

2023 ANNUAL REPORT

A journey to sustainable transition

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Table of contents

→ Message from Corinne Lepage, President

Having worked with the 2° Investing Initiative (2DII) for many years, it came as a great surprise to me, when I accepted the presidency of the association in July 2023, to **rediscover an organisation in the very midst of change.**

For 2DII, 2023 is the first year of operation after the departure of the PACTA and Asset Resolution teams. This is a major evolution that has engaged the organisation and its staff in a transformation of internal operations and initiated a transition in its activities.

I would like to take this opportunity to underline the resilience of our teams, and to thank them. Beyond their resilience, however, it is their ability to build a new identity and broaden 2DII's scope of operations that I would like to highlight. Based on solid fundamentals (a science-based, multidisciplinary and impact-

oriented approach), our association is today integrating into its field of research topics linked to biodiversity (nature-finance), transition plans or other sectoral subjects (such as building renovation). The association is also diversifying the services it can provide to the financial system by regularly taking part in technical assistance missions, particularly in emerging countries.

These developments reflect our determination to be at the forefront and seize the opportunities offered by the financial sector's transition to a « net zero » business model.

2DII continues to work in close collaboration with many other partners committed to the development of sustainable finance, in France, Europe and around the world. 2023 is a year of transition for our association, which is building on solid foundations to continue its action over time.

QUOTE →

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Sustainability is not just a slogan; we put it into practice every day.



Corinne Lepage
President

Innovation & Transition



Hélène Lanier
Managing Director

Learn more about
our resources:

→ Are transition and impact two sides of the same coin?

Transition is the new buzzword in the sustainable finance bubble. Research papers, working groups, new pieces of regulation and transition toward real-world decarbonisation is everywhere since the last COP. Although very simple to understand, transition finance is neither clearly defined in regulations nor strictly delineated in practice.

→ But is transition finance really new?

In a simplistic manner, transition aims at capturing the end result of a climate strategy, either at entity level or at portfolio level. Some of the main characteristics of transition are forward-looking (defined in the short and long term), result-oriented (aiming at achieving the net zero targets) and evidence-based (targets are defined based on science). These characteristics strongly resonate with the impact characteristics, defined as intentionality, additionality, and measurability. For those like 2DII who have worked on the concept of impact for years, this is no coincidence.

→ What would be a transition without impact?

One of the main commonalities in all criteria to define credible transition plans is the alignment with a 1.5°C scenario, i.e. a drastic reduction of GHG emissions in the atmosphere. This is another way of saying that financial institutions engaged in transition need to have impact, or that transition without impact could be qualified as either a failure or greenwashing. If transition and impact share common objectives, it is however important to keep distinguishing these concepts because transition finance is per essence much broader than impact finance.

→ How can 2DII support research in the area of transition?

Past and current research programmes from 2DII will feed into regulations and research around transition finance. At entity level, the **Climate Impact Management System (CIMS)** is a very efficient tool to develop transition plans. The recently developed **Impact Potential**

Assessment Framework (IPAF) can support any financial institution engaged in the development of impact products. The differentiation we have evidenced for a long time between investee impact and investor impact is also relevant when it comes to assessing transition plans of financial institutions. Hence, we concentrate our efforts in analysing the regulations and voluntary standards around transition finance with the aim of limiting risks of greenwashing and supporting the achievement of sectoral and national efforts. Last but not least, 2DII wants to call for a broad conception of transition plans, not focused exclusively on climate, but encompassing also all planetary boundaries, with a strong focus on biodiversity protection.

As a conclusion, I hope that our 2024 work programme will be a logical continuation of 2DII's previous years' efforts, articulating environmental transition and impact for the financial sector at global level.

CHAPTER 01

Mission, values, and engagements

The 2° Investing Initiative (2DII) is a think tank specialised in **sustainable finance**. It proposes concrete tools to enable all actors in the sector - financial institutions, regulators, and public and private investors - to **transition to a net zero economy**. Since 2013, at the forefront of climate finance and sustainable investment, **2DII has conducted one of the largest research programmes in Europe**.

2DII is active in developed countries and emerging markets, with active research projects in Europe and the rest of the world.

2DII extends and pursues this ambition towards biodiversity protection and conservation.



PART 01

Mission: in the beginning, there was the climate

The 2° Investing Initiative was born from the will to fight climate change with financial tools. Naturally, climate change, its evolutions, its risks, and the stakes constitute the backbone of the action of 2DII and the mission it gave itself. Therefore, the mission of 2DII is based on the six different pillars.

01 Putting climate issues on the **financial policy** agenda

2DII helped draft the preliminary version of France's groundbreaking Article 173, which was part of France's 2015 "Energy Transition for Green Growth" law - even before the Task Force on Climate-Related Financial Disclosures (TCFD) issued its recommendations.

02 Helping financial institutions (FIs) develop **science-based impact climate action strategies**

To date, there is still limited understanding of how financial industry practices can contribute directly to impact – GHG emissions reductions – in the real economy, going beyond traditional strategies of portfolio ESG alignment. 2DII's **Impact Programme** is addressing this knowledge gap by developing free, open-source tools, such as a **Climate Impact Management System** to guide FIs in setting up science-based impact climate contribution strategies.

03 Empowering **consumers** to align their investments with their **environmental convictions**

As part of its **Retail Investing Programme**, in 2020, 2DII launched the first non-commercial resource platform for sustainably minded retail investors, **MyFairMoney**, with over 20,000 unique visitors since launch. The platform acts as an independent, unbiased source for retail investors and financial advisors alike, comprising educational materials, a fund database rated by environmental, social, and governance (ESG) criteria, and a suitability questionnaire. This tool is now available to investors across Europe in English, French, German, Greek, and Czech. It forms a core part of 2DII's efforts to leverage retail investors' convictions – and savings – to shift financial flows towards more sustainable activities.

04 Fostering the development of credible **transition plans**

Financing the transition is of utmost importance to achieve the net zero objectives in 2050, as prescribed by all international agreements and institutions. Financial institutions, in their different roles as investors, underwriters and insurers, play a pivotal role in this regard. 2DII supports the research and development of credible transition plans and criteria at international level to foster transition finance.

05 Extending our research fields to **emerging markets** to tailor our work to their needs

Through its work in **emerging markets**, 2DII is collaborating with central banks and financial institutions across Latin America, Africa, and Southeast Asia on transition plans, capacity building, climate scenario analysis, and risk management issues. Specific research topics are developed to take into account the importance of economic development and emphasise the prominent role of adaptative measures in these countries.

06 Encouraging financing of **biodiversity protection and restoration**

Since the **Paris Agreement in 2015**, climate has been at the forefront of industry concerns, but biodiversity and ecosystems have rarely received the same levels of attention. And yet, more than half of the world's economy is directly dependent on nature. 2DII contributes to the creation of a nature-positive and a net-zero economy and society, ensuring the principles of the Just Transition. Research and intervention focuses on investment in nature-based solutions, improving the regulatory framework to prevent greenwashing, improving biodiversity reporting and risk assessment and mitigation linked to biodiversity loss. Capacity building of supervisors and organisation of expert groups is also at the heart of 2DII intervention.

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Since the Paris Agreement in 2015, climate has been at the forefront of industry concerns, but **biodiversity and ecosystems** rarely received the same levels of attention.



PART 02

2DII, a stakeholder dedicated to sustainable finance



Since its creation, 2DII has been firmly committed to mobilising and directing financial flows toward **more responsible projects to align the sector with the Paris Agreement objectives** and promote the transition towards fair, sustainable, and carbon-neutral economic models. To this end, the think tank invests in various activities to promote sustainable finance practices and policies.



RESEARCH & ANALYSIS



2DII conducts **research and analysis** on a variety of crucial sustainable finance topics. Climate risk management, transition plans, adaptation to climate change, retail and institutional impact investment, and methodological support to financial institutions are some issues on which 2DII identifies **trends, opportunities, and challenges**.

