DKK 102 billion since 2019 Investing in the green transition: DKK 27 billion since 2019 23% of corporate loan portfolio mapped for climate impact (s. 11) https://danskebank.com/-/media/danske-bank-com/file-cloud/2021/2/sustainability-report-2020.pdf?rev=9e97efda94d5437181f320ed84be1ffc&hash=78BA7E911FC96C8C8C4074980AEE0409	Danske Invest Global Sustainable Future "DKK 15.3 billion AuM invested in companies driving the global sustainability transition and addressing selected SDGs." Danica Balance Sustainable Choice "DKK 580 million AuM invested in companies addressing specific sustainability topics and supporting the SDGs." (s. 19) https://danskebank.com/-/media/danske-bank-com/file-cloud/2021/2/sustainability-report-2020.pdf?rev=9e97efda94d5437181f320ed84be1ffc&hash=78BA7E911FC96C8C8C4074980AEE0409	2020 status and 2023 target in the report (p. 11) https://danskebank.com/-/media/danske-bank-com/file-cloud/2021/2/sustainability-report-2020.pdf?rev=9e97efda94d5437181f320ed84be1ffc&hash=78BA7E911FC96C8C8C4074980AEE0409	

Institution	Webpage	Mention of SDGs	Mention of specific SDG, target and indicator	SDG integration/ assessment in progress	Sustainable finance/ESG	Mention of SDG and scope of financing	Sustain-able Development / SDG Fund	Other impact/ESG fund	Mention of reporting / monitoring related to SDG activities / investments
Handelsbanken	Vastuullinen Handelsbanken https://www.handelsbanken.nl/tron/nlpu/info/contents/v1/document/43-108716	SDGs mentioned	SDGs: 3, 5, 6, 9, 11, 13, 15, 16, 17 (s. 4–21) https://www.handelsbanken.nl/tron/nlpu/info/contents/v1/document/43-108716		ESG, RI mentioned https://www.handelsbanken.fi/shb/inet/icentfi.nsf/vlookuppics/10_sijoittaminen_vastuullinen_sijoittaminen_policy_fonder_ab/\$file/vastuullinen_sijoittaminen_policy_201703.pdf	Handelsbanken Sustainable Energy registered in Sweden China 19,18 %, Other 13,79 % https://secure.msse.se/shb/fi.fi/funds/shb0000192?hb=false&nopension=false&sa=2&hw=true	Ruotsiin rekisteröity Handelsbanken Kestävä Energia, erit. SDG 7 ja 13 https://secure.msse.se/shb/fi.fi/funds/shb0000192/more?hb=false&nopension=false&sa=2&hw=true		"Handelsbanken SDG (Sustainable Development Goals) Solutions. Based on the 169 targets of the Sustainable Development Goals the model uses artificial intelligence (AI) to analyze each company's products, services and the markets where the company operates. The model is based on text analysis of annual reports... The results show how much of the revenue is derived from solutions related to each target. These are then added together and provide a result for the whole fund." (s. 9) https://secure.msse.se/shb/temp/pdf/Handelsbanken_Fonder_AB_1_fi-fi_Vuosikatsaus_Full.pdf
Nordea	Sustainability report 2020 https://www.nordea.com/en/doc/nordea-sustainability-report-2020.pdf (official fund prospectus) https://www.nordea.fi/henkiloasiakkaat/palvelumme/saastaminen-sijoittaminen/rahastot/nordea-funds-oy.html	SDGs mentioned In addition to ESG, "consideration is given to how well each company's business model meets the UN Sustainable Development Goals" (p. 10) (pdf official fund prospectus) https://www.nordea.fi/henkiloasiakkaat/palvelumme/saastaminen-sijoittaminen/rahastot/nordea-funds-oy.html	SDGs: 4, 5, 7, 8, 9, 10, 12, 13, 14, 15, 16, 17 (s. 30-31) https://www.nordea.com/en/doc/nordea-sustainability-report-2020.pdf		RI, ESG mentioned (official fund prospectus) https://www.nordea.fi/henkiloasiakkaat/palvelumme/saastaminen-sijoittaminen/rahastot/nordea-funds-oy.html)			responsible investment funds, ESG assessment https://www.nordea.fi/en/personal/our-services/savings-investments/funds/sustainable-balanced-funds.html	
