EerlijkeGeldwijzer

Dutch financial institutions decarbonising their energy portfolios

Analysing financial flows to fossil fuels and renewable energy

22 October 2024

About the Eerlijke Geldwijzer - Fair Finance Guide Netherlands

This report has been commissioned by the Eerlijke Geldwijzer (Fair Finance Guide Netherlands). The Eerlijke Geldwijzer is a coalition of the following organisations: Amnesty International, Milieudefensie, Oxfam Novib, PAX and World Animal Protection. The aim of the Eerlijke Geldwijzer is to encourage corporate social responsibility by financial institutions. Not all coalition members of the Eerlijke Geldwijzer work on all themes and/or sectors on which the research of the Eerlijke Geldwijzer focuses. Reports on specific themes therefore do not necessarily reflect the opinion of all coalition members of the Eerlijke Geldwijzer.

Fair Finance Guide Netherlands is part of Fair Finance International (FFI), an international civil society network initiated by Oxfam working in twenty-two countries with over 150 CSOs, that seeks to strengthen the commitment of banks and other financial institutions to social, environmental and human rights standards.

About this report

This report analyses the financings and investments in fossil fuels and renewable energy made by 33 financial institutions operating in the Netherlands during 2016–2023, except for bond holdings, which are analysed at the most recent filing date, August 2024. It is a follow-up to earlier studies in 2015 (which focused on banks), 2018 (banks and insurance companies) and 2021 (banks, insurance companies and pension funds).

Authorship

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Summary

In the period 2016—2023, six Dutch banks provided EUR 51.2 billion in loans and underwriting services to fossil fuels versus EUR 13.6 billion to renewables. At the end of 2023, banks, insurers and pension funds active in the Netherlands had invested EUR 71.6 billion in fossil fuels, versus EUR 17.9 billion in renewables. According to the 2023 update of the IEA Net Zero in 2050 scenario, the ratio of renewable energy to fossil fuel investments needs to change to six Euros of investment in renewables for every Euro in fossil fuels by 2030 if we want to limit global warming to 1.5°C. As the data for the end of 2023 shows, most banks, insurers and pension funds active in the Netherlands still have a long way to go to reach such ratio. In 2023, This research findings reveal a current investment financing ratio of 0.3:1 for pension funds; 0.1:1 for insurance companies and 0.2:1 for banks. For every Euro invested in fossil fuels, only 30 cents (pension funds), 10 cents (insurance companies) or 20 cents (banks) are invested in renewable energy. For credit financing by banks, this is slightly better: 0.4:1, meaning 40 cents to renewables for every euro spent in fossil fuels.

Overall findings for all financial institutions

This research finds that most of the financial institutions considered in this study have not yet shifted their investments from fossil fuels to renewables sufficiently and are, as such, not aligned with the Paris Climate Agreement goals. Specifically, the credit financing by Dutch banks between 2016—2023 was 79% attributable to fossil fuels and 21% to renewables. At the end of 2023, the proportion of credit financing between fossil fuels and renewables was 69% and 31%, respectively. Discriminating between loans and underwriting services, this research finds that most of the financing provided has been through loans. On average, banks financing through loans have been between three to four times as much as that through underwriting services.

Considering investment financing, this research finds that, at the latest filing date, August 2024, the selected financial institutions (banks, insurance companies and pension funds) held EUR 26.5 billion in shares and bonds issued by energy companies. Out of these EUR 26.5 billion, 84% (EUR 22.3 billion) was attributable to fossil fuels and only 16% (EUR 4.2 billion) to renewable energy.

Table 1 provides an overview of the findings for all 33 financial institutions, showing how much each of them has lent to and invested in the selected companies. The table also shows which proportion of the credit and investment financing of each financial institution was attributable to fossil fuels and renewable energy.[i]

Table 1 Financial institutions' credit and investment financing, 2016 and Aug 2024[ii]

Financial institution	Category	Credit (EUR mln, 2016—2023)	Investment (EUR mln, Aug 2024)	Share of fossil fuels	Share of renewables
ABN Amro	Bank	18,223	249	90%	10%
Bunq	Bank				
De Volksbank	Bank	369	0	0%	100%
ING Group	Bank	38,964	834	82%	18%

[i] For banks which have both provided credits and made investments, the percentage is calculated on the basis of the financial flow which is most relevant for the financial institution.

[ii] Blank cells in the table means that not financing was identified for that particular financial institution,

Financial institution	Category	Credit (EUR mln, 2016—2023)	Investment (EUR mln, Aug 2024)	Share of fossil fuels	Share of renewables
NIBC	Bank	72	0	100%	0%
Rabobank	Bank	6,984	0	41%	59%
Triodos Bank	Bank	143	90	0%	100%
Van Lanschot Kempen	Bank	0	542	83%	17%
Achmea	Insurance		93	34%	66%
Allianz	Insurance		13,968	89%	11%
ANWB	Insurance				
ASR	Insurance		173	82%	18%
Athora	Insurance		196	67%	33%
CZ	Insurance		11	78%	22%
De Goudse Verzekeringen	Insurance				
DSW Zorgverzekeraar	Insurance				
Klaverblad Verzekeringen	Insurance				
Menzis	Insurance		4	46%	54%
NN Group	Insurance		145	65%	35%
ONVZ	Insurance				
Unive	Insurance				
VGZ	Insurance		21	68%	32%
ZLM	Insurance				
Zorg en Zekerheid	Insurance				
ABP	Pension fund		3,636	69%	31%
BpfBOUW	Pension fund		1,099	86%	14%
BPL Pensioen	Pension fund		375	94%	6%
Pensioen Detailhandel	Pension fund		610	85%	15%
PH&C	Pension fund		90	73%	27%
Pensioenfonds Vervoer	Pension fund		563	86%	14%
PFZW	Pension fund		1,634	61%	39%
PME	Pension fund		559	73%	27%
PMT	Pension fund		1,638	84%	16%

As can be seen in Table 1, the banks providing more credit financing to the selected companies between 2016 and 2023 are ING Bank (EUR 39.0 billion), ABN Amro (EUR 18.2 billion) and Rabobank (EUR 7.0 billion). Considering only 2023, the top three banks providing credit financing are ING Group (EUR 5.6 billion), Rabobank (EUR 1.0 billion) and ABN Amro (0.9 billion).

In terms of investment financing, the main investors in shares and bonds of the selected companies at the latest filing date are the insurance company Allianz (EUR 14.0 billion), followed by the pension funds ABP (EUR 3.6 billion), PMT and PfZW (EUR 1.6 billion each).

To align with a Net Zero Emissions (NZE) 2050 scenario, financial institutions must achieve a 6:1 ratio of sustainable power supply to fossil fuel financing by 2030. That is equivalent to a proportion of financing and investments of 14% financing to fossil fuel and 86% financing to renewable energy. Table 2 presents the financing ratios at the start and end of the period under analysis, as well as the estimated ratio by 2030 and the year by which the financial institutions will achieve the 6:1 ratio given the current trends in their financing.

Table 2 Financial institutions' financing ratios by financing type

Category	Finance type	Financial institution	Start ratio	End ratio	2030 ratio	Alignment year (6:1)
Banks	Loans and underwriting	De Volksbank	1.0:0	1.0:0	1.0:0	Aligned
		NIBC Holding	1.0:0	1.0:0	1.0:0	Aligned
		Triodos Bank	1.0:0	1.0:0	1.0:0	Aligned
		Rabobank	0.7:1	2.0:1	4.8:1	Aligned
		ING Group	0.2:1	0.4:1	1.2:1	Not aligned
		ABN Amro	0.2:1	0.3:1	0.9:1	Not aligned
		Van Lanschot Kempen	n/a	n/a	n/a	n/a
	Shareholding	De Volksbank	1.0:0	1.0:0	1.0:0	Aligned
		Triodos Bank	1.0:0	1.0:0	1.0:0	Aligned
		ABN Amro	0.2:1	0.7:1	2.1:1	Not aligned
		ING Group	0.0:1	0.0:1	0.2:1	Not aligned
		Van Lanschot Kempen	0.2:1	0.2:1	0.3:1	Not aligned
		NIBC Holding	n/a	n/a	n/a	n/a
		Rabobank	n/a	n/a	n/a	n/a
Insurers	Shareholding	Achmea	0.1:1	1.9:1	69.9:1	Aligned
		Menzis	n/a	2.3:1	n/a	n/a
		VGZ	n/a	1.3:1	n/a	n/a
		NN Group	0.0:1	0.5:1	1.9:1	Not aligned
		Athora	n/a	0.5:1	n/a	n/a
		ASR Nederland	0.0:1	0.2:1	0.6:1	Not aligned
		CZ Group	n/a	0.2:1	n/a	n/a
		Allianz	0.0:1	0.1:1	0.3:1	Not aligned
Pension funds	Bond and shareholdings	PFZW	0.1:1	0.6:1	2.7:1	Not aligned
		ABP	0.1:1	0.4:1	2.1:1	Not aligned
		Pensioenfonds Vervoer	0.1:1	0.2:1	1.5:1	Not aligned
		PME	0.1:1	0.4:1	2.0:1	Not aligned
		PH&C	0.1:1	0.4:1	1.6:1	Not aligned
		BpfBOUW	0.1:1	0.2:1	0.3:1	Not aligned
		PMT	0.1:1	0.2:1	0.4:1	Not aligned
		Pensioenfonds Detailhandel	0.1:1	0.2:1	0.3:1	Not aligned
		BPL Pensioen	0.2:1	0.1:1	0.0:1	Not aligned

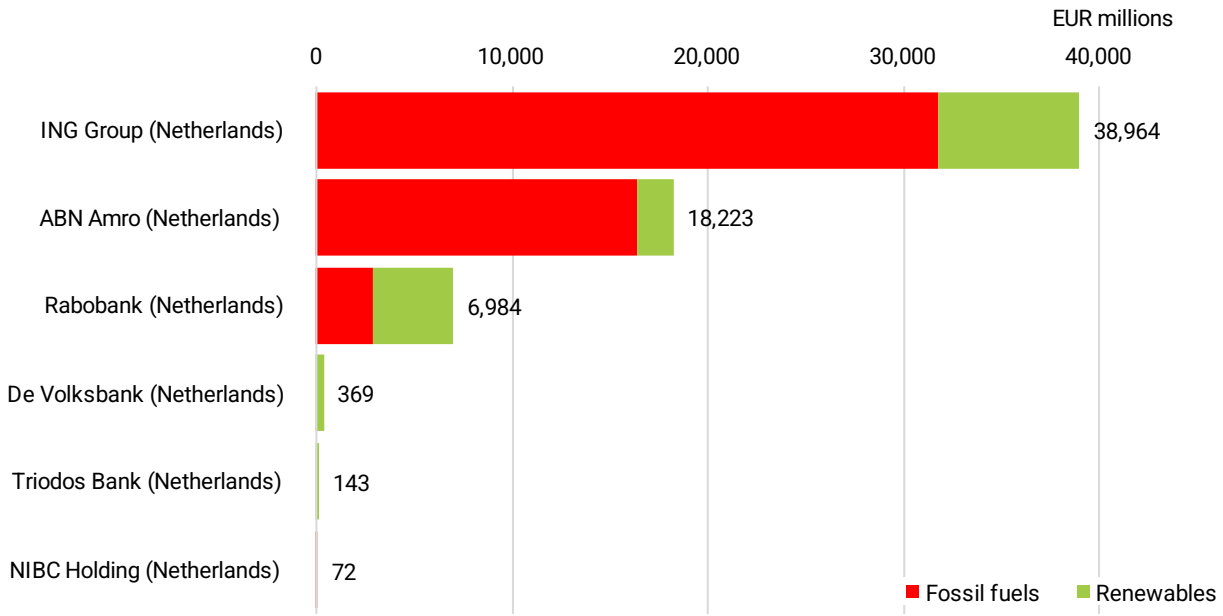
The following subsections discuss the findings of the study in more detail for the three categories of financial institutions: banks, insurance companies and pension funds.

Banks' financing

In the period 2016 to 2023, six Dutch banks (ABN Amro, De Volksbank, ING Group, NIBC Holding, Rabobank and Triodos) provided EUR 64.8 billion in loans and underwriting services to the selected companies. Of this financing, 79% (EUR 51.2 billion) was attributable to fossil fuels and 21% (EUR 13.6 billion) to renewable energy.

Figure 1 shows that ING Group was the largest creditor of the selected companies, providing EUR 39.0 billion in loans and underwriting services in the period 2016—2023, of which EUR 31.8 billion went to fossil fuels. ABN Amro provided EUR 18.2 billion in financing (EUR 16.4 billion to fossil fuels) and Rabobank provided EUR 7 billion, of which EUR 2.9 billion went to fossil fuels. While De Volksbank, Triodos and NIBC Holding played smaller roles, with a total credit financing of EUR 369 million, EUR 143 million and EUR 72 million, respectively.

Figure 1 Total banks' loans and underwriting by energy source (2016—2023, EUR mln)



In terms of the proportion of investments per energy source, Figure 2 presents a gradual decline in the share of fossil fuels vs renewables. The main exception is in 2020 when the COVID-19 pandemic caused a dip in the market value of several fossil fuel companies. Nonetheless, despite the downward trend observed in fossil fuel financing, various Dutch banks are not on track to meet the target ratio of 6:1 by 2030. In fact, this ratio will only be achieved around 2042, twelve years behind schedule.

Figure 2 **Banks' proportions of loans and underwriting by energy source (2016—2023, forecast 2024—2030)**

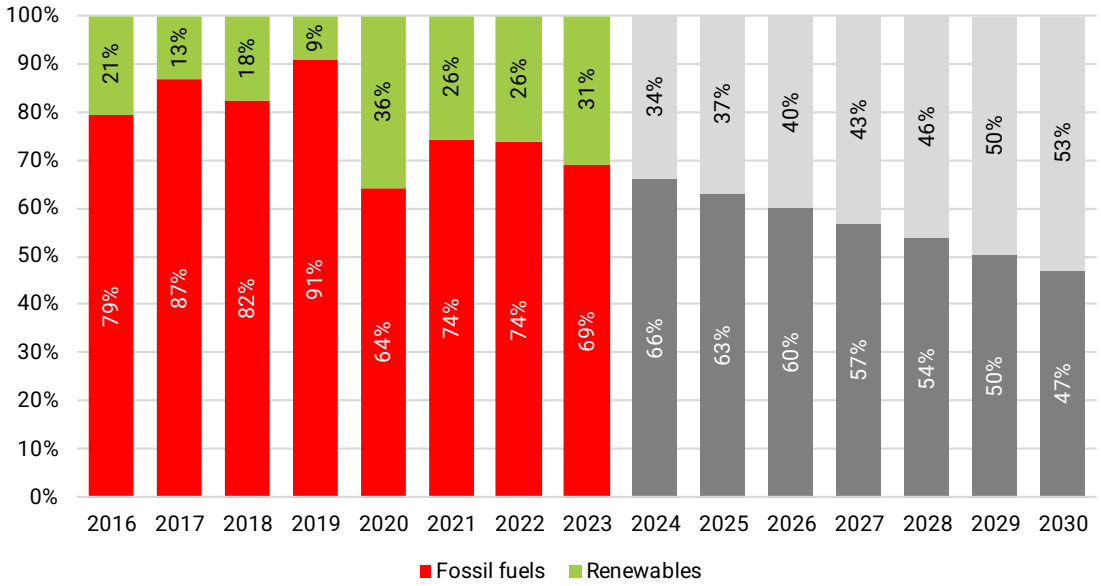
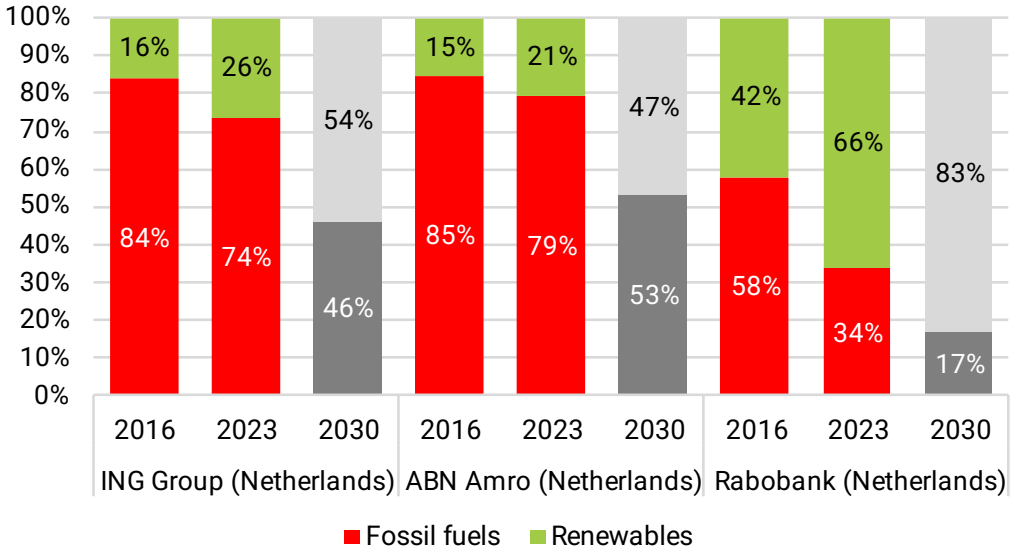


Figure 3 shows that Rabobank increased the proportion of renewable energy in its energy sector credits from 42% to 66% from 2016 to 2023. ABN Amro increased from 15% to 21% and ING from 16% to 26%. Furthermore, based on the current trend of the renewable energy to fossil fuels financing ratio, the only bank close to achieve a 6:1 ratio by 2030 is Rabobank which is estimated to be financing 83% of renewable energy and 17% of fossil fuel by 2030.