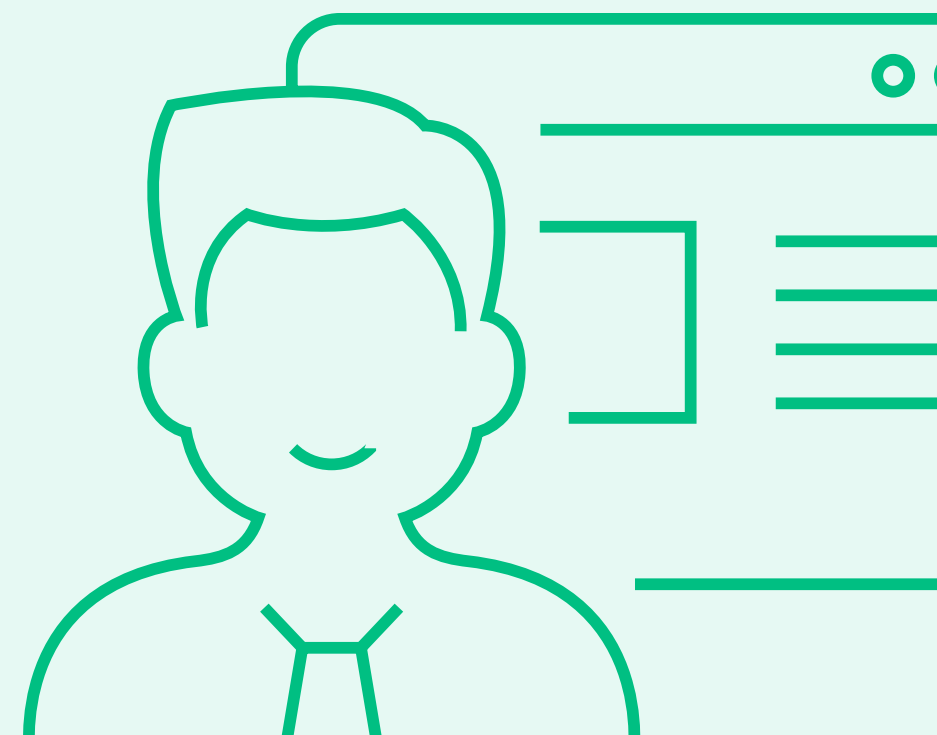
Through its professional and deep understanding of sustainable finance issues, 2DII advocates and acts in favour of better reading and adopting of regulations by professionals. The think tank **bridges the gap between legislators, supervisors, and financial institutions**, through the various working groups to which it belongs to guarantee clarity, good practices, and efficiency of the regulatory provisions, whether future or in force. The ultimate goal is to **drive and support a massive industry transition**.

REGULATION & TRANSITION



2DII organises and animates **online workshops to educate the stakeholders of the financial sector**, whether they are institutions or individuals, in France and abroad. These meetings are an opportunity to exchange and understand the achievements and progress to be made in terms of education, awareness, and understanding of sustainable finance issues. **MyFairMoney**, a platform for savers on the one hand and financial advisors and portfolio managers on the other, aims to shed new light on the financial products held by individual savers and to assist «financial distributors» in identifying the impact of their portfolios.

AWARENESS



COLLABORATION & PARTNERSHIP



Involved in different consortiums and think tanks, 2DII collaborates with other organisations (ministerial agencies, sectoral associations, and NGOs) to promote and foster collective intelligence. Thus, 2DII is part of transnational collaborative projects such as **Finance ClimAct, PIISA and Go Nature Positive**, to name a few.



PART 03

4 core values



Independent

2DII collaborates with various **actors in the financial ecosystem** and receives support from public and private organisations. The think tank is therefore keen to maintain a position of independence vis-à-vis the various interlocutors.



Pragmatic & science-based

Our work results from research based on **practical and scientific methodologies** in close cooperation with top-ranking academic partners.



Innovation and solution-oriented

Resolutely driven by the desire to answer the pressing climate challenges, we strive to provide trailblazing, practical, and **innovative solutions.**



Collective intelligence and general interest

We believe in the **strength of the group**, which is why we work with profiles from all walks of life to create intelligence that serves everyone.



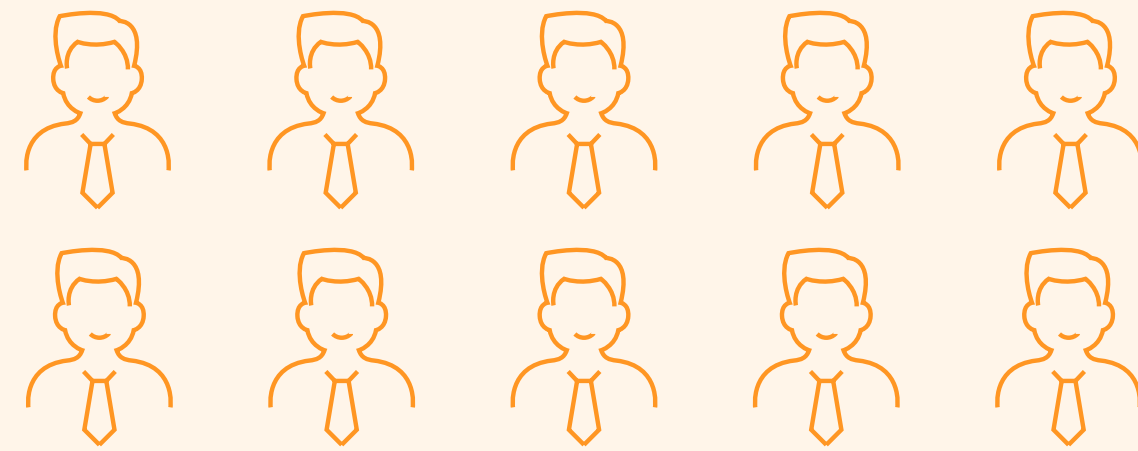
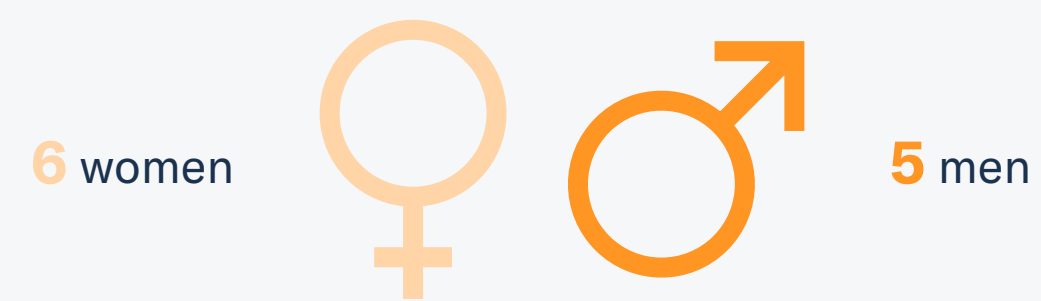
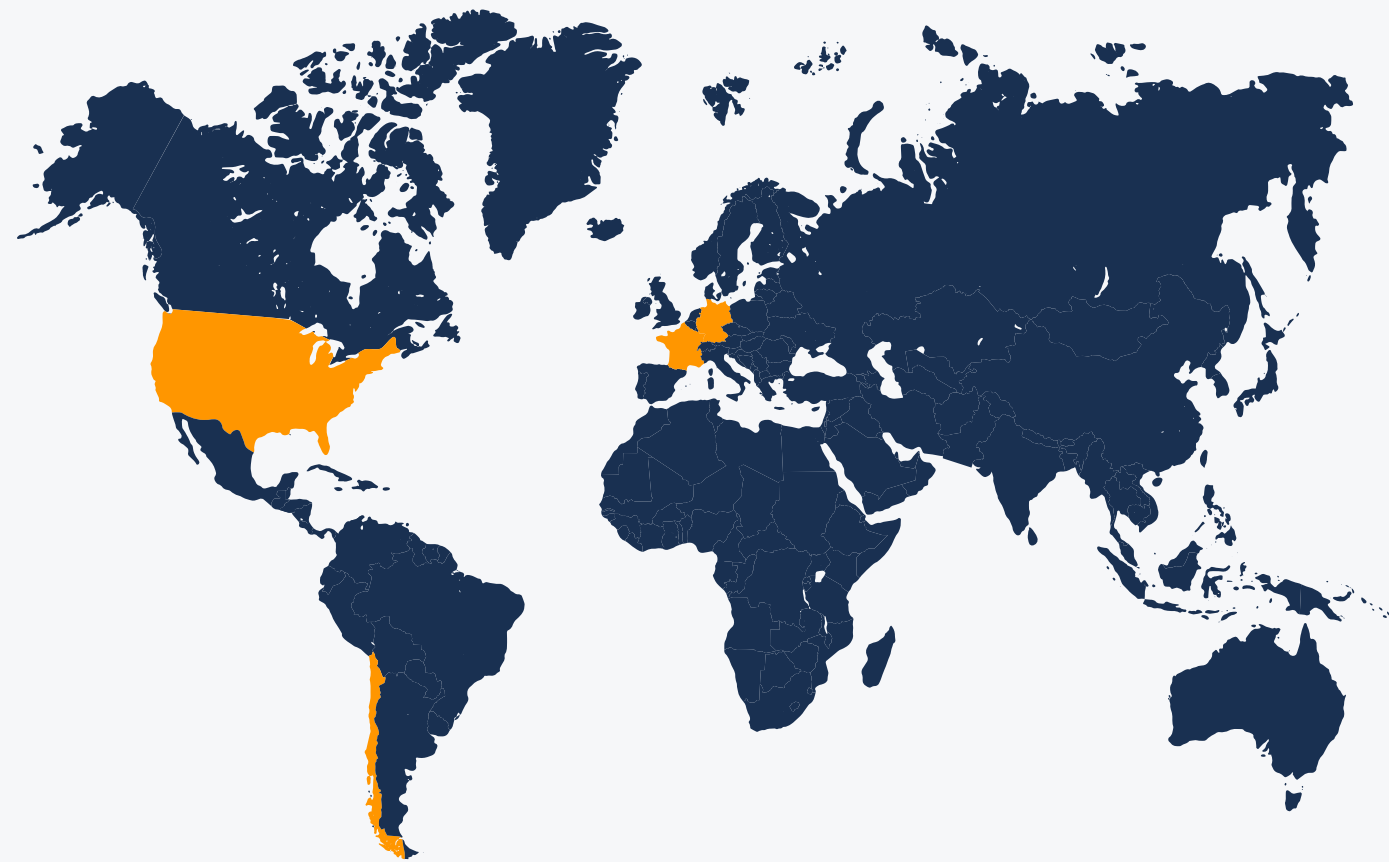
CHAPTER 02