Osuuspankki	Responsibility in business, investing https://www.op.fi/op-ryhma/vastuullisuus/vastuullisuus-liiketoiminnassa/sijoittaminen OP Financial Group's Year 2020 https://ml-eu.globenewswire.com/Resource/Download/adb5e4eb-02f0-4888-9e2d-4f5d1442e4ae OP Financial Group's Year 2019 https://www.op-year2019.fi/pdf/OP_Ryhma_vuosi_2019.pdf#page=23	SDG mentioned "OP is committed to supporting the UN's Sustainable Development Goals (SDGs)" (p. 27) https://www.op.fi/documents/209474/36185762/OP+Ryhm%C3%A4n+vuosit2020/b25f0fd5-ce3d-1443-cb2e-99510123f55f	SDGs: 3, 4, 5, 8, 9, 10, 11, 12, 13, 14, 15, 17 (p. 24) https://www.op-year2019.fi/pdf/OP_Ryhma_vuosi_2019.pdf#page=23		ESG, RI mentioned https://www.op.fi/op-ryhma/vastuullisuus/vastuullisuus-liiketoiminnassa/sijoittaminen	"OP Finnfund Global Impact Fund I raised EUR 76 million in its first fundraising round." https://www.op.fi/op-ryhma/medialle/tiedotteet?id=3697072_PRC	"Through its investments, OP Finnfund Global Impact Fund I contributes measurably to the achievement of the UN Sustainable Development Goals" (p. 43) https://ml-eu.globenewswire.com/Resource/Download/adb5e4eb-02f0-4888-9e2d-4f5d1442e4ae		
POP bank	Responsibility https://www.poppankki.fi/pop-pankki/vastuullisuus/vastuullisuus-poppankki-ryhmassa	No SDG			ESG, RI mentioned https://www.poppankki.fi/pop-pankki/vastuullisuus/vastuullinen-sijoittaminen				

Institution	Webpage	Mention of SDGs	Mention of specific SDG, target and indicator	SDG integration/ assessment in progress	Sustainable finance/ESG	Mention of SDG and scope of financing	Sustain-able Development / SDG Fund	Other impact/ESG fund	Mention of reporting / monitoring related to SDG activities / investments
S-bank	<p>Annual report2020 https://dokumentit.s-pankki.fi/tiedostot/s-pankki-vuosikertomus-2020-fi</p> <p>Responsible investment report https://dokumentit.s-pankki.fi/tiedostot/vastuullisen_sijoittamisen_raportti_2020_fi</p>	One SDG mentioned	<p>S-Pank's wealth management business is part of the Tobacco-Free Finance Pledge, which "encourages the financial sector to take an active role in achieving the global sustainable development goals set by the UN, such as SDG 3: health and well-being and SDG 17: cooperation" (p. 6).</p> <p>https://dokumentit.s-pankki.fi/tiedostot/vastuullisen_sijoittamisen_raportti_2020_fi</p>		<p>ESG, RI mentioned https://dokumentit.s-pankki.fi/tiedostot/s-pankki-vuosikertomus-2020-fi</p>				
Ålandsbanken	<p>Annual Report 2020 https://www.alandsbanken.fi/uploads/pdf/result/arsredovisn2020en.pdf</p>	<p>SDGs 10–17.</p> <p>https://www.alandsbanken.fi/uploads/pdf/result/arsredovisn2020en.pdf</p>	<p>SDGs: 7, 7.2, 7.3, 7.a (s. 12); 8, 8.1, 8.2, 8.3, 8.5, 8.8, 8.10 (s.13), 13, 13.1, 13.2, 13.3 (s.14), 14, 14.1, 14.2, 14.3, 14.5 (s.15), 3, 4, 5, 6, 9, 10, 11, 12, 15, 16, 17 (s.16–17)</p> <p>https://www.alandsbanken.fi/uploads/pdf/result/arsredovisn2020en.pdf</p>	<p>Focus on four goals (SDGs 7, 8, 13, 14), according to the development plan other goals will also be included (p.10)</p> <p>https://www.alandsbanken.fi/uploads/pdf/result/arsredovisn2020en.pdf</p>	<p>RI mentioned, ESG fund</p> <p>https://www.alandsbanken.fi/uploads/pdf/result/arsredovisn2020en.pdf</p>			<p>Green Bond ESG fund https://www.alandsbanken.fi/pankkipalvelut/sijoita-saasta/rahasat/green-bond-esg-b</p>	<p>All of the UN's 169 global targets included" as part of our materiality analysis (p.10)</p> <p>https://www.alandsbanken.fi/uploads/pdf/result/arsredovisn2020en.pdf</p>

Investment banks

Institution	Webpage	Mention of SDGs	Mention of specific SDG, target and indicator	SDG integration/ assessment in progress	Sustainable finance/ ESG	Mention of SDG and scope of financing	Sustain-able Development / SDG Fund	Other impact/ ESG fund	Mention of reporting / monitoring related to SDG activities / investments