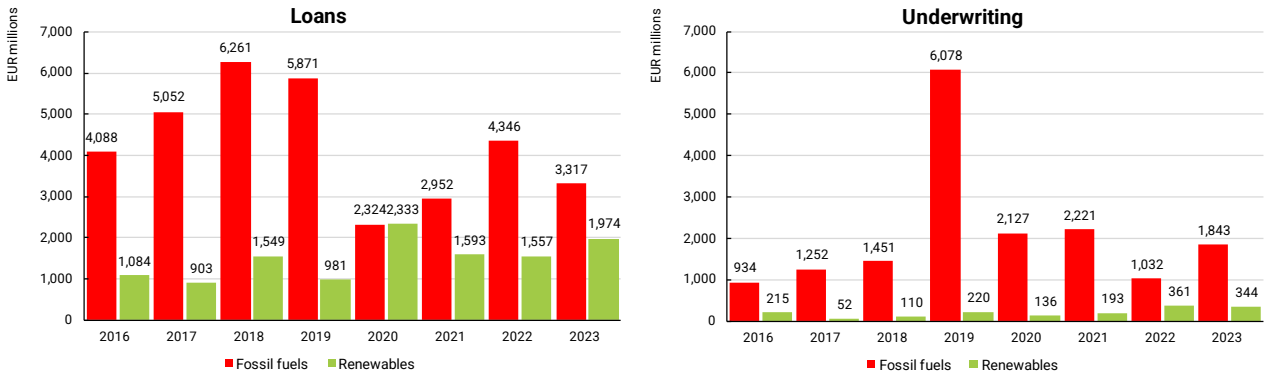
Figure 3 **Banks' proportions of loans and underwriting by energy source (2016, 2023, 2030 forecasted)**



Of the four banks not shown in Figure 3, Bunq and Van Lanschot Kempen are not involved in energy sector financing. De Volksbank and Triodos Bank are involved in energy financing, all of which is attributable to renewable energy.

Discriminating by type of financing, loans and underwriting services, separately, this research finds that loans have been the predominant source of financing, accounting for approximately three to four times the amount of financing through underwriting services, except for 2019, as evident in Figure 4. This pattern is particularly evident in the financing of renewable energy companies, where loans have been the primary source of financing.

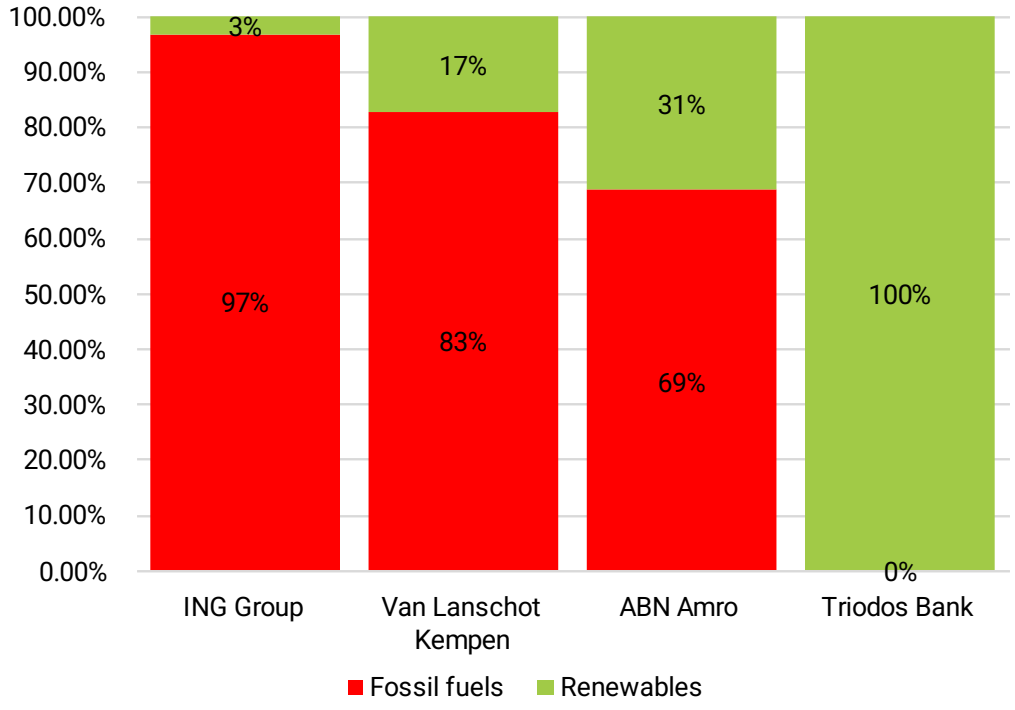
Figure 4 Banks' loans and underwriting by energy source (2016—2023, EUR mln)



Apart from loans and underwriting services, we found that the asset management divisions of four Dutch banks (ABN Amro, ING Group, Triodos and Van Lanschot Kempen) had invested a total amount of EUR 1.7 billion in the shares and bonds of the selected energy companies in August 2024. Of this amount, EUR 1.4 billion (83%) was attributable to fossil fuels and EUR 0.3 billion (17%) was attributable to renewable energy.

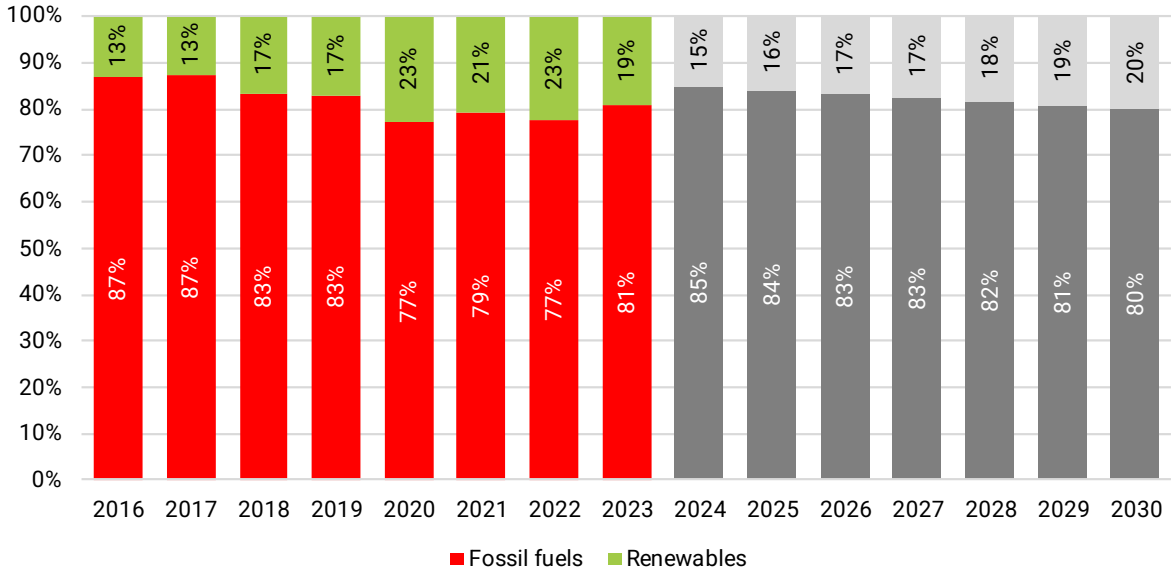
As shown in Figure 5, Triodos is consistently investing only in shares and bonds attributable to renewable energy. Among the other banks, ABN Amro follows with a proportion of its investments attributable to renewable energy of 31% and Van Lanschot Kempen (17%). ING Group (3%) is lagging far behind.

Figure 5 Banks' proportions of investments by energy source (Aug 2024)



Considering the evolution of the proportions of the shareholdings between 2016 and 2023, this research finds that Dutch banks' shareholdings of fossil fuel companies has reduced only slightly. While in 2016 the proportion of shareholdings of fossil fuels was 87%, by 2023 it has decreased to only 81%. Continuing with this trend, Dutch banks will reach the 6:1 ratio of renewables to fossil fuels financing only by 2084.

Figure 6 Banks' proportions of shareholdings by energy source, (2016—2023, forecast 2024—2030)



Insurance companies' financing

At the most recent filing date, August 2024, eight insurance companies active in the Netherlands held EUR 14.6 billion of shares and bonds issued by the selected energy companies. 88% of these investments (EUR 12.8 billion) were attributable to fossil fuels and only 12% (EUR 1.8 billion) to renewable energy. The other insurance companies considered in the study have no data available in the databases considered in the research.

Figure 7 Insurance companies' investments by energy source (Aug 2024, EUR mln)

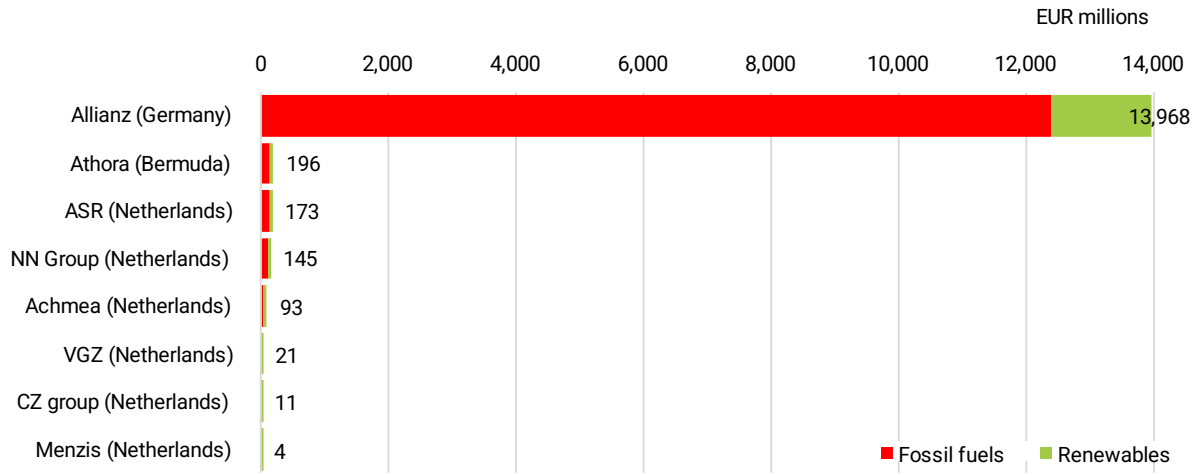
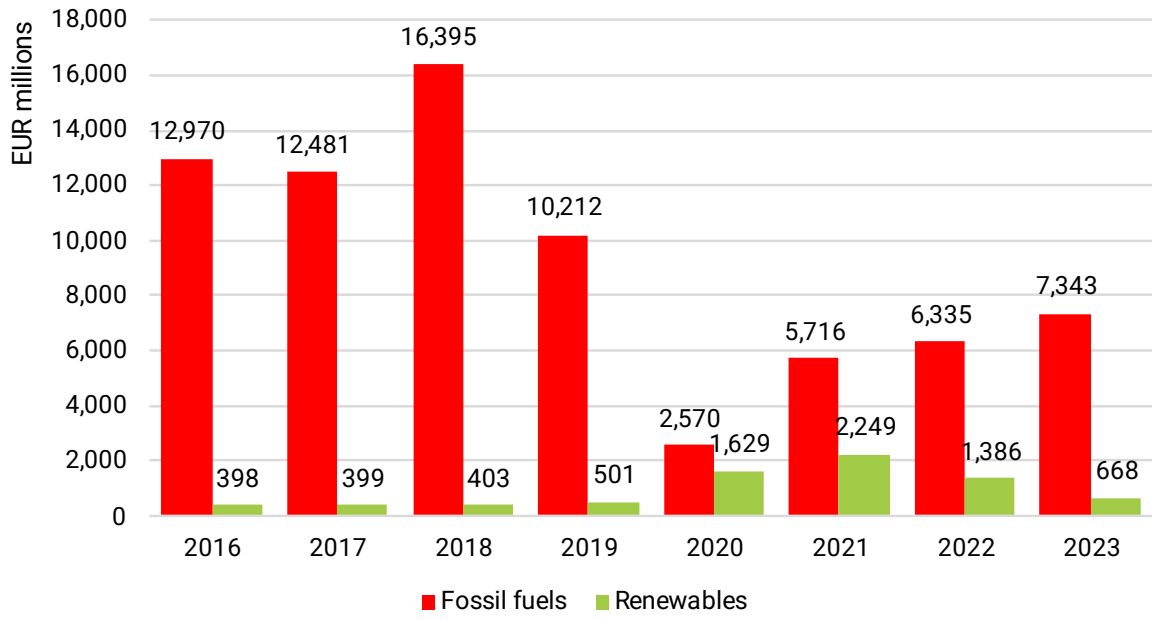


Figure 7 shows that Allianz accounts for the lion's share of insurance companies' investments in the energy sector identified in this study, with a total investment of EUR 14.0 billion (96.0%) in August 2024, followed by Athora (1.3%), ASR Nederland (1.2%), NN Group (1.0%), Achmea (0.6%),

VGZ (0.1%), CZ Group (0.1%) and Menzis (0.03%).

The eight insurance companies, for which financing data was identified, held EUR 10.2 billion in shares of the selected companies in August 2024. Of these investments, 92% (EUR 9.4 billion) was attributable to fossil fuels and 8% (EUR 0.8 billion) to renewable energy. During the research period (2016—2023), insurance companies reduced their equity exposure to the energy sector and shifted slightly from fossil fuels to renewable energy within the sector. While in 2016 insurance companies held EUR 13.4 billion in investments in the selected companies (97% in fossil fuels and 3% in renewables), by 2023 their investments were reduced to EUR 8.0 billion (92% in fossil fuels and 8% in renewables).

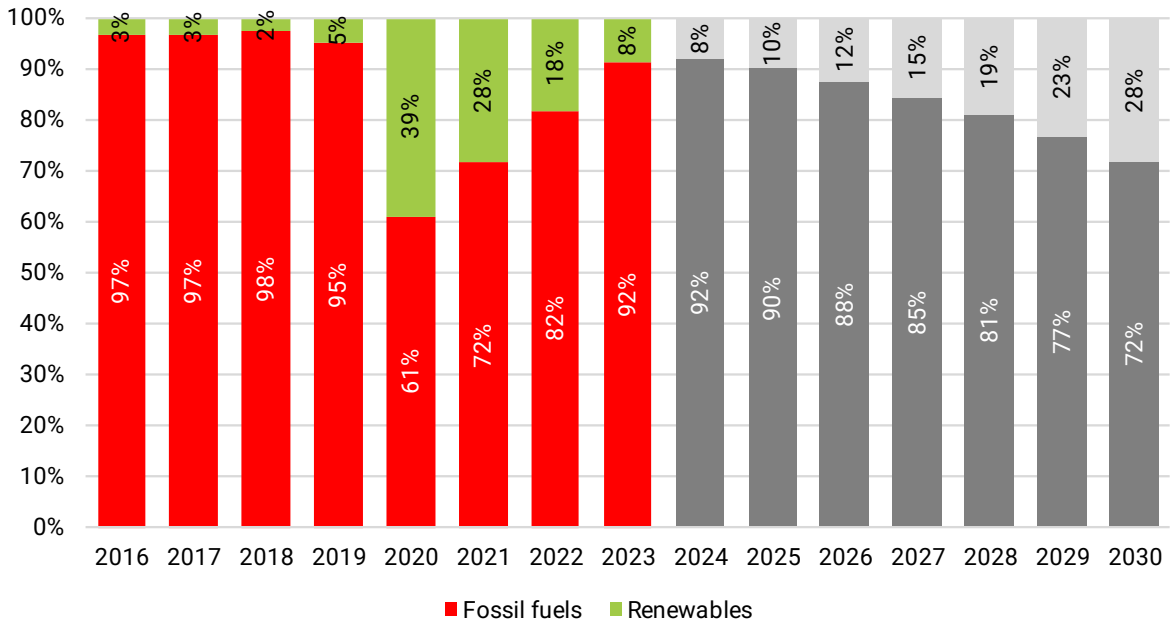
Figure 8 Insurance companies' shareholdings by energy source (2016–2023, EUR mln)



To assess whether insurance companies are on track to meet the 6:1 financing ratio between renewables and fossil fuels, it's crucial to determine the trend. In the case of the insurance companies, there are two possible trends depending on the period considered. Examining the last half of the period (2020—2023), an upward trend is evident (see Figure 9), suggesting that insurance companies are not going to achieve the 6:1 ratio without altering their investment strategies.

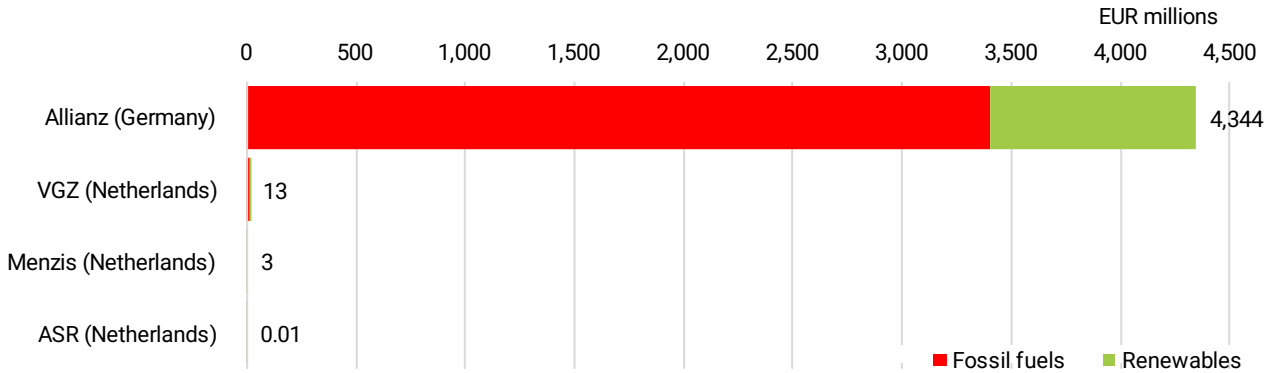
On the other hand, analyzing the entire period (2016—2023) reveals a slight downward trend. The proportion of financing allocated to renewables has increased from 3% in 2016 to 8% in 2023. However, this downward trend still falls short of meeting the 6:1 ratio for sustainable power supply to fossil fuel financing by 2030. Moreover, achieving this ratio will require a ten-year delay, pushing it back to 2040.

Figure 9 **Insurance companies' proportions of shareholdings by energy source (2016—2023, forecast 2024—2030)**



In terms of bond holdings, six insurance companies (Allianz, Athora, VGZ, Menzis, CZ Group and ASR Nederland) held EUR 4.4 billion in bonds issued by the selected companies in August 2024. Different from the trend for their investments in energy shares, 78% of their investments in energy bonds (with a value of EUR 3.5 billion) was still attributable to fossil fuels and 22% (EUR 1.0 billion) to renewable energy.