2023 Key figures and highlights



PART 01

HR



10 people with a permanent contract



Average age:

36 years

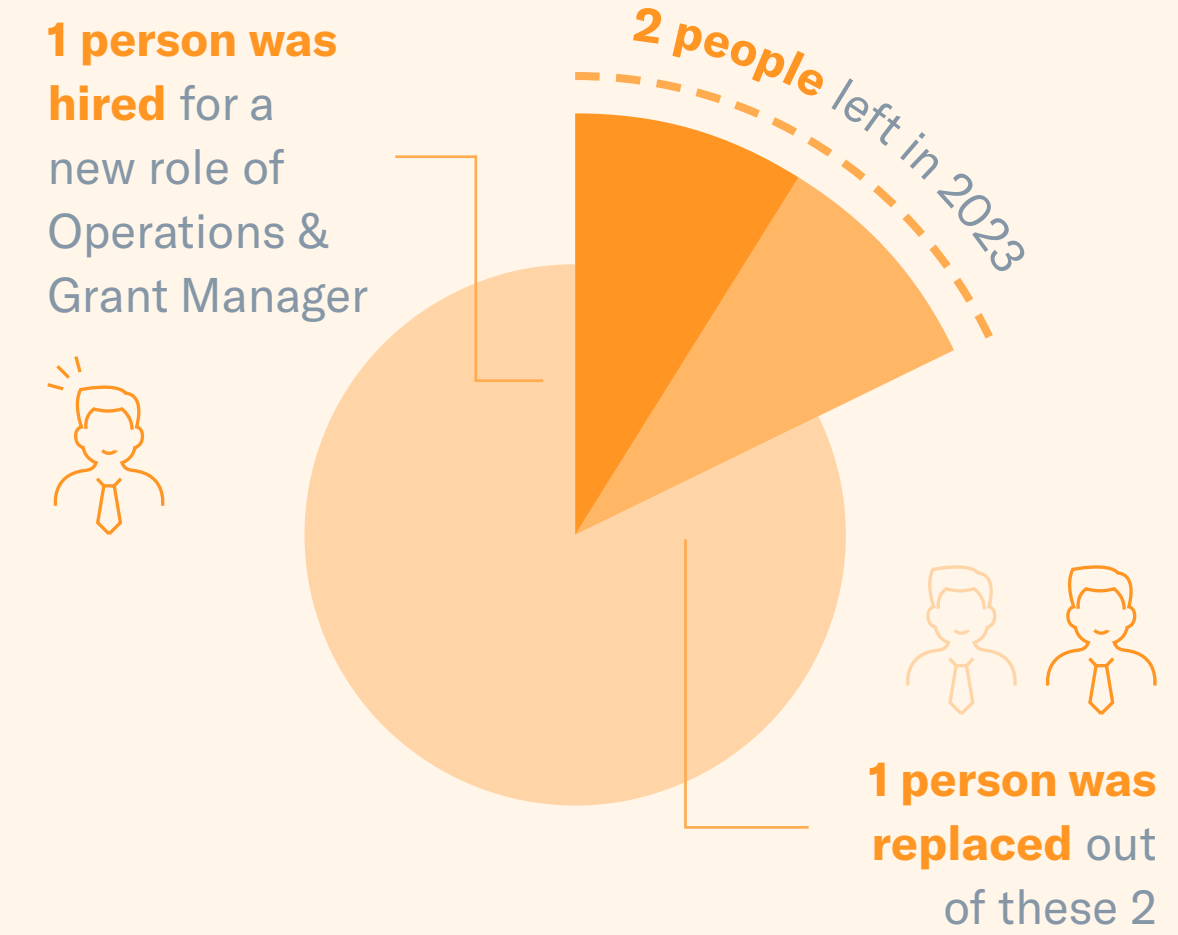
Average Seniority

1.8 years

Most Senior (2 employees)

5 years

On 31/12/2023



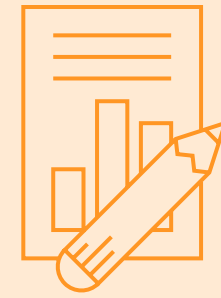
PART 02

Projects



16
projects
submitted

7
projects
completed



1
project
renewed



7
new
projects



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QUOTE →

At 2DII, we prioritise funding projects that not only advance the frontiers of sustainable finance research but also actively engage with stakeholders to drive real-world impact, ensuring the projects we run catalyse the financial transformation that we are calling for. Diversifying our sources of financing and collaborating with new players are the levers that will enable us to achieve these objectives.



Javier Sandin Llorente
Operations and Grant Manager

Media & events

4 written interviews

feb.
2023

○ **Citywire** - 'We're concerned': ESG investors react to BP's net-zero backtracking'

may
2023

○ **Le Vif Belgium** - 'Épargne et Placements: comment s'assurer qu'ils ne contribuent pas au dérèglement climatique?'

sept.
2023

○ **Financial Times** - 'A pause for thought' in sustainable debt'

oct.
2023

○ **Les Échos** - 'Les initiatives pédagogiques se multiplient autour de la finance durable'

○ **Les Échos** - 'Comment mettre la finance au service de la biodiversité et du climat'

4 TV interventions BFM Business

○ «Comment avoir un impact positif sur son épargne?»

○ «Obligations vertes, un risque de Greenwashing?»

○ «Comment avoir un impact quand on investit en bourse?»

○ «L'engagement actionnarial, un engagement efficace?»



2 quotes

feb.
2023

○ **RFI** - 'Environnement, droits de l'homme: de nouveaux modes d'action'

aug.
2023

○ **Financial Times** - 'A "Pause for Thought" in Sustainable Debt'

QUOTE →

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With research at the heart of our activities, it seems absolutely essential to ensure that the fruits of our work are shared as widely as possible. Especially since we offer all our ideas, tools, and methodologies as open source. It's in our DNA.



Laëtitia Kalonji
Senior Communications Manager

3 side-events
New Global Financing Pact and COP28

1 conference
Mainstreaming Finance for Biodiversity

8 webinars

10 reports published

6 conferences as guest speakers

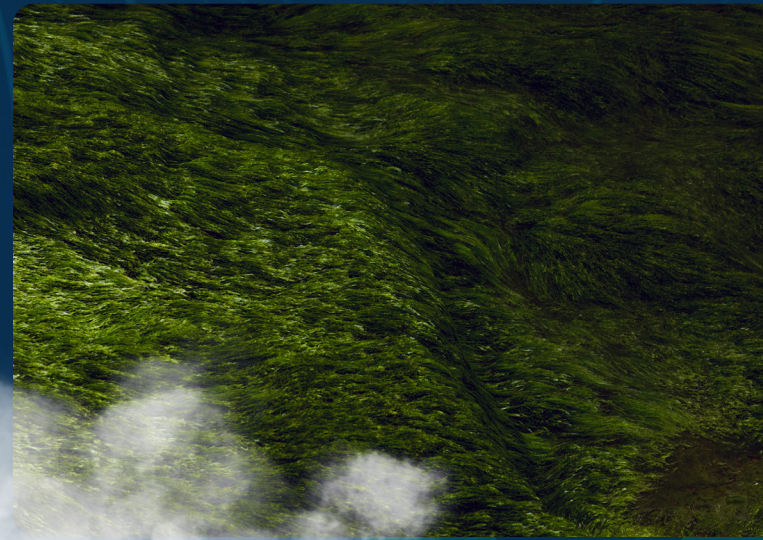
- mars 2023** EIOPA Conference
- may 2023** Sustainable Investment Forum in Paris (FR)
- oct. 2023** FIR Annual Conference on Retail Investing in Prague (CZ)
- oct. 2023** Presentation of mystery-shopper visits at FEBELFIN General Meeting in Brussels (BE)
- nov. 2023** Finance ClimAct Conference by Ademe
- nov. 2023** Re-Boot Conference at l'Académie du Climat in Paris (FR)



CHAPTER 03

At 2DII, we walk the talk

As 2DII's mission is to assist the financial sector in transitioning towards more sustainable economic models, in 2023 we were committed to **reaffirming the responsibility of financial institutions** in supporting and financing the transition.