Elite Alfred Berg	Responsible investment https://www.alfredberg.com/corporate-social-responsibility/alfred-berg-sustainable-responsible-investment/	No SDGs			ESG, RI mentioned https://www.alfredberg.com/corporate-social-responsibility/alfred-berg-sustainable-responsible-investment/			Responsible investment fund https://www.alfredberg.com/corporate-social-responsibility/alfred-berg-sustainable-responsible-investment/ Climate Impact fund https://www.eabgroup.fi/yksityiset/rahaotol/Climate_Impact BNP Paribas Energy Transition -ESG fund https://www.eabgroup.fi/yksityinen/rahaotol/bnp-paribas-energy-transition	
eQ Asset Management Ltd	https://www.eq.fi/fi/asset-management	SDGs mentioned in the context of the Blue Planet Fund https://www.eq.fi/fi/asset-management/eqnakemys	-	"In 2019, we updated the content of annual ESG query to our investee funds. We included the following new question in the ESG Query: How do you take into account the SDGs (UN Sustainable Development Goals) at your company." (s. 22) https://www.eq.fi/-/media/files/funds/esg/2020-transparency-report-for-eq-asset-management-ltd_public.pdf?la=fi	ESG, RI mentioned https://www.eq.fi/fi/funds/responsible-investment		eQ Blue Planet "the fund's companies are also broadly aligned with, for example, the UN's sustainable development principles" https://www.eq.fi/fi/asset-management/eqnakemys		
Evli Bank Plc	Responsibility https://www.evli.com/en/responsibility	SDG mentioned in connection with the Evli Green Corporate Bond fund https://pankki.evli.com/hubfs/Evli.com/Documents/Responsibility/EN/Reports/Evli%20Green%20Corporate%20Bond%20-%20Fund%20allocation%20and%20impact%20report%202020%20(EN).pdf	SDGs 1, 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15 feature in the Green Corporate Bond report (p. 3) https://pankki.evli.com/hubfs/Evli.com/Documents/Responsibility/EN/Reports/Evli%20Green%20Corporate%20Bond%20-%20Fund%20allocation%20and%20impact%20report%202020%20(EN).pdf		ESG, RI mentioned https://www.evli.com/en/responsibility		Evli Green Corporate Bond. "The purpose is to invest in assets that, based on a sustainability analysis, are expected to have a positive impact on the environment or society or on the achievement of the UN Sustainable Development Goals." https://www.evli.com/en/products-and-services/mutual-funds/funds/corporate-bond/egb		
FIM Asset Management	https://www.fim.com/fi/	OneSDG mentioned	The Responsible Investment Report mentions an initiative to boycott tobacco companies as an incentive to achieve SDG 3, 17 (p. 6) https://dokumentit.s-pankki.fi/tiedostot/vastuullisen_sijoittamisen_raportti_2020_fi		ESG, RI mentioned https://www.fim.com/fi/vastuullisuus-ja-vaikuttavuus/vastuullisuus/			FIM Emerging Markets ESG https://irs.altusinvestor.com/render/document/released-snapshot/category/18/reference/KEHMAR/lang/fi	

Institution	Webpage	Mention of SDGs	Mention of specific SDG, target and indicator	SDG integration/ assessment in progress	Sustainable finance/ ESG	Mention of SDG and scope of financing	Sustain-able Development / SDG Fund	Other impact/ ESG fund	Mention of reporting / monitoring related to SDG activities / investments