Figure 10 **Insurance companies' bond holdings by energy source (Aug 2024, EUR mln)**

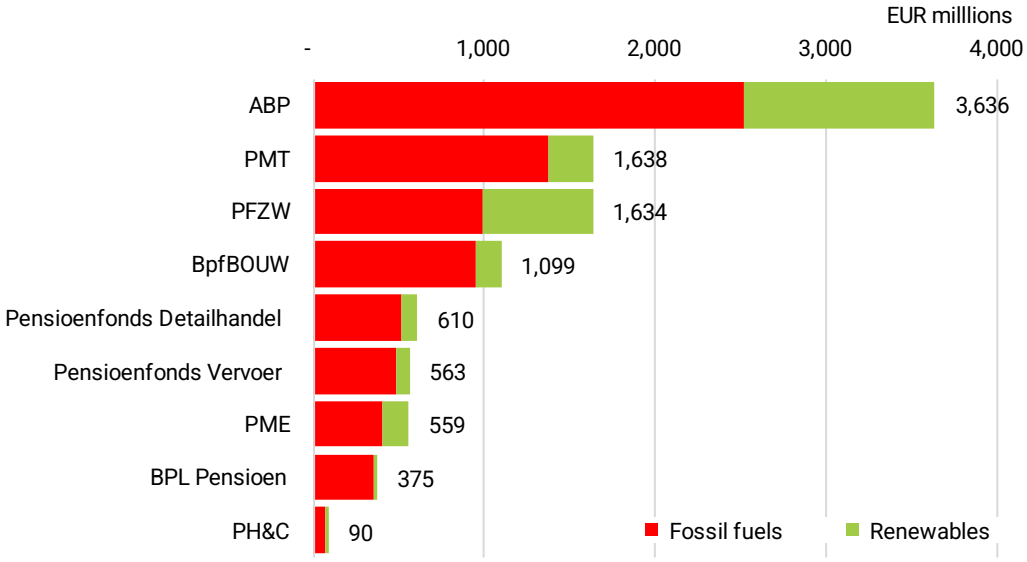


Pension funds' financing

At the end of 2023, nine Dutch pension funds held EUR 10.2 billion of shares and bonds issued by the selected energy companies. 75% of the investments in the selected companies (with a value of EUR 7.7 billion) was attributable to fossil fuels and 25% (EUR 2.5 billion) to renewable energy.

Figure 11 shows that ABP was the largest investor in the selected companies. It held EUR 3.6 billion in bonds and shares at the end of the fourth quarter 2023. It was followed by PMT and PFZW with EUR 1.6 billion each.

Figure 11 Pension funds' investments by energy source (Dec 2023, EUR mln)



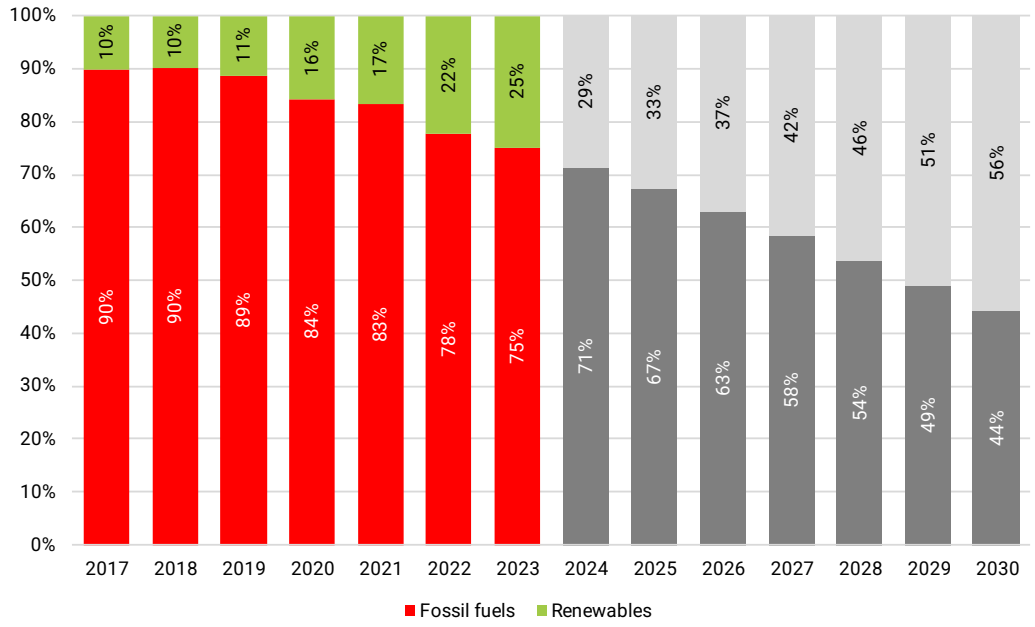
During the period under analysis, this research finds that all pension funds have invested the majority of their energy sector portfolios in fossil fuels. As Figure 12 shows, that is still the case, although all pension funds, but for Pensioenfonds Detailhandel, have increased their proportion of investments attributable to renewable energy. The increase in the proportion of investments in renewables is not because the pension funds are investing a lot more in renewable energy companies but because they have reduced their investments in fossil fuel companies.

Among its peers, PFZW and ABP rank best with a 39% and 31%, respectively, proportion of renewable energy. On the contrary, the pension funds with higher proportions of fossil fuels in their portfolios are Pensioenfonds Detailhandel and BpfBOUW with only 15% and 14% of their portfolios invested in renewable energy companies, respectively.

Figure 12 Pension funds' proportions of investments by energy source (Dec 2017–Dec 2023)

Considering all pension funds together, this research finds that Dutch pension funds are moving in the right direction, but still far from reaching the 6:1 ratio of renewables to fossil fuels financing by 2030. Based on the available information, this research estimates that by 2030, Dutch pension funds will be investing about 56% of their shareholding portfolios in renewable energy companies and 44% in fossil fuels. At the most, based on the current trend, the pension funds will reach the 6:1 ratio by 2039 (see Figure 13).

Figure 13 Pension funds' proportions of investments by energy source (2016—2023, forecast 2024—2030)



Background

This report is a follow-up research of a case study for the Eerlijke Geldwijzer (Dutch Fair Finance Guide) on how financial institutions active in the Netherlands deal with climate change. The study analyses the energy sector financing and investments by eight banks, sixteen insurance companies and nine pension funds active in the Netherlands. Following the same approach as earlier Fair Finance Guide studies in 2015 (*Undermining Our Future* - which focused on banks), 2018 (*Still Undermining Our Future* - banks and insurance companies) and 2021 (*Fossil fuel versus renewable financing by financial institutions active in the Netherlands* – banks, insurance companies and pension funds), the current study assesses the percentages of their energy financing and investments attributable to fossil fuels and to renewable energy.

To make this assessment, financial flows (credits and investments) to more than a thousand companies operating in the global energy sector (coal, oil & gas, electricity, renewable energy equipment) were researched for the period January 2016 to August 2024. The selection of the companies includes global players as well as smaller companies active in the Netherlands and worldwide, covering around 90% of the global and Dutch fossil fuel and renewable energy sectors. The financial institutions were given the opportunity to comment on these findings on their credits to and investments in, the selected energy companies.

For each identified financial flow (credit or investment) between a financial institution active in the Netherlands and an energy company, this research has calculated the proportions which are attributable to fossil fuels and to renewable energy. These proportions have been calculated in a forward-looking manner, as much as possible, by deriving them from the investment plans of the energy companies' latest available annual report. In the case of loans or bonds, we have taken into account if the financing was earmarked for specific investment projects.

Alignment with the Paris Climate Agreement goals

To put the findings of this study in perspective, two recent assessments of what is needed to meet the Paris Climate Agreement's goals are relevant. In December 2015, 196 countries and multilateral organisations adopted the Paris Climate Agreement. This agreement legally binds the signatories to commit to the goal of limiting global warming to well below 2°C, preferably to 1.5 °C, compared to pre-industrial levels.

At the end of 2020, the United Nations Environmental Programme (UNEP) concluded that "*to follow a 1.5°C-consistent pathway, the world will need to decrease fossil fuel production by roughly 6% per year between 2020 and 2030.* […] *Global coal, oil and gas production would have to decline annually by 11%, 4% and 3%, respectively*".

In May 2021, the International Energy Agency published a global 1.5°C "pathway" towards achieving net zero global GHG emissions by 2050. The IEA concludes: "*There is no need for investment in new fossil fuel supply. Beyond projects already committed as of 2021, there are no new oil and gas fields approved for development in our pathway and no new coal mines or mine extensions are required*". Moreover, according to the IEA, electricity generation must be 100% zero-emission in the OECD countries by 2035 and globally by 2040. This means a phase-out of all oil and gas-fired power plants within the same timeframes, with coal-fired power being phased out sooner. In the September 2023 update of the Net Zero in 2050 scenario, the IEA explains that the scenario is based on "*a ratio of global investments in clean energy versus that in fossil fuels of 10:1 in 2030. Around USD 2.5 trillion is invested primarily in clean energy and marginally in low-emissions fuels, and around USD 1.8 trillion in energy efficiency and end-uses, while investment in fossil fuel supply falls to around USD 0.4 trillion*" (IEA (2023), p. 162).[1] Focusing on the investments in renewable energy and fossil fuels lead to a ratio of 6:1 in 2030. In other words, for every Euro invested in fossil fuels, six Euros should be invested in renewables by 2030 to limit global warming to 1.5°C. Financial institutions therefore play a crucial role in the necessary economic transition, as they make sure that sufficient financial flows (credits and investments) are available for companies realizing the energy transition.

Both assessments call for a very rapid reduction of fossil fuel credits and investments, shifting capital to renewable energy and to companies outside the energy sector. Given this context, the Eerlijke Geldwijzer deems that no further financing of, nor investments in, fossil fuels are necessary. To meet the goals of the Paris Climate Agreement, committed efforts of all stakeholders - including financial institutions - are required. Companies in the energy sector and other economic sectors have to make huge investments in developing new products and transforming their production processes. Complementary to this report, the Eerlijke Geldwijzer has published in September 2021 and March 2023 an assessment of the climate ambitions and plans of the financial institutions active in the Netherlands. These previous reports discussed which different instruments financial institutions are using to achieve their climate goals. This present report is not focusing on plans and instruments, but on outcomes: are the portfolios of the financial institutions active in the Netherlands moving in the right direction with the required urgency?

Conclusions

Based on the findings on fossil fuel and renewable energy investments and financing, the following conclusions are drawn:

The energy sector activities of most financial institutions active in the Netherlands are not yet aligned with the Paris Climate Agreement goals. Based on an analysis of credit and investment financing provided to more than a thousand companies engaged in fossil fuels and renewable energy activities during the period 2016–August 2023, this research concludes that most credit and investment financing are still predominantly attributable to fossil fuels. Only Rabobank, Menzis and Achmea directed most of their energy sector credit and investment financing to renewable energy companies. On the positive side, De Volksbank and Triodos did not provide credit and investment financing to fossil fuel activities.

All financial institutions that invest in both fossil fuels and renewable energy are a long way from a ratio of 6:1 for renewable energy to fossil fuels investments which they need to reach in 2030. This research findings reveal a current investment financing ratio of 0.3:1 for pension funds; 0.1:1 for insurance companies and 0.2:1 for banks. For every Euro invested in fossil fuels, only 30 cents (pension funds), 10 cents (insurance companies) or 20 cents (banks) are invested in renewable energy. For credit financing by banks, this is slightly better: 0.4:1, meaning 40 cents to renewables for every euro spent in fossil fuels.

Dutch banks provided EUR 64.8 billion in loans and underwriting services to the selected energy companies in the 2016–2023 period. Still 79% of these credits (EUR 51.2 billion) were attributable to fossil fuels and 21% (EUR 13.6 billion) to renewable energy. In particular, two banks provided credits predominantly to fossil fuels.

ING Group provided EUR 39.0 billion in loans and underwriting services, of which EUR 31.8 billion (82%) went to fossil fuels. ABN Amro provided EUR 18.2 billion of which 90% (EUR 16.4 billion) to fossil fuels. Furthermore, Rabobank provided EUR 7.0 billion to the energy sector of which only 41% (EUR 2.9 billion) to fossil fuels. Triodos and De Volksbank provided credit financing exclusively to renewable energy companies.

Between 2016—2023, Dutch banks went from providing EUR 6.3 billion (79% to fossils and 21% to renewables) in 2016 to provide EUR 13.1 billion in 2019 (91% to fossils and 9% to renewables), an increase of 108% in financing. Since then, there has been a declining trend, especially in fossil fuels financing, to end 2023 with a total financing of EUR 7.5 billion (69% fossils and 39% renewables).

The asset management divisions of Dutch banks invested a total amount of EUR 1.7 billion in the energy sector in mid-2024. Of this amount, EUR 1.4 billion (83%) was attributable to fossil fuels and EUR 0.3 billion (17%) was attributable to renewable energy. Triodos and De Volksbank are investing exclusively in renewable energy, while ABN Amro has increased its renewable energy share to 41% of all energy investments. Van Lanschot Kempen (with a 16% invested in renewables) and ING Group (3%) lag far behind.

By August 2024, eight insurance companies, out of sixteen studied, operating in the Netherlands (Allianz, Athora, ASR Nederland, NN Group, Achmea, VGZ, CZ Group and Menzis) held EUR 14.6 billion of shares and bonds issued by the selected energy companies. Of these investments, 88% were attributable to fossil fuels and only 12% to renewable energy.

Most of the eight insurance companies still invest predominantly in fossil fuels. Only Achmea and Menzis have energy portfolios that are for 66% (EUR 62 million) and 54% (EUR 2.1 million) attributable to renewable energy, respectively. On the other hand, the largest investor in fossil fuels is Allianz, which has invested EUR 12.3 billion (88%) in fossil fuels and only 12% (EUR 1.7 billion) in renewable energy.

At the end of 2023, nine Dutch pension funds held EUR 10.2 billion of shares and bonds issued by a selection of energy companies. Of these investments, 75% (with a value of EUR 7.7 billion) were attributable to fossil fuels and 25% (EUR 2.5 billion) to renewable energy. The largest investors in fossil fuels are ABP (with EUR 2.5 billion in investments) and PMT (EUR 1.4 billion).

According to the results, all pension funds are still investing the large majority of their energy investments in fossil fuels. The best ranking pension funds are ABP and PFZW with a 31% and 39% share of their investments in renewable energy, respectively. The last in rank are BpfBOUW, Detailhandel and PMT with 86%, 85% and 84% of their energy investments attributable to fossil fuels.

Recommendations

During the past couple of years, financial institutions in the Netherlands have announced several voluntary commitments to address the climate crisis, like the Spitsbergen Ambition 2018—2020 and the financial sector commitment to the 2019 Dutch Climate Agreement. Despite those voluntary commitments, the energy sector activities of most financial institutions active in the Netherlands remain unaligned with the Paris Climate Agreement goals. The consequences of climate change severely affect human rights globally. Therefore, preventing dangerous climate change is a human rights obligation.

At the European level, new legislation has emerged in recent years to promote responsible business conduct. This includes the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD). Both directives require large companies to develop and report on a detailed climate transition plan "*to ensure, through best efforts, that the business model and strategy of the company are compatible with the transition to a sustainable economy and with the limiting of global warming to 1.5 °C in line with Paris Agreement and the objective of achieving climate neutrality*" (Art. 15.1, CSDDD).[2]

The above requirement offers the opportunity to financial institutions to make their activities and portfolios "climate-proof" by aligning them with a pathway limiting global temperature rise to 1.5°C with low or no temperature overshoot. However, both directives do not cover all financial institutions researched in this report. The CSRD is limited to larger, listed financial institutions, while the CSDDD has excluded the financial sector for now from due diligence obligations related to its financings and investments (financial institutions are included in the requirement to make a climate transition plan). If financial institutions will be brought under the scope of the CSDDD as well, which will be evaluated in the spring of 2026, it would make financial institutions more transparent and accountable.

Therefore, the Dutch Fair Finance Guide (Eerlijke Geldwijzer) recommends to the Dutch government that:

1. As part of the implementation of the CSRD and the CSDDD in Dutch law, oblige all major financial institutions (based on their balance sheet total or assets under management) to adopt and implement a plan to reduce their financed greenhouse gas emissions in line with the target of limiting global temperature rise to 1.5°C. This plan should apply to all financing and investment activities and include intermediate and measurable absolute reduction targets. In addition, these targets should represent a fair share of necessary global reductions, in other words, they take the common but differentiated responsibilities of actors in the global North and global South into account. Progress towards such targets should be reported on an annual basis.

2. Advocate for the inclusion of the financial sector in the CSDDD and for the expansion of the scope of the CSRD to cover all major financial institutions (based on their balance sheet total or assets under management), which would mandate all financial institutions to develop a climate transition plan.

Additionally, the Dutch Fair Finance Guide (Eerlijke Geldwijzer) makes the following recommendations to financial institutions operating in the Netherlands:

1. All pension funds as well as several insurance companies and banks should reduce their fossil fuel credit and investment financing and increase their renewable energy credit financing and investments to align with a 1.5°C-consistent pathway. This portfolio shift can be achieved by stimulating energy companies through engagement, voting or otherwise to stop investing in fossil fuels and to invest more in renewable energy. Financial institutions can also choose to move their money to other energy companies which focus on renewable energy.
2. In line with the conclusions of UNEP and IEA, all financial institutions should not just look at shifting more credit financing and investments to renewable energy, but they should explicitly aim to rapidly reduce their fossil fuel credits and investments. Some banks and insurance companies are following this path already, but most financial institutions operating in the Netherlands continue to keep their fossil fuel investments at a much higher proportion than their investments in renewables.
3. All financial institutions should demand from clients involved in fossil fuels that they develop a rapid phase out plan (and cease financing if they don't). Besides, financial institutions should immediately halt all financing of:
    - new extraction of coal, oil and gas
    - coal-fired electricity generation
    - extraction of tar sands
    - oil and gas drilling in the Arctic (both onshore and offshore)
    - the expansion of any infrastructure which can lead to a long-lasting lock-in of fossil fuel-based energy production.
4. All financial institutions should fully disclose their financing and investment portfolios, allowing stakeholders - including governments, accountants, civil society organisations and researchers - to monitor their financings and investments and hold them accountable. At present, most banks and insurance companies, as well as several pension funds are still not disclosing fully their investment portfolios.
5. Pension funds and insurance companies should also pay more attention to the transitions of their bondholding portfolios, of which the renewable energy proportion is often relatively smaller than that of their equity portfolios. With the growth of the green bond market this should be a relatively easy task.