FROM →

- Developing green finance
- Climate-related risk approach
- Engage emerging countries in GHG emissions mitigation
- Siloed work on climate and biodiversity

PART 01

Focus on 2DII's goals

→ TO

- Mainstreaming finance transition
- Sector-oriented climate impact strategies
- Invest massively on mitigation and adaptation to support just transition
- Develop synergies between all environmental objectives

PART 01

Road map to **influence** the financial industry

Our support for change in the financial sector focuses on four key areas:



Advocacy

Our advocacy efforts within the realm of sustainable finance are multifaceted, ranging from direct engagement with regulators, NGOs, industry, and consumer representatives to taking an active part in working groups at EU levels. By leveraging our expertise and networks, we strive to drive policy reforms and foster greater transparency and accountability across the financial sector.



Finance Sector Engagement

Our think tank actively engages with and offers technical support to financial institutions and industry stakeholders to promote the integration of ESG factors into decision-making processes. Through collaborative initiatives, knowledge-sharing forums, and tailored advisory services, we empower the finance sector to embrace sustainable finance practices, driving positive environmental and social outcomes while fostering long-term financial resilience.



Reputation & Regulation

In our pursuit of advancing sustainable finance, we meticulously analyse existing regulations and advocate for reforms that align with our vision of a more fair and responsible financial system. Through rigorous research, policy analysis, and strategic partnerships, we strive to enhance our reputation as a trusted authority, influencing regulatory frameworks and industry standards to promote sustainable practices and mitigate systemic risks.



Partnerships Development

In our commitment to advancing sustainable finance, we prioritise fostering strategic partnerships with like-minded organisations, including NGOs, academia, and private-sector entities. Through collaborative projects, joint research endeavours, and knowledge exchange initiatives, we harness the collective expertise and resources of our partners to drive meaningful impact and catalyse positive change in the global financial landscape.



2DII is committed to supporting supervisors in their role of implementing sustainable finance in the financial system. Our concrete actions consist in **providing recommendations and policy briefs** with regards to regulations and guidelines that support climate objectives. Thus, we play an **active role in the working groups of the EU Platform on Sustainable Finance and the Investor and Research**, to name a few. 2DII also provides **support to the Central Bank of Rwanda**.

→ Nature-Finance stream

2023 marked the official **launch of 2DII's Nature-Finance stream.**

This research stream is led by Samia Baadj and formed by specialists in regulatory policy, economics, and finance. The overall objective of the stream is to contribute to the creation of a nature-positive net zero economy and society.

Since the Paris Agreement in 2015, climate has been at the forefront of the finance industry concerns, but until now **biodiversity and ecosystems had received a lesser level of attention.** And yet, more than half of the world's economy is directly dependent on nature¹. In 2022, COP15 and Kunming-Montreal (K-M) Global Biodiversity Framework raised the awareness of the international community on the need to act

further and quicker for biodiversity protection and restoration.

What is clear from the K-M Framework is that if we are **to reverse biodiversity loss, considerable capital is required, and public finance alone cannot fill the financing gap.** 2DII is engaged to align the financial sector with K-M goals and increase financing in favour of biodiversity protection and restoration by leveraging its research on impact, emerging markets and retail investment and developing new thinking and solutions to mainstream financing for biodiversity. 2DII's Nature-Finance stream aims at addressing the specific topic of finance for biodiversity while avoiding silos with social and climate change issues.

¹WEF New Nature Economy Report 2020





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2024 will be an important year for the **Nature-Finance stream**, with many new work activities planned.

Our Nature-Finance stream is active in several areas. Notably, 2DII is a strong believer in **nature-based solutions** and finding **innovative instruments** to finance their deployment in rural and urban areas while tackling potential risks of greenwashing. The stream also pursues work on biodiversity reporting. We recently saw the emergence of several reporting frameworks; be they voluntary or mandatory, they remain just as complex. The objective of our work around reporting is to clarify frameworks and to incentivise finance professionals to integrate further biodiversity into their investment decisions. Risk assessment linked to loss of biodiversity is also key since better knowledge of risks for our economy and finance should **lead decision-makers and financial institutions to increase financing**

in favour of biodiversity. 2DII is working on improving the regulatory framework linked to risk assessment and ways to mitigate such risks. Capacity building among supervisors in Europe is also a key aspect on which 2DII is involved. Leveraging on its wide network among financial actors, academia, regulators and supervisors, 2DII gathers experts in the field of biodiversity and finance to ensure that the ideas and solutions developed take into account the different views, practical constraints and challenges at stake.

For examples of our work, please see our blog. 2DII has been vocal on the links between **climate change and biodiversity loss**, the need to improve **the European regulatory framework**, the **Amazonia Summit** and the urgency of transitioning the agriculture

sector **worldwide** and in the **EU**. In October 2023, 2DII organised the Conference **Mainstreaming Finance for Biodiversity** which **brought together a number of industry professionals and regulators.** The full attendance at this event demonstrated the high interest in the topic of biodiversity protection and restoration.

As with 2DII's other streams, the Nature-Finance stream is committed to remaining independent. It is funded by **Finance ClimAct** and **Go Nature Positive** projects. 2DII is currently looking for other sources of funding in order to develop its research ideas and solutions linked to improving the European regulatory framework, capacity building, the financing of nature-based solutions and the transition of the agriculture sector.

PART 02

Concrete actions and recommendations to **move forward**

MyFairMoney 3.0

The integration of the **Swiss Climate Score Indicators** in our **fund database**