Mandatum Life Insurance Company Limited, Wealth and Investment Management		SDG: "As a company, we are committed to promoting the UN's Sustainable Development Goals" (p.3) https://www.sampo.com/globalassets/vuosi2020/mandatumlife/mandatum-life_vuosikertomus_2020.pdf	SDGs 3, 8, 13 (s. 8–9) https://www.mandatumlife.fi/4956f8/globalassets/yhtio/yritysvastuu/mandatumlife-corporate-sustainability-summary-2020.pdf	"We will continue to develop our sustainability goals and the selected indicators." (s. 8) https://www.mandatumlife.fi/4956f8/globalassets/yhtio/yritysvastuu/mandatumlife-corporate-sustainability-summary-2020.pdf	ESG, RI mentioned https://www.mandatumlife.fi/sijoittaminen/vastuullinen-sijoittaminen/		Mandatum Life World climate index https://www.mandatumlife.fi/49f5ce5/globalassets/sijoituskohteet_uusi/katsaukset/mandatumlife-globalclimateindex_eng.pdf		
Seligson & Co Rahastoyhtiö	Responsible investment https://www.seligson.fi/suomi/esitteet/Vastuullinen_Sijoittaminen_SCO.pdf?v=1619308800107	No SDGs mentioned. "Sustainable development" mentioned many times https://www.seligson.fi/suomi/esitteet/Vastuullinen_Sijoittaminen_SCO.pdf?v=1619308800107			ESG, RI mentioned https://www.seligson.fi/suomi/esitteet/Vastuullinen_Sijoittaminen_SCO.pdf?v=1619308800107		Sustainable development index funds, including the Asia Index Fund https://www.seligson.fi/suomi/rahastot/rahes_aasia.htm		
Taaleri	Responsibility https://www.taaleri.com/en/corporate-responsibility	"We highlight the impact of our activities through UN Sustainable Development Goals (SDGs) (s.5) https://www.taaleri.com/application/files/5215/8633/3135/Taaleri_Corporate_responsibility_policy.pdf SDGs mentioned in the context of the Impact Portfolio and the Impact Fund https://www.impakti.fi/impakti https://www.taalerivarainhoito.com/application/files/1016/1366/2268/taaleri_impakti_2021.pdf	Strongest impact SDGs 7, 8, 9 (p. 5) https://www.taaleri.com/application/files/5215/8633/3135/Taaleri_Corporate_responsibility_policy.pdf SDGs in the context of the impact portfolio: 1, 3, 5, 7, 8, 9, 10, 11, 12, 13, 15 https://www.impakti.fi/impakti SDGs in the Impact Fund 7, 8, 9, 13. Microloans SDG 1,5 (p.10) https://www.taalerivarainhoito.com/application/files/1016/1366/2268/taaleri_impakti_2021.pdf		ESG, RI mentioned https://www.taaleri.com/yritysvastuu/vastuullisuus	Taaleri Impakti Growth A net assets total Eur 22,49 million (20.5.2021) https://www.taalerivarainhoito.com/sijoitusratkaisut/yhdistelmaratkaisut/impakti	Taaleri Impakti -rahasto https://www.taalerivarainhoito.com/sijoitusratkaisut/yhdistelmaratkaisut/impakti Impact portfolio https://www.impakti.fi/impakti		
United Bankers	Responsible investment annual review 2020 https://www.unitedbankers.fi/api/content/media/2159/vastuullisen-sijoittamisen-vuosikatsaus-2020_30-3-2021.pdf https://www.unitedbankers.fi/api/content/file?id=/media/1831/united-bankers-peer-group-impact-cubed-report-mar-2020.pdf	SDG mainittu "In addition, we partner with Impact-Cubed, a sustainability reporting company, to conduct a comprehensive impact assessment of our funds, with factors based on the UN Sustainable Development Goals." (p. 4) https://www.unitedbankers.fi/api/content/media/2159/vastuullisen-sijoittamisen-vuosikatsaus-2020_30-3-2021.pdf	SDGs 1, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15, 16, 18," most SDGs" (p.2) In impact assessments, "SDG relevance" https://www.unitedbankers.fi/api/content/file?id=/media/1831/united-bankers-peer-group-impact-cubed-report-mar-2020.pdf		ESG, RI mentioned https://www.unitedbankers.fi/api/content/media/2159/vastuullisen-sijoittamisen-vuosikatsaus-2020_30-3-2021.pdf				Impact-Cubed conducts a comprehensive impact assessment of the funds, based on the UN Sustainable Development Goals (p. 4). https://www.unitedbankers.fi/api/content/media/2159/vastuullisen-sijoittamisen-vuosikatsaus-2020_30-3-2021.pdf For funds, "the impact of holdings on the UN Sustainable Development Goals is X% lower/higher than the benchmark index" https://www.unitedbankers.fi/api/content/media/2159/vastuullisen-sijoittamisen-vuosikatsaus-2020_30-3-2021.pdf