Samenvatting

In de periode 2016—2023 verstrekten zes Nederlandse banken EUR 51,2 miljard aan kredieten voor fossiele brandstoffen tegenover EUR 13,6 miljard voor duurzame energie. Eind 2023 investeerden banken, verzekeraars en pensioenfondsen die actief zijn in Nederland EUR 71,6 miljard in fossiele brandstoffen tegenover EUR 17,9 miljard in duurzame energie. Volgens de update van 2023 van het IEA Net Zero in 2050-scenario moet de verhouding tussen investeringen in hernieuwbare energie en investeringen in fossiele brandstoffen veranderen in zes euro aan investeringen in hernieuwbare energie voor elke euro in fossiele brandstoffen (6:1) in 2030, als we de opwarming van de aarde willen beperken tot 1,5°C. Zoals de gegevens voor eind 2023 laten zien, hebben de meeste banken, verzekeraars en pensioenfondsen die actief zijn in Nederland nog een lange weg te gaan om een dergelijke verhouding te bereiken. In 2023 verstrekten Nederlandse banken 40 cent aan kredietfinanciering aan duurzame energiebedrijven voor elke euro die in fossiele brandstoffen werd gestoken. Erger nog, Nederlandse banken, verzekeraars en pensioenfondsen verstrekten slechts 20 cent investeringsfinanciering aan duurzame energiebedrijven voor elke euro die werd geïnvesteerd in fossiele brandstoffen.

Algemene bevindingen voor alle financiële instellingen

Uit dit onderzoek blijkt dat de meeste financiële instellingen die in dit onderzoek zijn onderzocht, hun investeringen nog niet voldoende hebben verschoven van fossiele brandstoffen naar hernieuwbare energievormen en als zodanig niet in lijn zijn met de doelstellingen van het Klimaatakkoord van Parijs. Meer specifiek was de kredietfinanciering door Nederlandse banken tussen 2016—2023 voor 79% toe te schrijven aan fossiele brandstoffen en voor 21% aan hernieuwbare energie. Eind 2023 was het aandeel van de kredietfinanciering voor fossiele brandstoffen en hernieuwbare energievormen respectievelijk 69% en 31%. Onderscheid makend tussen leningen en obligatie- en aandelenuitgifte, komt dit onderzoek tot de conclusie dat het grootste deel van de verstrekte financiering via leningen heeft plaatsgevonden. Banken financierden gemiddeld drie tot vier keer meer via leningen dan via obligatie- en aandelenuitgifte.

Wat de financiering van investeringen betreft, blijkt uit dit onderzoek dat de geselecteerde financiële instellingen op de laatste rapportagedatum in augustus 2024, voor 26,5 miljard euro aandelen en obligaties in handen hadden die waren uitgegeven door energiebedrijven. Van deze 26,5 miljard euro was 84% (22,3 miljard euro) toe te schrijven aan fossiele brandstoffen en slechts 16% (4,2 miljard euro) aan hernieuwbare energie.

Tabel 1 geeft een overzicht van de bevindingen voor alle 33 financiële instellingen en laat zien hoeveel elk van hen heeft geleend aan en geïnvesteerd in de geselecteerde bedrijven. De tabel laat ook zien welk deel van de krediet- en investeringsfinanciering van elke financiële instelling toe te schrijven was aan fossiele brandstoffen en welke aan hernieuwbare energie.[iii]

Tabel 1 Energiekredieten en beleggingen door financiële instellingen actief in Nederland, 2016-2023 en aug 2024[iv]

Financiële instelling	Categorie	Krediet (EUR mln, 2016-2023)	Investering (EUR mln, aug 2024)	Aandeel fossiele brandstoffen	Aandeel duurzame energievormnen
ABN Amro	Bank	18.223	249	90%	10%

[iii] Voor banken die zowel kredieten hebben verstrekt als investeringen hebben gedaan, wordt het percentage berekend op basis van de financiële stroom die het meest relevant is voor de financiële instelling.

[iv] Lege cellen in de tabel betekenen dat er geen financiering is geïdentificeerd voor die specifieke financiële instelling.

Financiële instelling	Categorie	Krediet (EUR mln, 2016-2023)	Investering (EUR mln, aug 2024)	Aandeel fossiele brandstoffen	Aandeel duurzame energievormnen
Bunq	Bank				
De Volksbank	Bank	369	0	0%	100%
ING Group	Bank	38.964	834	82%	18%
NIBC	Bank	72	0	100%	0%
Rabobank	Bank	6.984	0	41%	59%
Triodos Bank	Bank	143	90	0%	100%
Van Lanschot Kempen	Bank	0	542	83%	17%
Achmea	Verzekeraar		93	34%	66%
Allianz	Verzekeraar		13.968	89%	11%
ANWB	Verzekeraar				
ASR	Verzekeraar		173	82%	18%
Athora	Verzekeraar		196	67%	33%
CZ	Verzekeraar		11	78%	22%
De Goudse Verzekeringen	Verzekeraar				
DSW Zorgverzekeraar	Verzekeraar				
Klaverblad Verzekeringen	Verzekeraar				
Menzis	Verzekeraar		4	46%	54%
NN Group	Verzekeraar		145	65%	35%
ONVZ	Verzekeraar				
Unive	Verzekeraar				
VGZ	Verzekeraar		21	68%	32%
ZLM	Verzekeraar				
Zorg en Zekerheid	Verzekeraar				
ABP	Pensioenfonds		3.636	69%	31%
BpfBOUW	Pensioenfonds		1.099	86%	14%
BPL Pensioen	Pensioenfonds		375	94%	6%
Pensioen Detailhandel	Pensioenfonds		610	85%	15%
PH&C	Pensioenfonds		90	73%	27%
Pensioenfonds Vervoer	Pensioenfonds		563	86%	14%
PFZW	Pensioenfonds		1.634	61%	39%
PME	Pensioenfonds		559	73%	27%
PMT	Pensioenfonds		1.638	84%	16%

Zoals te zien is in Tabel 1, zijn de banken die de meeste kredietfinanciering verstrekken aan de geselecteerde bedrijven tussen 2016 en 2023 ING Bank (EUR 39,0 miljard), ABN Amro (EUR 18,2 miljard) en Rabobank (EUR 7,0 miljard). Als we alleen naar 2023 kijken, is de top drie van banken die kredietfinanciering verstrekken als volgt: ING Groep (EUR 5,6 miljard), Rabobank (EUR 1,0 miljard) en ABN Amro (EUR 0,9 miljard).

Wat de financiering van investeringen betreft, zijn de belangrijkste investeerders in aandelen en obligaties van de geselecteerde bedrijven, op meest recente rapportagedatum (augustus 2024), de verzekeringsmaatschappij Allianz (EUR 14,0 miljard), gevolgd door de pensioenfondsen ABP (EUR 3,6 miljard), PMT en PfZW (elk EUR 1,6 miljard).

Om aan te sluiten bij een Net Zero Emissions (NZE) 2050-scenario moeten financiële instellingen in 2030 een verhouding van 6:1 hebben bereikt tussen financiering voor duurzame energievoorziening en financiering voor fossiele brandstoffen. Dat komt neer op een verhouding van 14% financiering van fossiele brandstoffen en 86% financiering van duurzame energie. Tabel 2 toont de financieringsverhoudingen aan het begin en aan het einde van de onderzochte periode, evenals de geschatte verhouding in 2030 en het jaar waarin de financiële instellingen de 6:1 verhouding zullen bereiken gegeven de huidige trends in hun financiering.

Tabel 2 Energie financieringsverhoudingen van financiële instellingen naar type financiering

Categorie	Financieringstype	Financiële instelling	Begin verhouding	Eind verhouding	2030 verhouding	Prognose 6:1 doel
Banken	Leningen en underwriting	De Volksbank	1.0:0	1.0:0	1.0:0	Doel bereikt
		NIBC Holding	1.0:0	1.0:0	1.0:0	Doel bereikt
		Triodos Bank	1.0:0	1.0:0	1.0:0	Doel bereikt
		Rabobank	0.7:1	2.0:1	4.8:1	Doel bereikt
		ING Group	0.2:1	0.4:1	1.2:1	Buiten bereik
		ABN Amro	0.2:1	0.3:1	0.9:1	Buiten bereik
		Van Lanschot Kempen	n/a	n/a	n/a	n/a
	Aandelen	De Volksbank	1.0:0	1.0:0	1.0:0	Doel bereikt
		Triodos Bank	1.0:0	1.0:0	1.0:0	Doel bereikt
		ABN Amro	0.2:1	0.7:1	2.1:1	Buiten bereik
		ING Group	0.0:1	0.0:1	0.2:1	Buiten bereik
		Van Lanschot Kempen	0.2:1	0.2:1	0.3:1	Buiten bereik
		NIBC Holding	n/a	n/a	n/a	n/a
		Rabobank	n/a	n/a	n/a	n/a
Verzekeraars	Aandelen	Achmea	0.1:1	1.9:1	69.9:1	Doel bereikt
		Menzis	n/a	2.3:1	n/a	n/a
		VGZ	n/a	1.3:1	n/a	n/a
		NN Group	0.0:1	0.5:1	1.9:1	Buiten bereik
		Athora	n/a	0.5:1	n/a	n/a
		ASR Nederland	0.0:1	0.2:1	0.6:1	Buiten bereik
		CZ Group	n/a	0.2:1	n/a	n/a
		Allianz	0.0:1	0.1:1	0.3:1	Buiten bereik
Pensioenfondsen	Obligaties en aandelen	PFZW	0.1:1	0.6:1	2.7:1	Buiten bereik
		ABP	0.1:1	0.4:1	2.1:1	Buiten bereik

Categorie	Financieringstype	Financiële instelling	Begin verhouding	Eind verhouding	2030 verhouding	Prognose 6:1 doel
		Pensioenfonds Vervoer	0.1:1	0.2:1	1.5:1	Buiten bereik
		PME	0.1:1	0.4:1	2.0:1	Buiten bereik
		PH&C	0.1:1	0.4:1	1.6:1	Buiten bereik
		BpfBOUW	0.1:1	0.2:1	0.3:1	Buiten bereik
		PMT	0.1:1	0.2:1	0.4:1	Buiten bereik
		Pensioenfonds Detailhandel	0.1:1	0.2:1	0.3:1	Buiten bereik
		BPL Pensioen	0.2:1	0.1:1	0.0:1	Buiten bereik

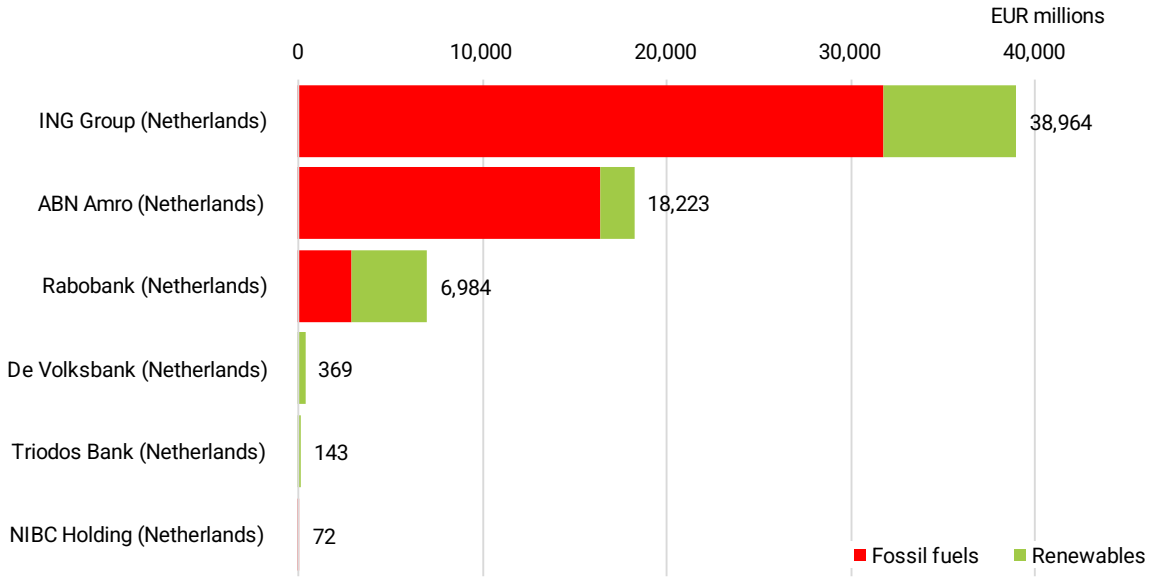
In de volgende paragrafen worden de bevindingen van het onderzoek in meer detail besproken voor de drie categorieën financiële instellingen: banken, verzekeringsmaatschappijen en pensioenfondsen.

Nederlandse banken

In de periode 2016 tot 2023 verstrekten zes Nederlandse banken (ABN Amro, De Volksbank, ING Groep, NIBC Holding, Rabobank en Triodos) EUR 64,8 miljard aan kredieten aan de geselecteerde bedrijven. Van deze financiering was 79% (EUR 51,2 miljard) bestemd voor fossiele brandstoffen en 21% (EUR 13,6 miljard) voor duurzame energie.

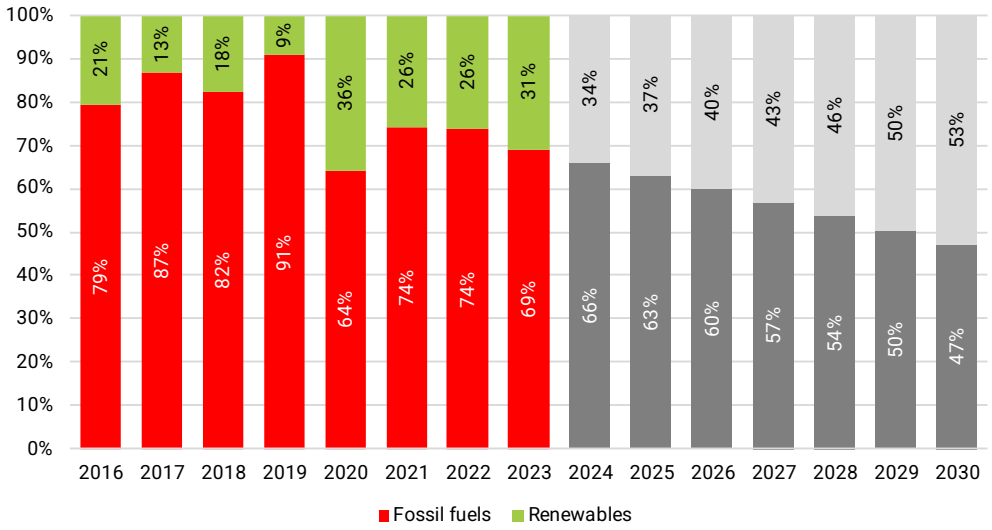
Figuur 1 laat zien dat ING Groep de grootste kredietverstrekker van de geselecteerde bedrijven was, met EUR 39,0 miljard aan kredietverlening in de periode 2016-2023, waarvan EUR 31,8 miljard naar fossiele brandstoffen ging. ABN Amro verstrekte EUR 18,2 miljard aan financiering (EUR 16,4 miljard naar fossiele brandstoffen) en Rabobank verstrekte EUR 7 miljard, waarvan EUR 2,9 miljard naar fossiele brandstoffen ging. De Volksbank, Triodos en NIBC Holding speelden een kleinere rol, met een totale kredietfinanciering van respectievelijk EUR 369 miljoen, EUR 143 miljoen en EUR 72 miljoen.

Figuur 1 Kredietverlening Nederlandse banken aan de energiesector (2016-2023, EUR mln)



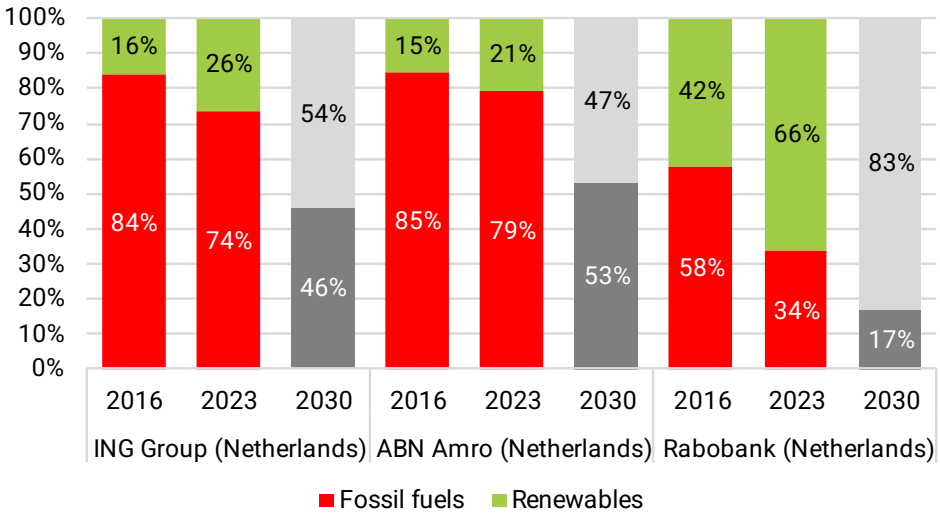
In termen van het aandeel van investeringen per energievorm laat Figuur 2 een geleidelijke daling zien van het aandeel van fossiele brandstoffen versus hernieuwbare energievormen. De belangrijkste uitzondering is 2020, toen de COVID-19 pandemie een dip veroorzaakte in de marktwaarde van verschillende fossiele brandstofbedrijven. Ondanks de neerwaartse trend in de financiering van fossiele brandstoffen liggen verschillende Nederlandse banken niet op koers om de beoogde verhouding van 6:1 in 2030 te halen. In feite zal deze verhouding pas rond 2042 worden bereikt, twaalf jaar achter op schema.

Figuur 2 Energiekredieten van Nederlandse banken naar energievorm (2016-2023, prognose 2024-2030)



Figuur 3 laat zien dat Rabobank het aandeel hernieuwbare energie in haar kredietverlening voor de energiesector van 2016 tot 2023 heeft verhoogd van 42% naar 66%. ABN Amro steeg van 15% naar 21% en ING van 16% naar 26%. Op basis van de huidige trend in de verhouding tussen de financiering van hernieuwbare energie en fossiele brandstoffen is de Rabobank de enige bank die in de buurt komt van een verhouding van 6:1 in 2030. Naar schatting zal Rabobank in 2030 83% van haar financiering van de energiesector stoppen in hernieuwbare energie en 17% in fossiele brandstoffen.