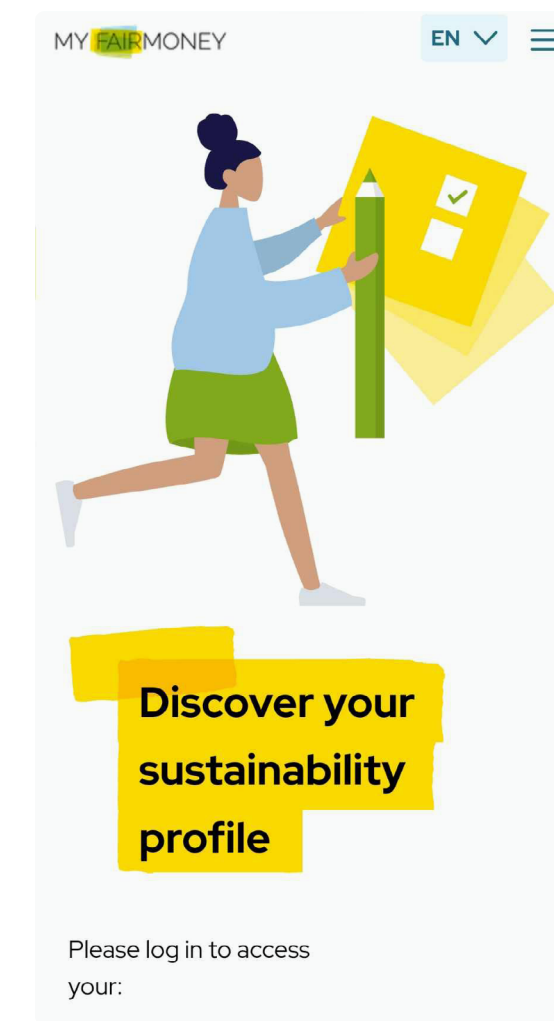
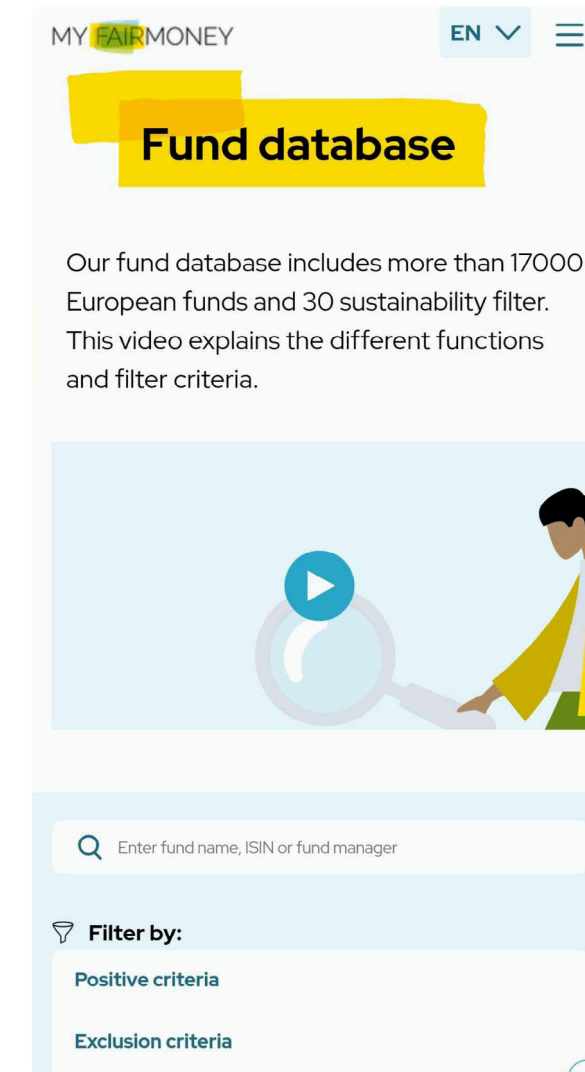
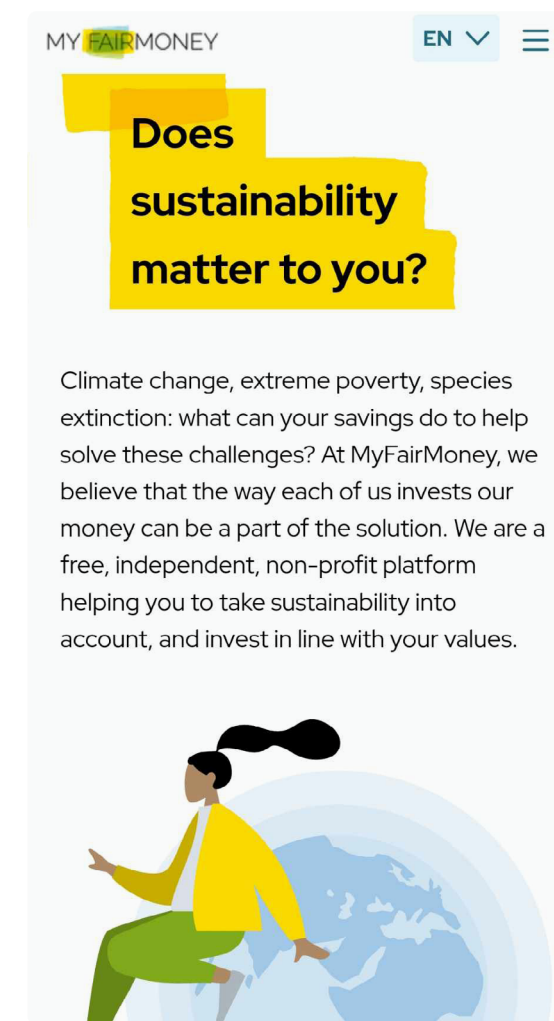
A new UX design for our fund database, including **more tool explanations**



An updated **sustainability questionnaire**



Translation into **Greek and Czech**



A **30-minute video course for beginners** (including quiz questions)



A new **MyFairMoney Impact Investing podcast series**



A unique **impact database** for retail and qualified investors based on the first pilot test of 2DII's **Impact Potential Assessment Framework (IPAF)**

We are on track with our goal to implement MyFairMoney as a **leading information platform on sustainable finance** for retail investors in Europe. Furthermore, we progressed in our collaboration with the French sustainable robot advisor and started planning an intensified partnership in 2024 in which 2DII will support Rift's next evolution step based on our experience and research outputs.

Impact Potential Assessment Framework (IPAF)

LEARN MORE →

In March 2023, we published the **Impact Potential Assessment Framework (IPAF)**, a unique methodology to assess the impact potential of financial products (including public and private market instruments, crowdfunding platforms, and saving accounts). We built on the best available knowledge from the scientific and industry community to derive a set of success factors and underlying assessment criteria. This allowed a qualitative evaluation of the main impact channels of financial products. We also published discussion papers for each mechanism to show how we came to our conclusion:

Undersupplied markets

01

Flexible capital

02

Engage and vote

03



04 Non-financial support

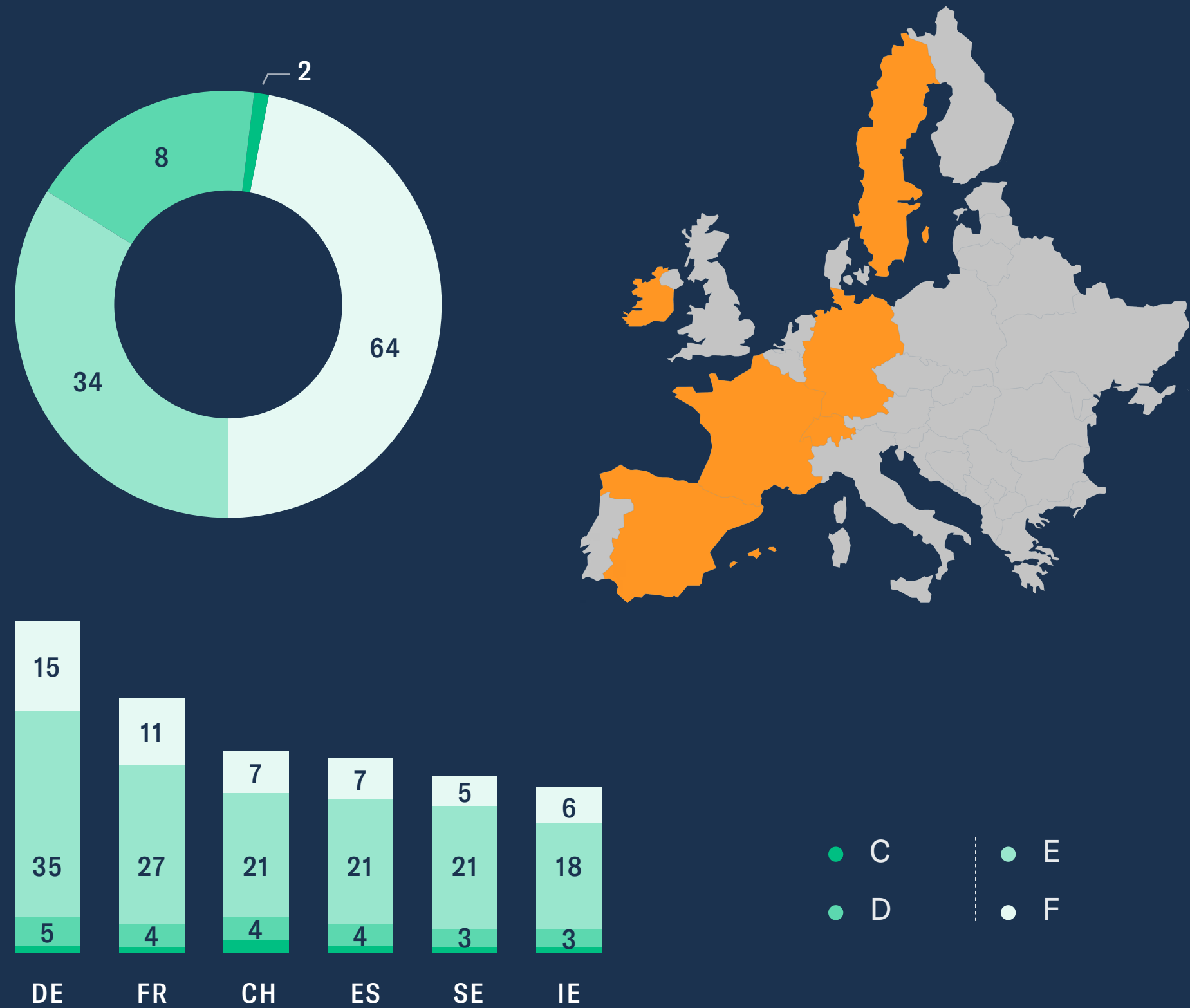
05 Market signalling

06 Non-market signalling



The IPAF can be used by product manufacturers and distributors to better understand the impact potential of financial products and is, therefore, a pivotal tool for avoiding “impact washing”.