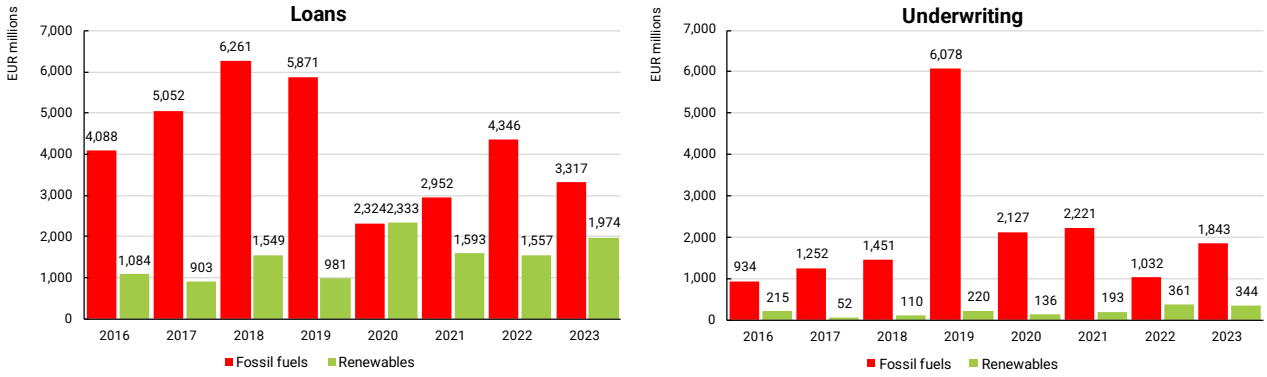
Figuur 3 Kredietverlening Nederlandse banken naar energievorm (2016, 2023, 2030 voorspeld)



Van de vier banken die niet in Figuur 3, zijn opgenomen, zijn Bunq en Van Lanschot Kempen niet betrokken bij financiering van de energiesector. De Volksbank en Triodos Bank houden zich wel bezig met energiefinanciering, maar dit betreft alleen duurzame energie.

Uitgesplitst naar type financiering, leningen en diensten voor het uitgeven van aandelen en obligaties, komt uit dit onderzoek naar voren dat leningen de overheersende financieringsbron zijn geweest, goed voor ongeveer drie tot vier keer het bedrag dat aan financiering door middel van obligatie- en aandelenuitgiften is verstrekt, met uitzondering van 2019, zoals blijkt uit Figuur 4. Dit patroon is vooral duidelijk bij de financiering van hernieuwbare-energiebedrijven, waar leningen de voornaamste financieringsbron zijn geweest.

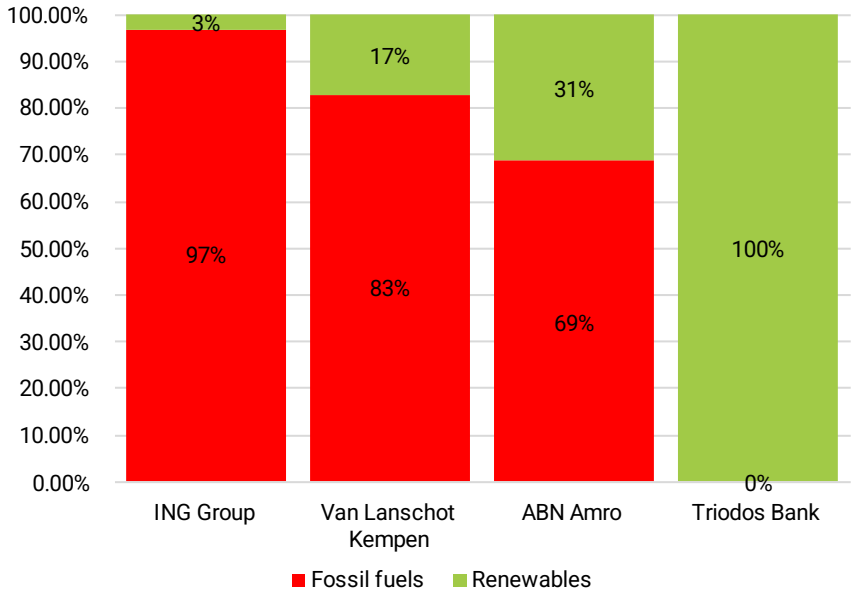
Figuur 4 Kredietverlening banken naar energievorm (2016-2023, EUR mln)



Afgezien van kredietverlening ontdekten we dat de vermogensbeheerdivisies van vier Nederlandse banken (ABN Amro, ING Groep, Triodos en Van Lanschot Kempen) in augustus 2024 in totaal EUR 1,7 miljard hadden geïnvesteerd in de aandelen en obligaties van de geselecteerde energiebedrijven. Van dit bedrag was EUR 1,4 miljard (83%) toe te schrijven aan fossiele brandstoffen en EUR 0,3 miljard (17%) aan hernieuwbare energie.

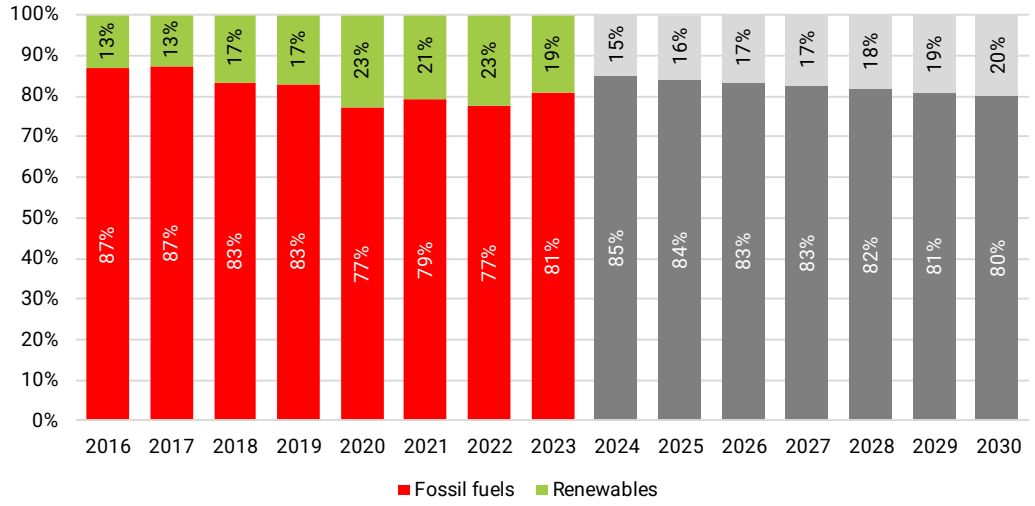
Zoals te zien is in Figuur 5, belegt Triodos consequent alleen in aandelen en obligaties die toe te schrijven zijn aan duurzame energie. Van de andere banken volgen ABN Amro en Van Lanschot Kempen met een deel van hun beleggingen dat is toe te schrijven aan hernieuwbare energie van 31% en 17%. ING Groep (3%) blijft ver achter.

Figuur 5 Beleggingen van banken in de energiesector naar energievorm (aug 2024)



Als we kijken naar de ontwikkeling van de beleggingen in aandelen tussen 2016 en 2023, dan blijkt uit dit onderzoek dat de beleggingen van Nederlandse banken in bedrijven die fossiele brandstoffen gebruiken slechts licht zijn gedaald. Terwijl in 2016 het aandeel van de beleggingen in fossiele brandstoffen 87% bedroeg, is dit in 2023 gedaald tot slechts 81%. Als ze deze trend voortzetten, zullen Nederlandse banken pas in 2084 de verhouding van 6:1 tussen financiering van duurzame energie en fossiele brandstoffen bereiken.

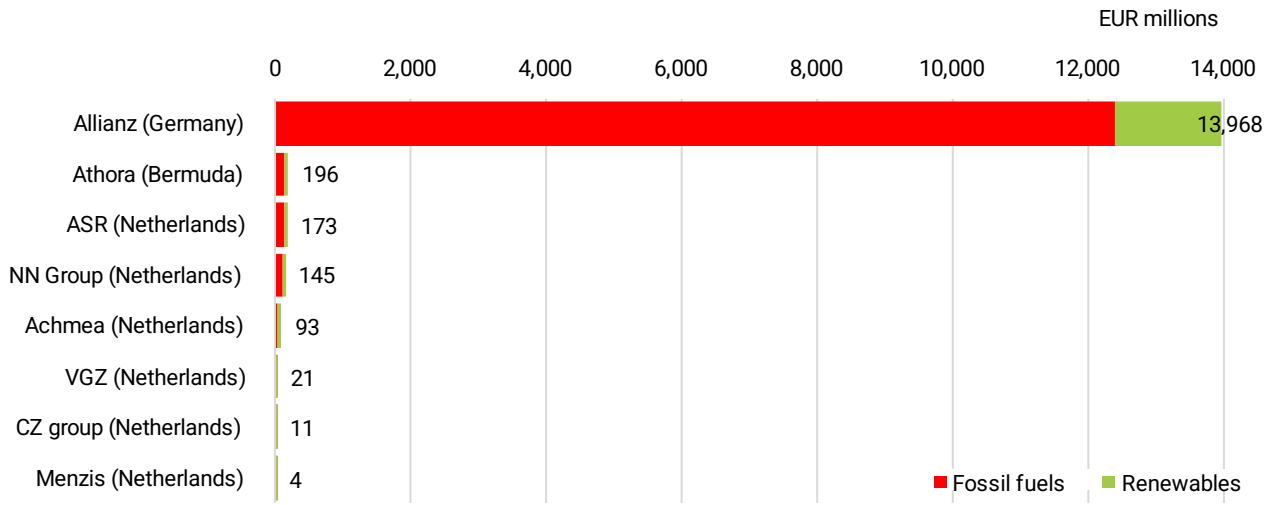
Figuur 6 Beleggingen van banken in de energiesector naar energievorm, (2016-2023, prognose 2024-2030)



Verzekeringsmaatschappijen actief in Nederland

Op de meest recente rapportage datum in augustus 2024, hadden zes verzekeringsmaatschappijen die in Nederland actief zijn voor EUR 14,6 miljard aan beleggingen in aandelen en obligaties, uitgegeven door de geselecteerde energiebedrijven. 88% van deze beleggingen (EUR 12,8 miljard) was toe te schrijven aan fossiele brandstoffen en slechts 12% (EUR 1,8 miljard) aan duurzame energie.

Figuur 7 Beleggingen van verzekeraars in de energiesector (aug 2024, EUR mln)

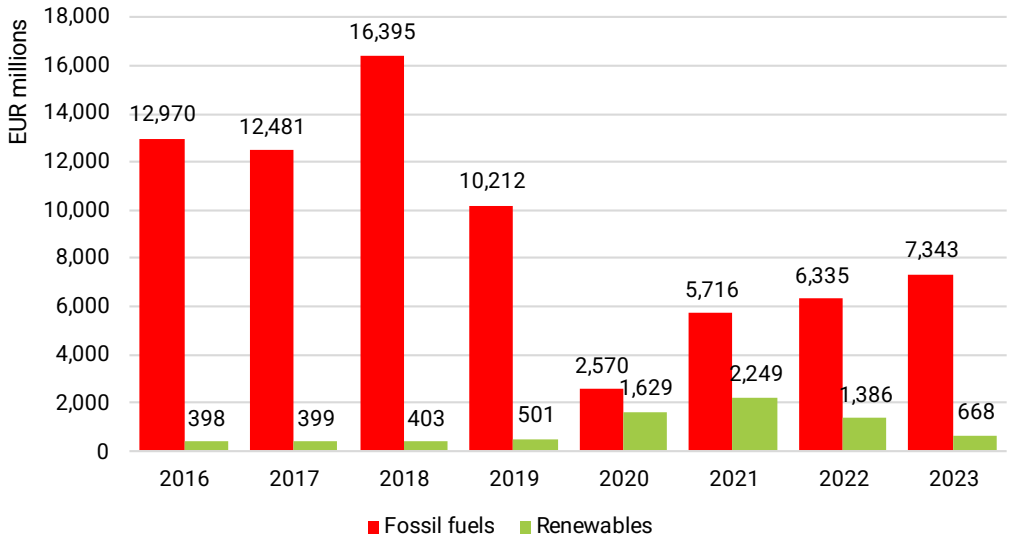


Figuur 7 laat zien dat Allianz het leeuwendeel van de beleggingen van verzekeringsmaatschappijen in de energiesector voor zijn rekening neemt, met een totale investering van EUR 14,0 miljard (96,0%) in augustus 2024, gevolgd door Athora (1.3%), ASR Nederland (1,2%), NN Group (1,0%),

Achmean (0.6%), VGZ (0.1%), CZ Groep (0.1%) en Menzis (0,03%).

De acht in Nederland actieve verzekeringsmaatschappijen hadden in augustus 2024 EUR 10,2 miljard aan aandelen van de geselecteerde bedrijven. Van deze beleggingen was 92% (EUR 9,4 miljard) toe te schrijven aan fossiele brandstoffen en 8% (EUR 0,8 miljard) aan duurzame energie. Tijdens de onderzoeksperiode (2016—2023) verminderden verzekeringsmaatschappijen beleggingen in de energiesector en verschoven ze licht van fossiele brandstoffen naar hernieuwbare energie binnen de sector. Terwijl verzekeringsmaatschappijen in 2016 EUR 13,4 miljard aan beleggingen hadden in de geselecteerde bedrijven (97% in fossiele brandstoffen en 3% in hernieuwbare energie), waren hun beleggingen in 2023 teruggebracht tot EUR 8,0 miljard (92% in fossiele brandstoffen en 8% in hernieuwbare energie).

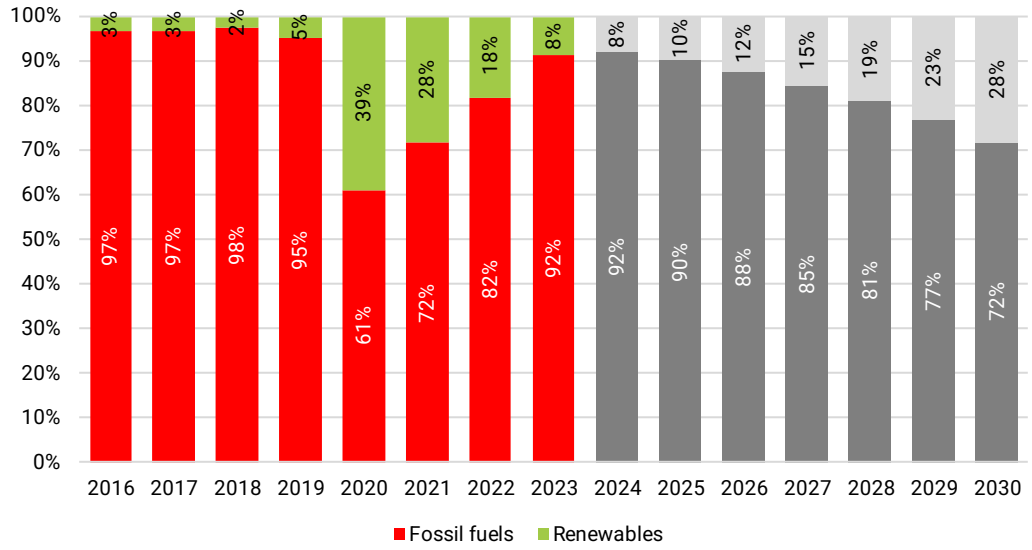
Figuur 8 Beleggingen verzekeraars in de energiesector per jaar (2016–2023, EUR mln)



Om te beoordelen of verzekeringsmaatschappijen op weg zijn om de financieringsverhouding van 6:1 tussen duurzame energie en fossiele brandstoffen te halen, is het cruciaal om de trend te bepalen. In het geval van de verzekeringsmaatschappijen zijn er twee mogelijke trends, afhankelijk van de beschouwde periode. Als we kijken naar de laatste helft van de periode (2020-2023), zien we een stijgende trend (zie Figuur 9), wat suggereert dat verzekeringsmaatschappijen de 6:1-verhouding niet gaan halen zonder hun investeringsstrategieën te wijzigen.

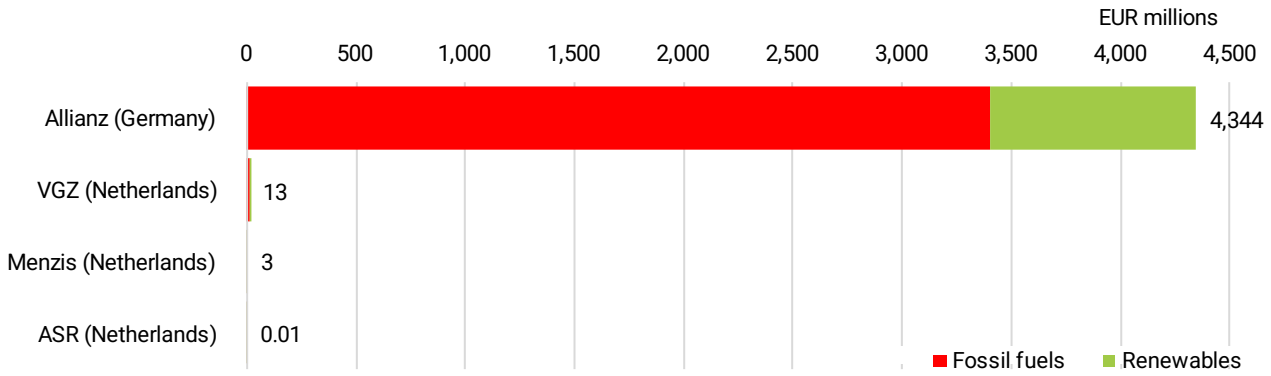
Aan de andere kant laat een analyse van de gehele periode (2016-2023) een licht dalende trend zien. Het aandeel van de financiering dat wordt toegewezen aan hernieuwbare energie is gestegen van 3% in 2016 naar 8% in 2023. Deze neerwaartse trend is echter nog steeds onvoldoende om de verhouding van 6:1 voor de financiering van duurzame energie ten opzichte van fossiele brandstoffen in 2030 te halen. Bovendien zal het bereiken van deze verhouding tien jaar op zich moeten laten wachten, naar verwachting tot 2040.

Figuur 9 Samenstelling energieportefeuille verzekeringsmaatschappijen (2016—2023, prognose 2024—2030)



Wat obligaties betreft, hadden zes verzekeringsmaatschappijen (Allianz, Athora, VGZ, Menzis, CZ Group en ASR Nederland) in augustus 2024 EUR 4,4 miljard aan beleggingen in obligaties, uitgegeven door de geselecteerde bedrijven. Anders dan de trend voor hun beleggingen in energieaandelen, was 78% van hun beleggingen in energieobligaties (met een waarde van EUR 3,5 miljard) nog steeds toe te schrijven aan fossiele brandstoffen en 22% (EUR 1,0 miljard) aan hernieuwbare energie.

Figuur 10 Obligaties van verzekeringsmaatschappijen naar energievorm (aug 2024, EUR mln)

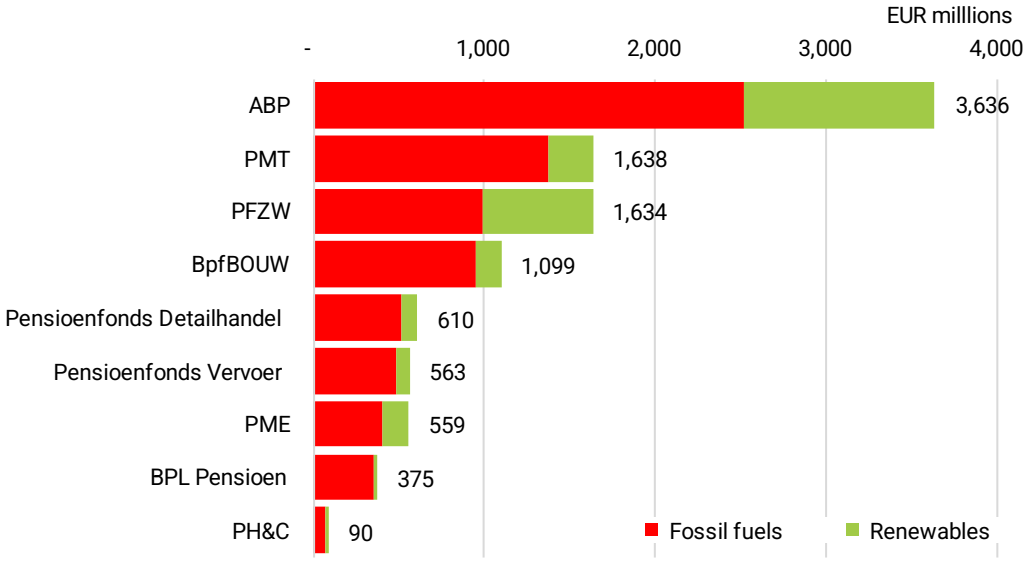


Pensioenfondsen

Eind 2023 bezaten negen Nederlandse pensioenfondsen EUR 10,2 miljard aan aandelen en obligaties uitgegeven door de geselecteerde energiebedrijven. 75% van de beleggingen in de geselecteerde bedrijven (met een waarde van EUR 7,7 miljard) was toe te schrijven aan fossiele brandstoffen en 25% (EUR 2,5 miljard) aan duurzame energie.

Figuur 11 laat zien dat ABP de grootste investeerder was in de geselecteerde bedrijven. Aan het eind van het vierde kwartaal van 2023 had ABP EUR 3,6 miljard aan obligaties en aandelen in bezit. Het werd gevolgd door PMT en PFZW met elk 1,6 miljard euro.

Figuur 11 Beleggingen pensioenfondsen in de energiesector (dec 2023, EUR mln)



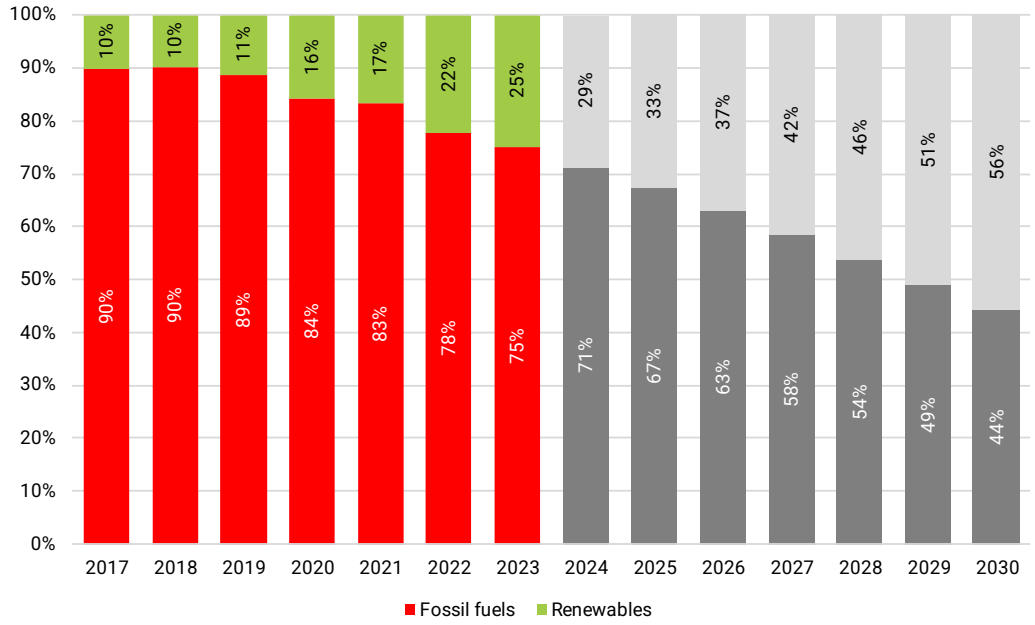
In de onderzochte periode hebben alle pensioenfondsen het grootste deel van hun energieportefeuilles in fossiele brandstoffen belegd. Zoals Figuur 12 laat zien, is dat nog steeds het geval, hoewel alle pensioenfondsen, behalve Pensioenfonds Detailhandel, hun aandeel beleggingen in duurzame energie hebben vergroot. Dit komt vooral doordat ze een groot deel van hun beleggingen in fossiele brandstofbedrijven hebben verkocht en minder door herinvesteringen in hernieuwbaar.

PFZW en ABP scoren het best met een aandeel hernieuwbare energie van respectievelijk 39% en 31%. De pensioenfondsen met een groter aandeel fossiele brandstoffen in hun portefeuilles zijn Pensioenfonds Detailhandel en BpfBOUW met respectievelijk slechts 15% en 14% van hun portefeuilles belegd in hernieuwbare energiebedrijven.

Figuur 12 Samenstelling energie portefeuille pensioenfondsen (Dec 2017–Dec 2023)

Als we alle pensioenfondsen samen beschouwen, komt dit onderzoek tot de conclusie dat Nederlandse pensioenfondsen de goede kant op gaan, maar nog ver verwijderd zijn van de 6:1 verhouding van financiering van duurzame energie ten opzichte van fossiele brandstoffen in 2030. Op basis van de beschikbare informatie schat dit onderzoek dat Nederlandse pensioenfondsen in 2030 ongeveer 56% van hun energiesector aandelenportefeuilles zullen beleggen in duurzame energiebedrijven en 44% in fossiele brandstoffen. Op basis van de huidige trend zullen de pensioenfondsen in uiterlijk in 2039 de 6:1 verhouding bereiken (zie Figuur 13).

Figuur 13 Samenstelling energieportefeuille pensioenfondsen (2016—2023, prognose 2024—2030)



Achtergrond

Dit rapport is een vervolgonderzoek op een case study voor de Eerlijke Geldwijzer naar hoe financiële instellingen die actief zijn in Nederland omgaan met klimaatverandering. Het onderzoek analyseert de financiering van en investeringen in de energiesector door acht banken, zestien verzekeringsmaatschappijen en negen pensioenfondsen die actief zijn in Nederland. Volgens een aanpak die vergelijkbaar is met eerdere studies van de Fair Finance Guide in 2015 (*Undermining Our Future* - gericht op banken), 2018 (*Still Undermining Our Future* - banken en verzekeraars) en 2021 (*Fossil fuel versus renewable financing by financial institutions active in the Netherlands* - banken, verzekeraars en pensioenfondsen), beoordeelt de huidige studie de percentages van hun energiefinancieringen en -investeringen die toe te schrijven zijn aan fossiele brandstoffen en aan hernieuwbare energie.

Om deze beoordeling te maken, zijn de financiële stromen (kredieten en investeringen) naar meer dan duizend bedrijven die actief zijn in de wereldwijde energiesector (kolen, olie & gas, elektriciteit, apparatuur voor hernieuwbare energie) onderzocht voor de periode van januari 2016 tot augustus 2024. De selectie van de bedrijven omvat zowel mondiale spelers als kleinere bedrijven die actief zijn in Nederland en wereldwijd, en bestrijkt ongeveer 90% van de mondiale en Nederlandse sectoren voor fossiele brandstoffen en hernieuwbare energie. De financiële instellingen werden in de gelegenheid gesteld om te reageren op deze bevindingen met betrekking tot hun kredieten aan en investeringen in de geselecteerde energiebedrijven.

Voor elke geïdentificeerde financiële stroom (krediet of investering) tussen een in Nederland actieve financiële instelling en een energiebedrijf is in dit onderzoek berekend welk deel is toe te schrijven aan fossiele brandstoffen en welk deel aan duurzame energie. Deze verhoudingen zijn zoveel mogelijk toekomstgericht berekend door ze af te leiden uit de kapitaaluitgaven van het laatst beschikbare jaarverslag van de energiebedrijven. In het geval van leningen of obligaties hebben we er rekening mee gehouden of de financiering bestemd was voor specifieke investeringsprojecten.

Afstemming op de doelen van het Klimaatakkoord van Parijs

Om de bevindingen van deze studie in perspectief te plaatsen, zijn twee recente beoordelingen van wat nodig is om de doelen van het Klimaatakkoord van Parijs te halen relevant. In december 2015 hebben 196 landen en multilaterale organisaties het Klimaatakkoord van Parijs aangenomen. Dit akkoord bindt de ondertekenaars wettelijk om zich te verbinden aan het doel om de opwarming van de aarde te beperken tot ruim onder de 2°C, bij voorkeur tot 1,5°C, ten opzichte van pre-industriële niveaus.

Eind 2020 concludeerde het Milieuprogramma van de Verenigde Naties (UNEP) dat "*om een pad van 1,5°C te volgen, de wereld tussen 2020 en 2030 de productie van fossiele brandstoffen met ongeveer 6% per jaar moet verlagen. [De wereldwijde steenkool-, olie- en gasproductie zou jaarlijks met respectievelijk 11%, 4% en 3% moeten dalen*" [vertaling vanuit het Engels].

In mei 2021 publiceerde het Internationaal Energieagentschap een wereldwijd "pad" van 1,5°C naar een wereldwijde broeikasgasemissie van nul in 2050. Het IEA concludeert: "*Er is geen behoefte aan investeringen in nieuwe fossiele brandstoffen. Naast de projecten die al zijn vastgelegd vanaf 2021, zijn er geen nieuwe olie- en gasvelden goedgekeurd voor ontwikkeling in ons traject en zijn er geen nieuwe kolenmijnen of uitbreidingen van mijnen nodig*" [vertaling vanuit het Engels]. Bovendien moet volgens het IEA de elektriciteitsopwekking in de OESO-landen tegen 2035 100% emissievrij zijn en wereldwijd tegen 2040. Dit betekent een uitfasering van alle olie- en gasgestookte energiecentrales binnen dezelfde tijdskaders, waarbij kolengestookte energie eerder wordt uitgefaseerd.

In de update van september 2023 van het Net Zero in 2050-scenario legt het IEA uit dat het scenario is gebaseerd op "*een verhouding van wereldwijde investeringen in schone energie versus die in fossiele brandstoffen van 10:1 in 2030. Ongeveer 2,5 biljoen dollar wordt voornamelijk geïnvesteerd in schone energie en marginaal in brandstoffen met een lage uitstoot, en ongeveer 1,8 biljoen dollar in energie-efficiëntie en eindgebruik, terwijl de investeringen in fossiele brandstoffen dalen tot ongeveer 0,4 biljoen dollar*" (IEA (2023), blz. 162) [vertaling vanuit het Engels]. Als we ons richten op de investeringen in hernieuwbare energie en fossiele brandstoffen, leidt dit tot een verhouding van 6:1 in 2030. Met andere woorden, voor elke euro die wordt geïnvesteerd in fossiele brandstoffen, moet er tegen 2030 zes euro worden geïnvesteerd in hernieuwbare energie om de opwarming van de aarde te beperken tot 1,5°C. Financiële instellingen spelen daarom een cruciale rol in de noodzakelijke economische transitie, omdat zij ervoor zorgen dat er voldoende geldstromen (kredieten en investeringen) beschikbaar zijn voor bedrijven die de energietransitie realiseren.

Beide evaluaties pleiten voor een zeer snelle vermindering van kredieten en investeringen in fossiele brandstoffen, waarbij kapitaal wordt verschoven naar hernieuwbare energie en naar bedrijven buiten de energiesector. Tegen deze achtergrond acht de Eerlijke Geldwijzer verdere financiering van en investeringen in fossiele brandstoffen niet nodig. Om de doelstellingen van het Klimaatakkoord van Parijs te halen, zijn geëngageerde inspanningen van alle belanghebbenden - inclusief financiële instellingen - vereist. Bedrijven in de energiesector en andere economische sectoren moeten enorme investeringen doen in het ontwikkelen van nieuwe producten en het transformeren van hun productieprocessen. Aanvullend op dit rapport heeft de Eerlijke Geldwijzer in september 2021 en maart 2023 een beoordeling gepubliceerd van de klimaatambities en -plannen van de financiële instellingen die actief zijn in Nederland. In deze eerdere rapporten is besproken welke verschillende instrumenten financiële instellingen inzetten om hun klimaatdoelen te bereiken. Dit huidige rapport richt zich niet op plannen en instrumenten, maar op uitkomsten: gaan de portefeuilles van de financiële instellingen die actief zijn in Nederland de goede kant op met de vereiste urgentie?

Conclusies

Op basis van de bevindingen over investeringen en financiering in fossiele brandstoffen en hernieuwbare energie worden de volgende conclusies getrokken:

De activiteiten in de energiesector van de meeste financiële instellingen die actief zijn in Nederland, zijn nog niet in lijn met de doelstellingen van het Klimaatakkoord van Parijs. Op basis van een analyse van krediet- en investeringsfinanciering verstrekt aan meer dan duizend bedrijven die betrokken zijn bij fossiele brandstoffen en hernieuwbare energieactiviteiten in de periode 2016–2023, concludeert dit onderzoek dat het grootste deel van de krediet- en investeringsfinanciering nog steeds voornamelijk toe te schrijven is aan fossiele brandstoffen. Alleen Rabobank, Menzis en Achmea hebben het grootste deel van hun krediet- en investeringsfinanciering in de energiesector gericht op bedrijven die actief zijn in hernieuwbare energie. Positief is dat De Volksbank en Triodos geen krediet- en investeringsfinanciering hebben verstrekt aan activiteiten in fossiele brandstoffen.

Alle financiële instellingen die zowel in fossiele brandstoffen als in hernieuwbare energie investeren, staan nog ver af van een verhouding van 6:1 voor investeringen in hernieuwbare energie ten opzichte van fossiele brandstoffen, die ze in 2030 moeten bereiken. Deze onderzoeksresultaten onthullen een huidige investeringsfinancieringsratio van 0,3:1 voor pensioenfondsen; 0,1:1 voor verzekeringsmaatschappijen en 0,2:1 voor banken. Voor elke euro die wordt geïnvesteerd in fossiele brandstoffen, wordt slechts 30 cent (pensioenfondsen), 10 cent (verzekeringsmaatschappijen) of 20 cent (banken) geïnvesteerd in hernieuwbare energie. Voor kredietfinanciering door banken is dit iets beter: 0,4:1, wat betekent dat 40 cent naar hernieuwbare energie gaat voor elke euro die wordt uitgegeven aan fossiele brandstoffen.

Nederlandse banken hebben in de periode 2016–2023 voor EUR 64,8 miljard aan krediet verleent aan de geselecteerde energiebedrijven. Nog steeds is 79% van deze kredieten (EUR 51,2 miljard) toe te schrijven aan fossiele brandstoffen en 21% (EUR 13,6 miljard) aan hernieuwbare energie. Met name twee banken verstrekten kredieten die voornamelijk naar fossiele brandstoffen gingen.

ING Groep verstrekte EUR 39,0 miljard aan leningen en aandeel en obligatie uitgiftendiensten, waarvan EUR 31,8 miljard (82%) naar fossiele brandstoffen ging. ABN Amro verstrekte EUR 18,2 miljard, waarvan 90% (EUR 16,4 miljard) naar fossiele brandstoffen ging. Daarnaast verstrekte Rabobank EUR 7,0 miljard aan de energiesector, waarvan slechts 41% (EUR 2,9 miljard) naar fossiele brandstoffen ging. Triodos en De Volksbank verstrekten uitsluitend kredietfinanciering aan bedrijven die actief zijn in hernieuwbare energie.

Tussen 2016–2023 gingen Nederlandse banken van het verstrekken van EUR 6,3 miljard (79% voor fossiele brandstoffen en 21% voor hernieuwbare energie) in 2016 naar EUR 13,1 miljard in 2019 (91% voor fossiele brandstoffen en 9% voor hernieuwbare energie), een toename van 108% in financiering. Sindsdien is er een dalende trend zichtbaar, met name in de financiering van fossiele brandstoffen, en eindigde 2023 met een totale financiering van EUR 7,5 miljard (69% voor fossiele brandstoffen en 39% voor hernieuwbare energie).

De vermogensbeheertakken van Nederlandse banken hebben medio 2024 in totaal EUR 1,7 miljard geïnvesteerd in de energiesector. Hiervan was EUR 1,4 miljard (83%) toe te schrijven aan fossiele brandstoffen en EUR 0,3 miljard (17%) aan hernieuwbare energie. Triodos en De Volksbank investeren uitsluitend in hernieuwbare energie, terwijl ABN Amro het aandeel van hernieuwbare energie heeft verhoogd tot 41% van alle energie-investeringen. Van Lanschot Kempen (met 16% geïnvesteerd in hernieuwbare energie) en ING Groep (3%) blijven ver achter.

In augustus 2024 hadden acht verzekeringsmaatschappijen, van de zestien onderzochte, die actief zijn in Nederland (Allianz, Athora, ASR Nederland, NN Group, Achmea, VGZ, CZ Group en Menzis) EUR 14,6 miljard aan aandelen en obligaties van de geselecteerde energiebedrijven in hun bezit. Van deze investeringen was 88% toe te schrijven aan fossiele brandstoffen en slechts 12% aan hernieuwbare energie.