2DII pilot-tested the framework in **Germany, France, Spain, Sweden, Ireland, and Switzerland** to identify primary market products and saving accounts with high-impact potential available for retail or qualified investors. We created a **shortlist of more than 100 products** out of a longlist of 900 products and conducted manual **analyses based on the IPAF**. See the distribution of IPAF ratings below:



Source: 2DII (2023)

→ Conclusion

Our results revealed a **lack of structured disclosure of information** on the application of the most relevant impact mechanisms. Yet, to really understand the impact potential of financial products, this requires a shift in our thinking about the disclosure of impact-relevant information. To assess the impact potential of financial products we need to think about new data points. For instance, to assess the extent to which a financial product helps growing undersupplied markets or provides flexible capital, we need to explain to what extent the investee/

project had difficulties getting funding or to which extent innovative or concessional financial solutions were applied. Furthermore, to better understand the impact potential of price signalling, more research is needed to define new indicators to assess the effect of investments on share prices, such as market size or price elasticities of stocks.

You can find all financial products that reached an E rating or better on our [MyFairMoney Impact Database](#) or our [IPAF-Database](#) for product distributors.



Climate Impact Management System

LEARN MORE →

At 2DII, we designate impact as “a clear and causal demonstrable relationship between a financial institution’s actions and a change in the real world, particularly a reduction in GHG emissions.” With that, the Climate Impact Management System (CIMS) we developed with ADEME is designed to offer financial institutions a comprehensive road map for developing, refining, and effectively communicating strategies that have a significant impact on climate change mitigation. This system transcends traditional guidelines, offering a dynamic framework that assists FIs in designing and implementing climate strategies focused on maximising their impact on mitigating climate change. The framework is adaptable for application at the entity level.

In 2023, we implemented the CIMS pilot test by collaborating with seven leading insurance companies in Colombia and one of the foremost British asset managers. During this phase, the insurance companies were able to implement the CIMS methodology in an attempt to plan the climate actions that have been deemed relevant by FIs, using the **Climate Action Template** specifically designed for this purpose. In the wake

of surveys, a comprehensive set of interviews were conducted with the FIs. These were aimed at garnering profound insights from the participating FIs about both their domestic and global challenges, strategic approaches, and future outlooks regarding climate action initiatives. Based on the knowledge we have gathered regarding the FIs’ sustainability activities, our consolidated analysis and company-specific recommendations have been disseminated to the Universidad de los Andes, Colombian insurance companies and the British asset manager. With that, the UK PACT Colombia project and the **second phase of Finance ClimAct have been successfully terminated**, and the preparations for the third phase of the CIMS pilot testing have been completed for the following year.

CIMS is one of the leading impact-oriented methodologies that can be used by financial institutions as a means of designing impactful strategies to support real-world GHG emission reduction. Thus, we have discovered common avenues of CIMS and NZBA target-setting guidelines to guide FIs in maximising their impact on climate change mitigation with the paper **CIMS vs. NZBA: Cross-Fertilizing Best Practices**.



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2DII will continue to gather experts around the topic of finance for biodiversity.

Conference on Mainstreaming Finance for Biodiversity

The Kunming-Montreal Framework clearly states that **we need to mobilise \$200 billion per year up to 2030 if we are to stand a chance of restoring and protecting our biodiversity and its ecosystems.** With the world still far from meeting its capital objectives, scaling up nature finance and plugging the financing gap will necessitate the mobilisation of both public and private finance institutions.

2DII is determined to raise awareness about the role finance can play in halting biodiversity loss and is committed to mainstreaming finance for biodiversity. In October 2023, 2DII organised a Conference on Mainstreaming Finance for Biodiversity. The goal of this event was to explore how sustainable finance can promote the conservation and restoration of biodiversity.

The event took place in Paris at the Académie du Climat. It gathered experts in the field

Find our reports, guides, and recommendations on our website:

of climate and nature finance, such as representatives of UNEP FI, the Convention on Biological Diversity, WWF, AMF (French Market Authority), CGDD (Commissariat général au développement durable), ADEME, the OFB (French office of biodiversity), Institut de la finance durable, Moonshot, La Banque Postale Asset Management, NEC Initiative and Carbon4 Finance.

The first round table dealt with the mechanisms and limits to leverage private investment for biodiversity. The second round table addressed the issue of reporting on biodiversity and how to go from transparency to real action.

Around 100 people attended the event. Tickets were sold out in a few days, so 2DII provided a replay to communicate more widely on the discussions held.





CHAPTER 04

2024 outlook, the pathway to transition

Part of 2DII's activities is to **look at the future** and identify the upcoming trends. In this chapter, we explore a few signals to monitor.





In 2023, a historic figure of investment in energy transition and clean energies was reached, amounting to \$1.77 trillion globally, including renewables, electric vehicles, nuclear power, grids, storage, low-emission fuels, efficiency improvements, and heat pumps (IEA, 2024). This surge in investment was propelled by macroeconomic contexts such as high rates of economic growth, variability in fuel prices, the Russia-Ukraine conflict, and policies aimed at combating inflation in the United States, Europe, and China.

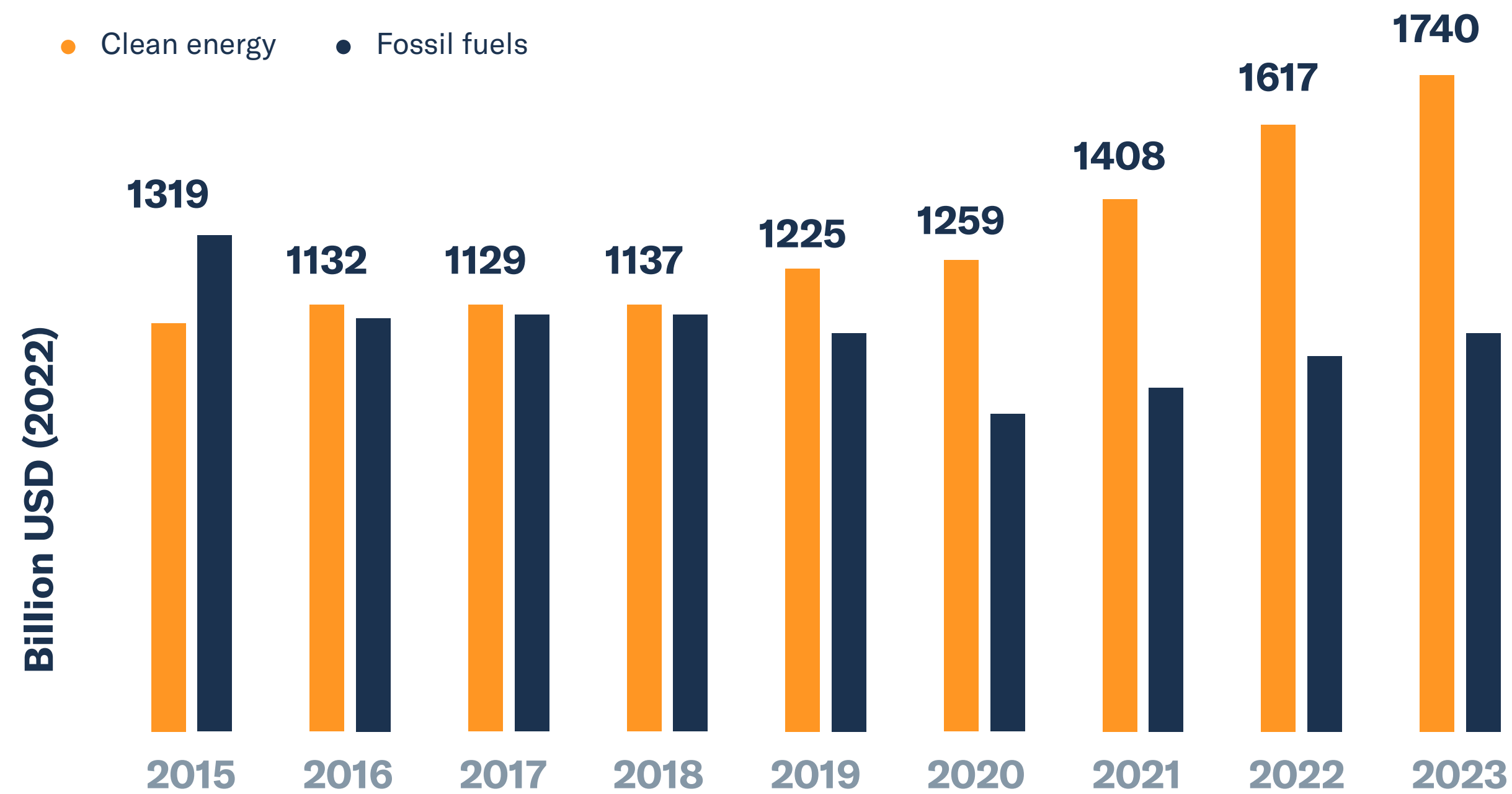
PART 01

Data to highlight and look at in 2024

The sectors driving this growth included primarily electrified transport, which contributed expenditure of \$364 billion in 2023 on vehicles and charging stations, thus increasing by 36% compared to the previous year. Meanwhile, projects in new sustainable energies such as wind, solar, biofuels, and others generated an investment of \$623 billion (BloombergNEF, 2024). From a geographical perspective, China led in spending, reaching \$676 billion, representing 38% of the total invested, followed by the US (17%). In addition, the EU invested \$212.8 billion, and the UK invested \$74 billion.