De meeste van de acht verzekeringsmaatschappijen investeren nog steeds voornamelijk in fossiele brandstoffen. Enige uitzondering is Achmea en Menzis, waarvan 66% (EUR 62 miljoen) en 54% (EUR 2.1 miljoen) van de energieportefeuille is toe te schrijven aan hernieuwbare energie, respectievelijk. Aan de andere kant is de grootste belegger in fossiele brandstoffen Allianz, dat EUR 12,3 miljard (88%) heeft geïnvesteerd in fossiele brandstoffen en slechts 12% (EUR 1,7 miljard) in hernieuwbare energie.

Eind 2023 hadden negen Nederlandse pensioenfondsen EUR 10,2 miljard aan aandelen en obligaties van een selectie van energiebedrijven in hun bezit. Van deze investeringen was 75% (met een waarde van EUR 7,7 miljard) toe te schrijven aan fossiele brandstoffen en 25% (EUR 2,5 miljard) aan hernieuwbare energie. De grootste beleggers in fossiele brandstoffen zijn ABP (met EUR 2,5 miljard aan investeringen) en PMT (EUR 1,4 miljard).

Volgens de resultaten investeren alle pensioenfondsen nog steeds het grootste deel van hun energie-investeringen in fossiele brandstoffen. De best presterende pensioenfondsen zijn ABP en PFZW, met respectievelijk 31% en 39% van hun investeringen in hernieuwbare energie. De laatste in de ranglijst zijn BpfBOUW, Detailhandel en PMT, met respectievelijk 86%, 85% en 84% van hun energie-investeringen toe te schrijven aan fossiele brandstoffen.

Aanbevelingen

In de afgelopen jaren hebben financiële instellingen in Nederland verschillende vrijwillige toezeggingen gedaan om de klimaatcrisis aan te pakken, zoals de Spitsbergen Ambitie 2018—2020 en de toezegging van de financiële sector aan het Klimaatakkoord van Nederland in 2019. Ondanks deze vrijwillige toezeggingen blijven de activiteiten in de energiesector van de meeste financiële instellingen die actief zijn in Nederland niet in lijn met de doelstellingen van het Klimaatakkoord van Parijs. De gevolgen van klimaatverandering hebben wereldwijd ernstige gevolgen voor de mensenrechten. Het voorkomen van gevaarlijke klimaatverandering is daarom een mensenrechtenverplichting.

Op Europees niveau is er in de afgelopen jaren nieuwe wetgeving ontstaan om verantwoord ondernemingsgedrag te bevorderen. Dit omvat de Corporate Sustainability Reporting Directive (CSRD) en de Corporate Sustainability Due Diligence Directive (CSDDD). Beide richtlijnen verplichten grote bedrijven om een gedetailleerd klimaattransitieplan op te stellen en te rapporteren "*om, met alle mogelijke inspanningen, te waarborgen dat het bedrijfsmodel en de strategie van het bedrijf in overeenstemming zijn met de transitie naar een duurzame economie en met de beperking van de opwarming van de aarde tot 1,5°C in lijn met het Akkoord van Parijs en het streven naar klimaatneutraliteit*" (Art. 15.1, CSDDD) [vertaling].

Deze verplichting biedt financiële instellingen de kans om hun activiteiten en portefeuilles “klimaatbestendig” te maken door ze af te stemmen op een pad dat de temperatuurstijging beperkt tot 1,5°C met weinig of geen overschrijding van de temperatuurgrens. Echter, beide richtlijnen dekken niet alle financiële instellingen die in dit rapport zijn onderzocht. De CSRD is beperkt tot grotere, beursgenoteerde financiële instellingen, terwijl de CSDDD de financiële sector vooralsnog heeft uitgesloten van verplichtingen met betrekking tot hun financieringen en investeringen. Als financiële instellingen in de lente van 2026 alsnog onder de reikwijdte van de CSDDD worden gebracht, zou dit financiële instellingen transparanter en verantwoordelijker maken.

Daarom raadt de Eerlijke Geldwijzer de Nederlandse regering aan:

1. Als onderdeel van de implementatie van de CSRD en de CSDDD in de Nederlandse wetgeving, alle grote financiële instellingen (op basis van hun balanstotaal of beheerd vermogen) te verplichten om een plan op te stellen en uit te voeren om hun gefinancierde broeikasgasemissies te verminderen in overeenstemming met het doel om de opwarming van de aarde te beperken tot 1,5°C. Dit plan moet van toepassing zijn op alle financierings- en investeringsactiviteiten en moet tussentijdse en meetbare doelen bevatten. De voortgang naar deze doelen moet jaarlijks worden gerapporteerd.
2. Te pleiten voor de opname van de financiële sector in de CSDDD en voor de uitbreiding van de reikwijdte van de CSRD om alle grote financiële instellingen (op basis van hun balanstotaal of beheerd vermogen) te omvatten, zodat alle financiële instellingen verplicht worden om een klimaattransitieplan te ontwikkelen.

Daarnaast doet de Eerlijke Geldwijzer de volgende aanbevelingen aan financiële instellingen die actief zijn in Nederland:

1. Alle pensioenfondsen, evenals enkele verzekeringsmaatschappijen en banken, zouden hun krediet- en investeringsfinanciering in fossiele brandstoffen moeten verminderen en hun krediet- en investeringsfinanciering in hernieuwbare energie moeten verhogen om in lijn te komen met een pad dat consistent is met een opwarming van 1,5°C. Deze verschuiving in de portefeuille kan worden bereikt door energiebedrijven te stimuleren, via engagement, stemgedrag of andere middelen, om te stoppen met investeren in fossiele brandstoffen en meer te investeren in hernieuwbare energie. Financiële instellingen kunnen er ook voor kiezen om hun geld te verplaatsen naar andere energiebedrijven die zich richten op hernieuwbare energie.
2. In lijn met de conclusies van UNEP en het IEA zouden alle financiële instellingen niet alleen moeten kijken naar het verschuiven van meer kredietfinanciering en investeringen naar hernieuwbare energie, maar ze zouden zich expliciet moeten richten op het snel verminderen van hun krediet- en investeringsfinanciering in fossiele brandstoffen. Sommige banken en verzekeringsmaatschappijen volgen deze weg al, maar de meeste financiële instellingen die actief zijn in Nederland blijven een veel groter deel van hun investeringen in fossiele brandstoffen houden dan in hernieuwbare energie.
3. Alle financiële instellingen zouden van klanten die betrokken zijn bij fossiele brandstoffen moeten eisen dat zij een snel uitfaseringsplan ontwikkelen (en stoppen met financiering als ze dat niet doen). Daarnaast zouden financiële instellingen onmiddellijk moeten stoppen met het financieren van:

- nieuwe winning van kolen, olie en gas
- kolengestookte elektriciteitsopwekking
- winning van teerzanden
- olie- en gasboringen in het Noordpoolgebied (zowel op land als op zee)
- de uitbreiding van infrastructuur die kan leiden tot een langdurige vergrendeling van op fossiele brandstoffen gebaseerde energieproductie.

4. Alle financiële instellingen zouden hun financierings- en investeringsportefeuilles volledig openbaar moeten maken, zodat belanghebbenden - waaronder overheden, accountants, maatschappelijke organisaties en onderzoekers - hun financieringen en investeringen kunnen monitoren en hen verantwoordelijk kunnen houden. Op dit moment maken de meeste banken en verzekeringsmaatschappijen, evenals enkele pensioenfondsen, hun investeringsportefeuilles nog steeds niet volledig openbaar.

Pensioenfondsen en verzekeringsmaatschappijen zouden ook meer aandacht moeten besteden aan de transities van hun obligatieportefeuilles, waarvan het aandeel in hernieuwbare energie vaak relatief kleiner is dan dat van hun aandelenportefeuilles. Met de groei van de markt voor groene obligaties zou dit een relatief eenvoudige taak moeten zijn.

Abbreviations

ABP	Algemeen Burgerlijk Pensioenfonds
BNEF	Bloomberg New Energy Finance
BpfBOUW	Bedrijfstakpensioenfonds voor de Bouwnijverheid
CO2	Carbon Dioxide
CAGR	Compound Annual Growth Rate
CSDDD	Corporate Sustainability Due Diligence Directive
CSRD	Corporate Sustainability Reporting Directive
EGW	Eerlijke Geldwijzer
ETI	Energy Transition Investment
EU	Europe Union
GAR	Green Assets Ratio
FFG	Fair Finance Guide
GHG	Greenhouse Gas
IEA	International Energy Agency
IRBC	international responsible business conduct
IPCC	Intergovernmental Panel on Climate Change
kWh	Kilowatt-hour
LULUCF	Land-use, land use change and forestry
MW	Megawatt
NZE	Net Zero Emissions
OECD	Organisation for Economic Co-operation and Development
PFZW	Pensioenfonds Zorg en Welzijn
PH&C	Pensioenfonds Horeca & Catering
PME	Pensioenfonds van de Metalelektro
PMT	Pensioenfonds Metaal en Techniek
StiPP	Stichting Pensioenfonds voor Personeelsdiensten
TRBC	The Refinitiv Business Clasification
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change

Introduction

The study analyses the energy sector financing and investments by banks, insurance companies and pension funds operating in the Netherlands. It is similar to earlier studies in 2015, which focused on banks; 2018, which focused on banks and insurance companies and 2021, which focused on bank, insurance companies and pension funds. The current study assesses the percentage of the energy financing and investments by banks, insurance companies and pension funds funding fossil fuels and renewable energy.

Climate change is not just an environmental problem. It is a disruptive global development concretely impacting the lives of people, especially of the poorest people in developing countries. Global temperature rise will cause untold human devastation and exacerbate poverty and hunger.

In December 2015, 196 Parties adopted the Paris Climate Agreement. This agreement legally binds the signatories to commit to the goal of limiting global warming to well below 2, preferably to 1.5, degrees Celsius, compared to pre-industrial levels. To achieve the goal of the Paris Climate Agreement, countries aim to reach global peaking of greenhouse gas emissions as soon as possible to achieve a climate neutral world by 2050.

In the Netherlands, the Spitsbergen Ambition and the 2019 Dutch Climate Agreement are the main frameworks of reference to align the efforts of the Dutch financial sector with the commitment of the Paris Climate Agreement. Despite some steps in the right direction to tackle climate change, much more is required to make the needed transition. Private sector actors such as financial institutions should take their own responsibility, in addition to governmental action.

With their credits and financial investments, banks, insurers and pension funds are major distributors of capital. By making responsible financing and investment choices, they could play a major role in accelerating the phase out of fossil fuels and the further development of renewable energy generation.

In this context, the Eerlijke Geldwijzer (Dutch Fair Finance Guide) has carried out a case study on how financial institutions operating in the Netherlands deal with climate change, The report consist of an analysis of the financial institutions' financial relations to the energy industry, largely based on the methodology used in earlier iterations of this study by Profundo for the Eerlijke Geldwijzer in 2015 (banks), 2018 (banks and insurance companies) and 2021 (banks, insurance companies and pension funds).

This document is an update of the second of the two reports. It analyses the financings and investments in fossil fuels and renewable energy made by 33 banks, insurance companies and pension funds active in the Netherlands in the period 2018-2020.

This report is structured as follows. Chapter 1 describes the methodology, including the selection of energy companies. Chapter 2 describes the findings for Dutch banks, Chapter 3 the results for insurance companies and Chapter 4 the results for the selected pension funds. Chapter 5 draws conclusions and makes some recommendations. A summary of the main findings can be found on the first pages of this report, both in English and Dutch.

1

Methodology

The methodology used for this report is an extension and improvement of the methodology used in earlier iterations of this study by Profundo for the Eerlijke Geldwijzer in 2015 (banks), 2018 (banks and insurance companies) and 2021 (banks, insurance companies and pension funds). The adjusted methodology is described in the following subsections.

1.1 Objective and research questions

The objective of this project is to assess how financial institutions in the Netherlands are reallocating their energy portfolio in response to the climate crisis. The study will focus on the global energy sector financing by banks, insurance companies and pension funds operating in the Netherlands.

This project will focus the research on identifying credit (corporate lending and underwriting services) and investment (bond and shareholdings) flows from major Dutch banks, insurance companies and pension funds to companies engaged in fossil fuel and renewable energy companies over the period 2016-2023.

1.2 Selected financial institutions

The 33 banks, insurers and pension funds operating in the Netherlands which were selected for this research are listed in Table 3.

Table 3 Selected banks, insurers and pension funds

Banks	Insurers	Pension funds
ABN Amro	Achmea	Algemeen Burgerlijk Pensioenfonds (ABP)
Bunq	Allianz	Pensioenfonds voor de Bouw (BpfBOUW)
De Volksbank (SNS, ASN Bank, Regiobank)	ANWB Unigarant	BPL Pensioen
ING	ASR	Pensioenfonds Detailhandel
NIBC	Athora	Pensioenfonds Horeca en Catering (PH&C)
Rabobank	CZ	Pensioenfonds Vervoer
Triodos Bank	De Goudse Verzekeringen	Pensioenfonds Zorg en Welzijn (PFZW)
Van Lanschot Kempen	DSW Zorgverzekeraar	Pensioenfonds van de Metalektro (PME)
	Klaverblad Verzekeringen	Pensioenfonds Metaal en Techniek (PMT)
	Menzis	
	NN Group	
	ONVZ Zorgverzekering	
	Unive	

Banks	Insurers	Pension funds
	VGZ ZLM Verzekeringen Zorg en Zekerheid	

1.3 Classification of energy sources

As a first step, this section provides an overview of the approach behind the selection of the energy sources compared in this study. Section 1.3.1 explains which energy sources are selected for this study as they are considered either as *Renewable Energy* or as *Fossil Fuels*. Section 1.3.2 details which energy sources are seen as other energy sources, which means that loans to and investments in, companies active in producing or converting these energy sources into electric power are not taken into account in this research project.

1.3.1 Selected energy sources

According to the United Nations Framework Convention on Climate Change (UNFCCC), in 2016 81% of all GHG emissions (excluding land-use, land use change and forestry, LULUCF) [3] were attributable to the use of energy. Within this sector, 36% of GHG emissions originated from power generation, 26% from transport, 14% from manufacturing industries and construction, 12% from other sectors, 10% from fugitive emissions from the production of fuels and 2% from other sources not specified. [4]

As of 2016, electricity and heat generation accounted for 36% of total GHG emissions in the energy sector and 29% of total GHG emissions (excluding LULUCF) for countries party to the UNFCCC. As such, power generation constitutes the core sector of this research. This study further focuses on sectors that can be considered as inputs for power generation and/or for energy used in transport, manufacturing industries and construction and fugitive emissions from the production of fuels. Together these sectors are relevant for more than 60% of GHG emissions attributable to energy use and 49% of total global GHG emissions. [5]

The following bullet points further explain which sectors and energy sources were selected as *Renewable energy* or as *Fossil fuels*.

- **Electricity generation**

  Electricity can be generated through various sources. Not all sources of electricity generation emit GHGs. Electricity generation sources include, but are not limited to, the following:

  - Biomass
  - Coal
  - Gas
  - Geothermal energy
  - Hydro electricity
  - Nuclear energy
  - Ocean energy
  - Oil
  - Solar
  - Wind

  A growing number of electricity generation companies are diversifying the composition of their generating capacities across different energy sources. This is stimulated by various factors, such as the increasing awareness of climate change issues, the rapidly declining costs of renewable energy and other market dynamics, consumer and shareholder pressure and government incentives and regulations.

From the sourcing of materials and fuels to construction, operation and waste management, different electricity generation technologies emit different levels of GHG. When emissions of all these processes are taken into account, they are known as the life cycle emissions of a certain electricity generation technology. In the context of its fifth assessment report on climate change mitigation, Working Group III of the IPCC assessed different electricity generation technologies and developed an overview of the life cycle emissions, as shown in Table 4. The GHG emissions are expressed in grams of CO2-equivalent, comparing their climate change impact per gram to that of CO2. The grams of CO2-equivalent emitted per kilowatt-hour produced are then calculated (gCO2eq/kWh).

There has been some debate regarding steps in the life cycle of some technologies not being included and that technological advances that occurred while IPCC was conducting its study have also not been included. Alternative evaluations of life cycle emissions also exist. However, the IPCC assessment is currently the most comprehensive. It is therefore the basis for our assessment of different sectors and energy sources in this research project.

Table 4 Life cycle emissions of electricity generation technologies (gCO2eq/kWh)

Current commercially available technology	Minimum	Median	Maximum
Coal - pulverized coal	740	820	910
Gas - combined cycle	410	490	650
Biomass - co-firing	620	740	890
Biomass - dedicated	130	230	420
Geothermal	6	38	79
Hydropower	1	24	2,200
Nuclear	3.7	12	110
Concentrated Solar Power (CSP)	8.8	27	63
Solar PV – rooftop	26	41	60
Solar PV – large-scale projects	18	48	180
Wind onshore	7	11	56
Wind offshore	8	12	35

Source: Intergovernmental Panel on Climate Change (2015, February), Climate Change 2014: Mitigation of Climate Change. Contribution of Working Group III to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change, New York: Cambridge University Press, p. 1,335.

Table 5 provides an overview of the electricity generation technologies that this research considers as Renewable Energy, because of median life cycle emissions of below 50 grams of CO2 equivalent per kilowatt hour and which are considered as Fossil Fuels. It further provides an overview of other electricity generation technologies, which are not included in either of these two categories (explained further in section 1.3.2).

Table 5 Classification of electricity generation technologies

Renewable Energy	Fossil Fuels	Other
Geothermal	Coal - pulverized coal	Biomass - co-firing
Concentrated solar power (CSP)	Gas - combined cycle	Biomass - dedicated
Solar PV - rooftop	Oil	Hydropower
Solar PV - power generation		Nuclear power

Renewable Energy	Fossil Fuels	Other
Wind onshore		
Wind offshore		
Ocean and tidal energy		

- **Coal mining**

  Coal is used as an input for power generation, which accounts for 36% of all GHG emissions in the energy sector and 29% of total GHG emissions in 2016 for countries party to the UNFCCC. [6] Coal is also used as input for other industrial processes. The most significant other uses of coal are in steel production, cement manufacturing and liquid fuel. As such its impact on GHG emissions is far greater than simply as an input in power generation.

  As Table 4 shows, coal used for electricity has a median life cycle GHG emission of 820 grams of CO2 equivalent per kilowatt hour. Coal mining can also have negative impact on the environment through damage to ecosystems, deforestation and pollution. Additionally, coal mining can also have negative impacts on communities, including land grabs, loss of livelihoods and forced displacement.