Investment in fossil fuels remained at the same levels as in 2022 (see the Global energy investment in clean energy and fossil fuels, 2015-2023 graph). According to the IEA Executive Director, «Clean energy is moving fast – faster than many people realise. This is evident in investment trends, where clean technologies are outpacing fossil fuels; for every dollar invested in fossil fuels, about \$1.7 is now going into clean energy. Five years ago, this ratio was one-to-one. One shining example is investment in solar, which is set to overtake the amount of investment going into oil production for the first time.»

Global energy investment in clean energy and in fossil fuels, 2015-2023



Source: IEA (2024). Note: 2023 values are estimated.



→ Interview of Raphaël Lebel

What are the main challenges facing the financial sector in its transition to a low-carbon economy, and what strategies does l'Observatoire de la Finance Durable – The Sustainable Finance Observatory - recommend to overcome them effectively?

The main challenge facing the financial sector lies in its economic ideology. In very concrete terms, it is imperative to put finance back at the service of the real economy and connect the real economy to the environment while promoting the development of a social base for the whole of humanity.

This requires monetary reform and a (re)evolution of legislation, both of which are possible!

However, these changes must be made without further delay. If we had had the technical foresight and political courage to use

European loans during the subprime crisis, as we did for the COVID-19 pandemic, we would certainly not have experienced a euro crisis far more prolonged and impactful than what the United States suffered.

The measures to be taken today to mitigate climate change and deal with its initial effects represent only the first phases of a much larger crisis, in which the financial risks and, hence, financial stability are vastly underestimated.

More than ever, we need robust and comparable indicators based on transparent and accessible methodologies.

The Observatoire is contributing to the publication of this type of indicator, with its research network partnering with the Institut Louis Bachelier, in particular by using methodologies developed by 2DII.

QUOTE →

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Transparency is the key to monitoring the sector's transformation and encouraging its real and global transition towards a sustainable economy!



Raphaël Lebel

Managing Director at l'Observatoire de la Finance Durable (The Sustainable Finance Observatory)

To what extent do current government policies and regulations support the sector's transition to a low-carbon economy?

Although the subject is at the heart of public debate, the responses must be bolder. Indeed, current government strategies would benefit from being more proactive and strengthened to respond effectively to the challenges we face. All too often, however, short-term considerations, particularly electoral ones, take precedence over the need to implement ambitious ecological planning at both national and European levels. This situation is particularly worrying given the recent adjustments to the European Green Deal and the potential repercussions of the forthcoming European elections, which could change the EU's political priorities.

As a member of the Board of 2DII, how do you envision collaborating between l'Observatoire de la Finance Durable—The Sustainable Finance Observatory—and 2DII to support all financial actors on the 'net-zero' trajectory by 2050?

2DII has developed internationally recognised expertise in producing solid methodologies used by both financial players and political decision-makers.

L'Observatoire's objective is to create a dashboard to monitor the financial sector's contribution to a sustainable economy. At the design stage, this dashboard will need several indicators to be exhaustive. Our ambition is to use the tools developed by 2DII in the context of international studies to make the results available in open data in the form of dynamic data.





CHAPTER 05

They make 2DII

2° Investing Initiative's governance, partners and operational team are **mobilized daily** to advance thinking on sustainable finance.

Meet with those who make 2DII.

PART 01

The team

French organisational structure

[LEARN MORE](#) →



Hélène Lanier
MANAGING DIRECTOR



Carole Dussartre
FINANCIAL AND
ADMIN MANAGER



Nicola Koch
HEAD OF RETAIL



Laëtitia Kalonji
SENIOR COMMUNICATION
MANAGER



Edgi De Los Santos J.
DIRECTOR OF
EMERGING MARKETS US



Javier Sandin
OPERATIONS AND
GRANT MANAGER



Samia Baadj
HEAD OF NATURE
FINANCE



David Cooke
POLICY MANAGER



**Thierry
Santacruz**
PROJECT MANAGER



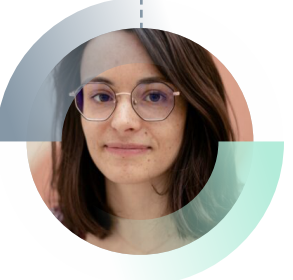
Ana Rivera
DATA ANALYST



Gözde Mavili
SENIOR ANALYST



**Maximilien
Boyne**
ANALYST



**Noémie Le
Peuedic**
PHD

WORK-LIFE BALANCE, OUR ETHOS

Sustainability is, first and foremost, an internally driven concern. That's why, at 2DII, we are committed to supporting our employees in their professional development and ensuring their well-being on a daily basis. We offer the possibility of attending training and conferences to improve our employees' professional skills.

We create a **thriving environment for our employees**, taking into account external situations such as inflation, transportation, and personal life. Thus, with regard to soaring inflation during 2023, we decided to help employees by increasing the **meal voucher allowance (from €10 to €12)** and **covering 54% of the costs instead of 50%**. In parallel, as we support low-impact mobility, we implemented the Sustainable Mobility Package that allows employees to come to the office using other means of transport instead of public transportation. The employees can benefit from a yearly allowance. We already cover **100% of the public transport fees for all our employees**. 2DII allows its employees to **work remotely**.

PROCESSES & TRANSPARENCY

2023 was a transitional year where internal policies were updated. We kept **improving processes to meet funders' standards and requirements**. Therefore, we implemented adapted and efficient tools to have a better overview and follow-up on time allocation.

The Board

3 Board Members (as of 31 December 2023):



Robin Edme
PRESIDENT UNTIL 28 JULY 2023



Corinne Lepage
PRESIDENT FROM 28 JULY 2023



Stéphane Voisin
TREASURER

2
Applications
received

from prospective board members (the candidates were to be elected in January 2024):

Damo Menon - Board Member, Senior Strategic Advisor, Sustainability & Climate Finance, based in New-York

Raphaël Lebel - Board Member, Managing Director of l'Observatoire de la Finance Durable

2022
Certified
Accounts

in the General Assembly on 9 October 2023

19 members
as of 31 December 2023

4 board
meetings
in 2023

The Partners



Better Finance



Rocky Mountain Institute



Institut de la finance durable
(former Finance for Tomorrow)



Institut Louis Bachelier



The French Agency for Ecological
Transition (ADEME – Agence de
la transition écologique)

General Commission for Sustainable
Development (CGDD - Commissariat
général au développement durable)



NEC



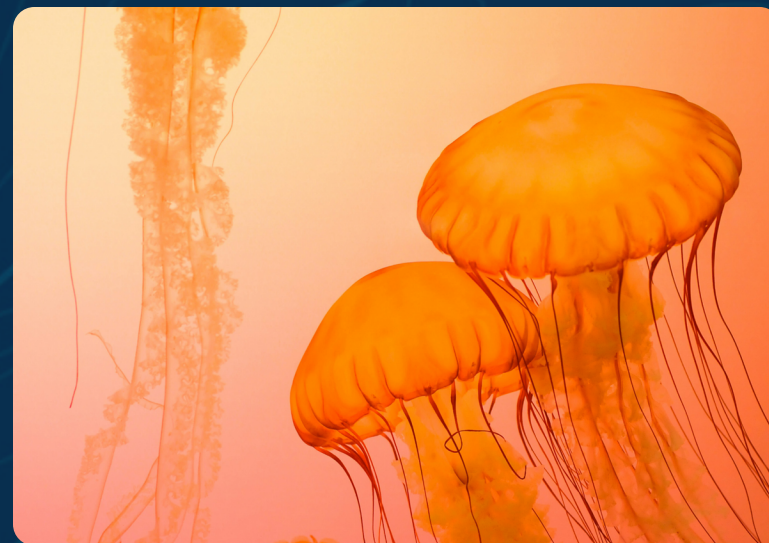
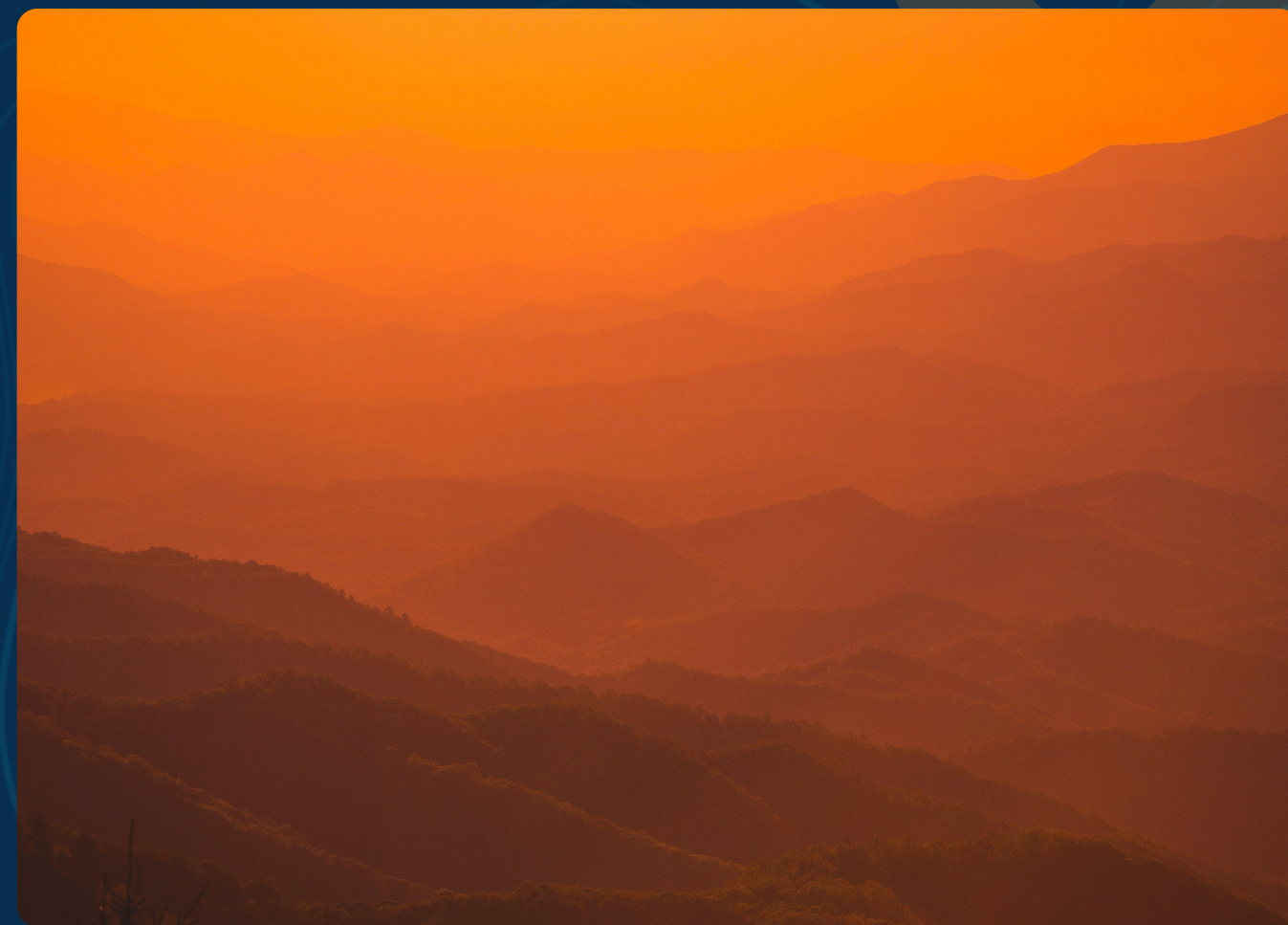
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CHAPTER 06

2023 Financial Statements

The financial statements reflect the situation of the 2° Investing Initiative association at **December 31, 2023**. The financial statements have been audited by independent external auditors.



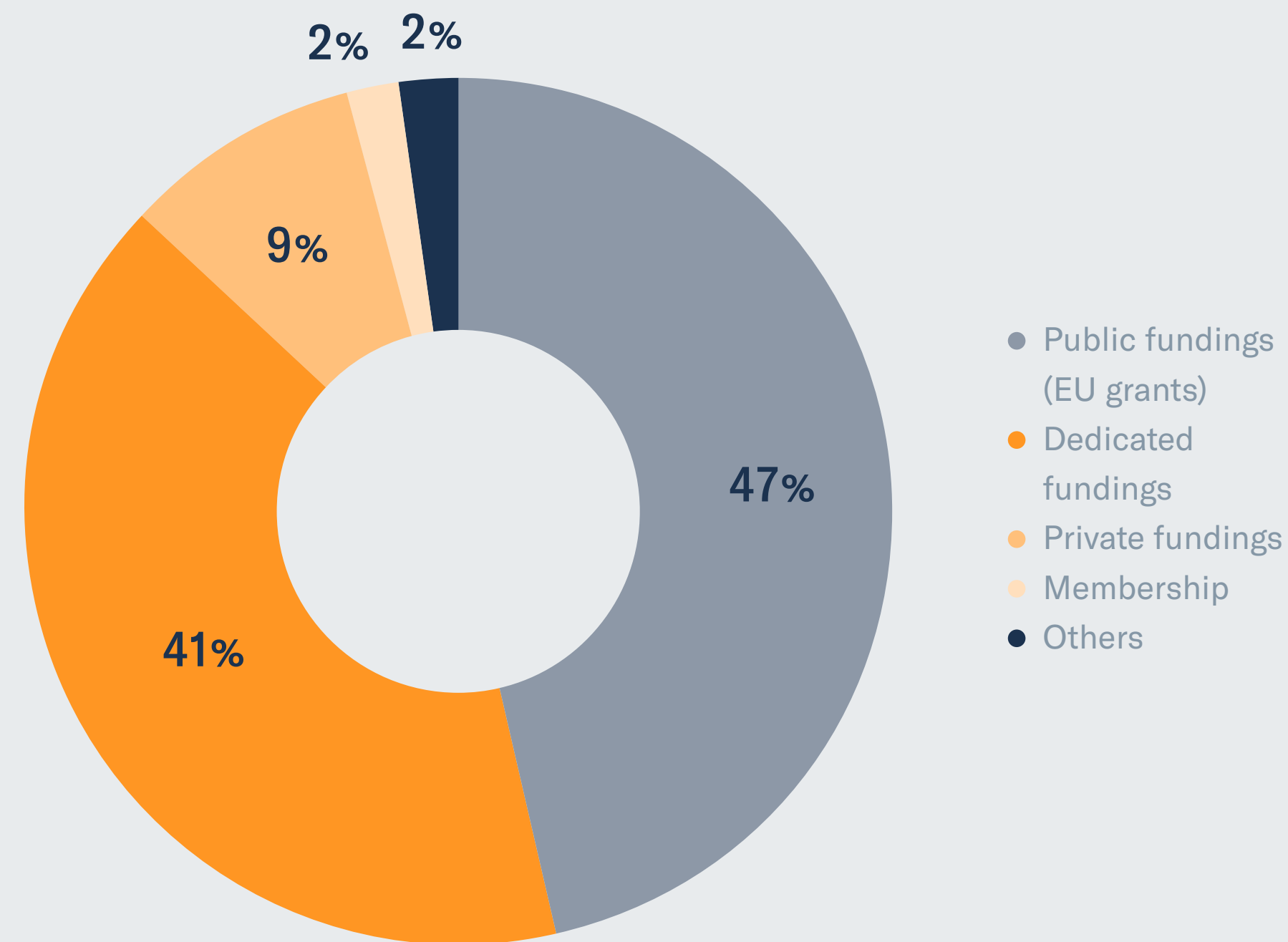
The association generated a **loss of -€1,322,201 in 2023** against a **profit of +€5,193,030 in 2022**. The 2023 operating result comes out at -€1,314,897.

	2023	2022	Variation
Operating income	2,677,755	2,040,503	+ 637,252
Operating expenses	3,992,651	3,470,452	+ 522,199
Operating result	-1,314,897	-1,429,949	+ 115,052
Financial result	43,708	-1 460	+ 42,248
Exceptional income/expense	-51,104	+6,624,439	-6,573,335
Net result	- 1,332,201	+5,193,030	- 3,895,329

Source: 2023 financial statements established by Certus Rigot.

Breakdown of resources

2DII's main resources come from Public funds such as **European programmes (47%)** and **European government, "dedicated funds" (41%)** and then **private fundings (9%)**.



Breakdown of expenses

2DII's main expenses cover the **dedicated funds provision (36%)**, **the operating costs (30%)** and **staff costs (23%)**.