- **Oil and gas production and refining**

  Oil and gas are used in both the transport and the power generation sectors. Together, these sectors accounted for 62% of GHG emissions in the energy sector and 51% of total GHG emissions.[7] Oil and gas are also used as energy sources in many other sectors and as inputs for other chemical processes.

  As shown in Table 4, gas as an input for electricity generation has a median life cycle GHG emission of 490 grams of CO_2 equivalent per kilowatt hour. While this is lower than coal, it is still well above the threshold of this study of 50 grams of CO_2 equivalent per kilowatt hour. Furthermore, oil and gas extraction can have negative impacts on the environment through damage to ecosystems, deforestation and pollution. Additionally, oil and gas extraction can also have negative impacts on communities including land grabs, loss of livelihoods, earthquakes and forced displacement.

  A report published at the end of 2020 by the United Nations Environmental Programme (UNEP), came to the conclusion that "*to follow a 1.5°C-consistent pathway, the world will need to decrease fossil fuel production by roughly 6% per year between 2020 and 2030. (…) Global coal, oil and gas production would have to decline annually by 11%, 4% and 3%, respectively, to be consistent with a 1.5°C pathway.*"[8]

  In May 2021, the International Energy Agency published a global 1.5 degrees "pathway", clarifying what kind of energy investments are needed to achieve net zero global GHG emissions in 2050. The report comes to the conclusion "*There is no need for investment in new fossil fuel supply in our net zero pathway. Beyond projects already committed as of 2021, there are no new oil and gas fields approved for development in our pathway and no new coal mines or mine extensions are required.*"[9]

- **Solar energy**

  Solar energy is a renewable source of energy. Solar energy can be derived from solar photovoltaic panels and from concentrating solar thermal energy. Different sources of solar electricity have different levels of GHG emissions (see Table 3). Concentrated solar energy has a median life cycle GHG emission of 27 grams of CO2 equivalent per kilowatt hour. Large-scale solar PV has a median life cycle GHG emission of 48 grams of CO2 equivalent per kilowatt hour. Rooftop solar PV has a median life cycle GHG emission of 41 grams of CO2 equivalent per kilowatt hour.

The mining of minerals needed to produce solar cells is regularly linked to human rights' infringements and the process of manufacturing photovoltaic cells can include the use of toxic chemicals. In addition, the production process is linked to potential issues identified generally in the production of most electronic goods. Given that the assumption that the potential impact is less than the overall benefit produced and that solar energy equipment manufacturing has low life cycle emissions, this sector is included in this study.

- **Wind energy**

  Wind energy is a renewable source of energy, but different sources of wind generated electricity have different levels of GHG emissions (see Table 3). Onshore wind energy has a median life cycle GHG emission of 11 grams of CO2 equivalent per kilowatt hour. While offshore wind energy has a median life cycle GHG emission of 12 grams of CO2 equivalent per kilowatt hour.

  A point of attention is that the mining of minerals needed to produced wind energy is regularly linked to human rights' infringements.

- **Geothermal energy**

  Geothermal energy is a renewable source of energy. As presented in Table 3, geothermal energy has a median life cycle GHG emission of 38 grams of CO2 equivalent per kilowatt hour.

- **Ocean energy**

  Ocean energy is an emerging energy source. Both tidal stream generators and barrage tidal energy are methods to capture ocean energy. Tidal stream generators function similarly to wind turbines as they capture the incoming and outgoing stream of energy from tides. Barrage tidal energy is similar to hydroelectric dams, as structures are built across bays and estuaries to force tidal energy through turbines situated in the barrage.

  As with hydro power, the impact on the environment, particularly on natural ecosystems, is potentially significant. Nevertheless, a review on studies on the life cycle GHG emissions of ocean energy estimates that the median is around 17 grams of CO2 equivalent per kilowatt hour (gCO2/kWh) and could be as low as 8 gCO2/kWh. [10] Given these results and the technical potential of this energy source as an alternative source of energy, ocean energy has been included in this study as Renewable Energy.

1.3.2 Other energy sectors

Apart from the Renewable Energy and Fossil Fuels energy sources defined in section 1.3.1, three sources of energy are not taken in consideration in this research project: nuclear energy, hydropower and bioenergy. These sources of energy are not considered viable alternatives to fossil fuels for energy used in power generation and transport as they are considered to have a high impact on the environment or because there is limited consensus on the impact level of these energy sources. This section further discusses these three other energy sources and the rationale not to include them in this research project.

- **Nuclear energy**

  Nuclear energy is seen by some as a sustainable source of energy because its energy generation is seen as low carbon. It produces relatively insignificant amounts of GHGs, is comparatively cheap to run and is a stable source of energy. However, many controversies surround nuclear power.

  Recent studies suggest that as uranium ore grades decrease, fossil fuel inputs in the nuclear fuel cycle will increase. As such, within a few decades, the GHG emissions in the nuclear fuel cycle will be similar to that of traditional coal-fired or gas-fired power plants.

Further risks include the risks and environmental damage from uranium mining, processing and transport, the risk of nuclear weapons proliferation, the unsolved problem of nuclear waste and, although many countries have a good track record, the potential hazard of a serious accident.

As shown in Table 4, current estimations suggest that nuclear energy has a median life cycle GHG emission of 12 grams of CO2 equivalent per kilowatt hour. However, due to the potential negative impacts and the opinion of the Dutch Fair Finance Guide that nuclear power is not a viable alternative to traditional fossil fuels, nuclear energy is not included in this study.

- **Hydropower**

  Hydropower is often considered a sustainable source of energy because it emits less GHG than traditional fossil fuels. However, hydropower is often controversial. Hydropower projects, both large and small, have a significant impact on the environment, altering habitats, as well as having a potentially great impact on communities and their socioeconomic conditions. Communities are often displaced without (or with inadequate) compensation and livelihoods are lost. It is therefore not sustainable in the social and economic sense of the word and does not respect human rights, in all contexts.

  As Table 5 presents, hydropower has a median life cycle GHG emission of 24 grams of CO2 equivalent per kilowatt hour, which is quite low. However, hydropower also has a maximum life cycle GHG emission of 2,200 grams of CO2 equivalent per kilowatt hour. This is more than double the maximum life cycle GHG emission of pulverized coal. Such high levels of life cycle GHG emission per kilowatt hour are generally reached by large-scale hydropower, caused by the methane emissions of the decaying vegetation.

  Small-scale run-of-the-river hydro power is seen as having fewer negative social and environmental impacts than large-scale hydropower. However, different countries and organizations use different minimum thresholds to differentiate between small-scale and large-scale hydropower. Table 6 provides an overview of the different definitions of small-scale hydropower.

Table 6 Country definitions of small-scale hydropower

Country	Threshold (MW)
Brazil	≤ 30
Canada	≤ 50
China	≤ 50
European Union	≤ 20
India	≤ 25
Norway	≤ 10
Sweden	≤ 1.5
United States	5-100
WWF	≤ 15

Source: Kumar, A., T. Schei, A. Ahenkorah, et al. (2011).[11]

Many other factors influence the amounts emitted, depending on the geographical location, the age of the reservoir, external inputs of carbon and nutrients and characteristics of the reservoir such as water flow, turnover time, area, depth, water level fluctuations and the positioning of the turbines and spillways. Dams in tropical areas for example emit more methane than do those in temperate or boreal areas. [12] Experts also suggest that the environmental impact per megawatt (MW) is dependent on the measures taken to mitigate the negative impact. It is beyond the scope of this research to investigate the impact per MW of each hydropower plant in the power generation portfolios of all selected power generation companies for the period under study. Moreover, as there is no consensus on the definition of small-scale hydropower, it was decided that hydropower would not be included in this study.

- **Bioenergy**

  Biomass energy and biofuels are derived from various sources. The term refers to biological matter that can be used as energy source for electricity generation and transport. The biological can range from wood to edible crops to algae and other sources. Biomass can be burned directly, or can be turned into fuels by gasification, pyrolysis, or anaerobic digestion.

  Biomass is regarded by some as a renewable energy source because the carbon in biomass is considered as part of the natural carbon cycle. This is because trees take in carbon dioxide from the atmosphere and convert it into biomass and when they die it is released back into the atmosphere. Whether trees are burned or whether they decompose naturally, the same amount of carbon dioxide is released. The idea is that if trees harvested as biomass are replanted as fast as the wood is burned, new trees take up the carbon produced by the combustion, the carbon cycle theoretically remains in balance and no extra carbon is added to the atmospheric balance sheet. Therefore, biomass is considered by some as “carbon neutral.” Replacing fossil fuels with biomass is thought to result in reduced carbon emissions.

  However, whether biomass is truly carbon neutral or not depends on a number of factors:

  - what type of biomass is used,
  - the combustion technology,
  - which fossil fuel is being replaced,
  - what forest management techniques are employed where the biomass is harvested.

  Combustion of biomass and fossil fuels both produce carbon dioxide. When annual crops and other short-term biomass are burned, the carbon generated can generally be absorbed by the growing of new plants. However, when the biomass comes from wood and trees, the re-growing and thus the recapture of carbon take years or decades and the carbon equation would need to take into consideration the carbon that the trees would have naturally stored if left untouched. This is particularly problematic as the majority of existing biomass power plants currently use wood residue.

  Furthermore, as with biofuels, described below, biomass is affected by a number of social and environmental issues. As described above, biomass can include agricultural waste, production forest wood chips and wood pellets, among other things. Issues generally tend to arise when wood is being cultivated in order to produce wood pellets. There are numerous reports of forest destruction (also leading to CO2 emissions) for monoculture development, as well as of land grab and loss of livelihoods related to such developments.

  Another form of bioenergy is biofuels. Biofuels can come in different forms, including ethanol and biodiesel. They are derived from different feed stocks including sugar beets, sugar cane, soy, palm oil, wheat, corn and jatropha. However, the biofuels sector is afflicted by numerous controversies. Again, there are significant concerns including issues regarding food security, deforestation, legality of operations, human rights and labour issues, community displacement and land grabs, loss of livelihoods, the impact of monoculture on ecosystems and soil degradation.

Due to these controversial issues regarding biomass and biofuels, bioenergy is not a clear-cut viable alternative to traditional fossil fuels. It is therefore not included in this study.

1.3.3 Final selection of energy sources

Table 7 presents the final categorisation of activities related to Renewable Energy and Fossil Fuels selected for the purpose of this study. Based on the discussion in section 1.3.2, other sources of energy are not taken into account in this study.

Table 7 Activities related to renewable energy and fossil fuels

Renewable Energy	Fossil Fuels
Photovoltaic Solar Systems & Equipment	Coal-fired power generation
Renewable Energy Equipment & Services (NEC)	Coal mining
Renewable Energy Services	Gas-fired power generation
Stationary Fuel Cells	Gas production and refining
Wind Systems & Equipment	Oil-fired power generation
Geothermal Electric Utilities	Oil production and refining
Solar Electric Utilities	Oilfield services
Wind Electric Utilities	Pipelines
Renewable IPPs	

1.4 Company and sector selection

Data on the financing of power and utility companies with coal-fired and gas-fired power plants was extracted from two existing databases prepared by Profundo for partner organisations: *Banking on Climate Chaos (BOCC)* and *Investing in Climate Chaos (IICC)*.

- **Banking on Climate Chaos (BOCC)**

  BOCC is a dataset of bank financing in the form of corporate loans and underwriting services provided to companies engaged in fossil fuel activities. The selection of companies is based on globally recognised lists of fossil fuel companies—Global Coal Exit List (GCEL) and Global Oil and Gas Exit List (GOGEL)—developed and maintained by Urgewald. BOCC was developed by a group of partners, including Rainforest Action Network, Reclaim Finance, Urgewald and Profundo.

  GCEL lists more than 1,400 company groups and their subsidiaries engaged in coal-fired power plants, coal mining and coal services sectors, as well as all companies developing new coal assets. These companies represent more than 90% of the global thermal coal production and global coal-fired power capacity. GCEL is updated on a yearly basis—this research uses the 2023 version of the list—and focused on coal-fired power plants.[13]

  GOGEL lists more than 1,600 company groups and their subsidiaries active in the upstream production of oil and gas, midstream oil and gas, or gas-fired power sectors. Companies listed on GOGEL account for 95% of the global oil and gas production. GOGEL is updated on a yearly basis—this research uses the 2023 version of the list—and focused on gas-fired power plants.[14]

  Note: BOCC includes non-GCEL and non-GOGEL companies as well. However, to maintain consistency with GCEL and GOGEL and to utilise fossil fuel indicators from those data sources, only GCEL and GOGEL companies were included in the research.

- **Investing in Climate Chaos (IICC)**

  IICC is a dataset of investments in bonds and shares issued by companies engaged in fossil fuels. The companies considered in IICC are also based on the lists of fossil fuel companies considered in BOCC: GCEL and GOGEL. IICC was also developed by a group of partner organisations, including Urgewald, Reclaim Finance and Profundo.

To complement the financing data on fossil fuels (BOCC and IICC) with financing on renewables, this research uses Refinitiv screeners to retrieve financing for renewable energy companies and utilities. For corporate lending and underwriting services, deals were screened for the participation of the selected banks by the sector activity of the borrower/issuer. For investments in listed companies and corporate bonds, the portfolios of the selected financial institutions were screened for investments in borrowers/issuers engaged in the relevant sector activities. Table 7 (left column) presents which of The Refinitiv Business Classification (TRBC) sector activities were considered within the scope of the renewable energy companies.

Data from these three sources (BOCC, IICC, Refinitiv renewables screener) were combined into three separate worksheets:

- Creditor research: loans and underwriting services provided by the selected financial institutions between January 2016 and August 2024.
- Investor research: investments in bonds and shares by the selected financial institutions at the most recent filing date in August 2024
- Shareholding moment analysis: investments in shares by the selected financial institutions at the end of each year between 2016 and 2023.

1.5 Analysing the activities of the energy companies

As several of the power and utility companies included in the research have diverse portfolios of power generation and, even, different business operations, not all financing to these companies can be reasonably attributed to fossil fuel or renewable energy activities. In fact, most power and utility companies have both fossil fuel and renewable energy power plants. In order to more accurately attribute financing to each of these companies, this research calculated segment adjusters, which are then used to attribute financing to fossil fuels and/or renewable energy separately.

Given the large number of companies included, this research considered a threshold to select the companies receiving most financing from the selected financial institutions for which to calculate the adjusters. For each of the companies for which the identified financing was above US$ 50 million or with more than two of the selected financial institutions involved in the deal, we analysed which proportion of their activities can be attributed to fossil fuels, to renewable energy and to other activities inside and outside the energy sector. Using these segment adjusters makes it possible to attribute a percentage of each loan to and each investment in, the selected companies to fossil fuels, to renewable energy and to other activities. A general corporate loan to a power company, or an investment in the shares of that same company, can be used by the power company to finance all types of activities it is involved in. For general corporate loans and investments provided to companies active in more than one segment, the segment adjusters therefore are used to attribute the financing and investment amounts to the different activities in which the energy company is involved.

Due to a lack of data availability, segment adjusters will not be calculated in the same way for each company. Preferably, data on the annual capital expenditure (capex) per sector or segment in which the company is active has been used. These data are also referred to as the annual addition to non-current assets per sector/segment.

For some companies, capex-data per segment are not available, or the segment classification used by the company is too broad to distinguish between the activities listed in Table 7. In these cases, the following proxies were used in order of preference:

- installed capacity for electricity generation broken down by energy source (for power generation and utility companies)
- segment distribution of assets
- segment distribution of profits
- an estimate based on the description of the company's activities.

The segment distribution of capex, assets, costs and/or revenues was primarily identified through annual reports, company filings and investor presentations. Segment adjusters were calculated separately for each company at the lates available information.

Note that the credit or investment figures for individual financial institutions might differ from the figures published by the financial institutions themselves on their credits and investments in the fossil fuels sector, as these figures might cover more companies and count the full investment in each company. We only count the proportions of the investments which are directly attributable to fossil fuels and to renewable energy. The proportions of investments in these companies which are used for other energy sources, for electricity transportation and for non-energy activities are not taken into account.

1.6 Financial institution financing contributions

1.6.1 Loans and underwriting services

In the case of syndicated loans and underwritings of bond and share issuances, the individual bank contributions are presented, to the largest extent possible, as they are recorded by and retrieved from the financial databases, company filings or media publications. However, in many cases, only the total value of a loan, the bond or share issuance is known, with no further information as to the amount or percentage contributed by each participant of the loan or issuance. Consequently, in such cases, the amount that each financial institution commits to the loan or issuance must be estimated.

Profundo has developed a methodology to estimate the financial institutions' contributions based on the available information. Specifically, when the fees charged by each financial institution are available, this research estimates each financial institution's contribution as a proportion of the total fees received by all financial institutions. Then, the estimated proportion (for instance, if Bank A received 10% of all fees) is applied to the total deal value (assuming a deal of US$10 million, Bank A would be assigned a contribution of US$1 million or the 10% of US$10 million). Algebraically, that is

$$Bank's\ contribution := \frac{Individual\ bank\ fees}{\sum Each\ bank\ fees} \times Principal\ amount.$$

When the deal's fees data is missing or incomplete, this research uses a book ratio approach. The book ratio determines the deal's distribution between bookrunners, managers and other participants. The formula is as follows:

$$Book\ ratio := \frac{number\ of\ participants\ -\ number\ of\ bookrunners}{number\ of\ bookrunners}.$$

Table 8 presents the commitments assigned to book-runner groups per the proposed estimation method. When the number of total participants increases with respect to the number of bookrunners, the share attributed to each bookrunner decreases. In this way, the estimation procedure prevents substantial differences in the amounts attributed to the different bookrunners and other participants.

Table 8 Commitment to assigned bookrunner groups

Book ratio	Commitment	
	Loans	Issuances
> 1/3	75%	75%
> 2/3	60%	75%
> 1.5	40%	75%
> 3.0	**< 40%***	**< 75%***

* In case of deals with a book ratio of more than 3.0, we use an additional formula that gradually lowers the commitments assigned to bookrunners as the book ratio increases. The formula is as follows:

$$Commitment := \frac{1/\sqrt{book\ ratio}}{1.443375673}.$$

The number in the denominator is used to make the formula start at 40% in case of a book ratio of 3.0. As the book ratio increases the commitment will decrease from 40%. In case of share and bond issuances the commitment's denominator is 0.769800358.

1.6.2 Shares and bond holdings

The market value, the number of shares, as well as the number of bonds held by financial institutions are reported in the financial databases used in the research. Hence, no estimations are performed to determine the individual contributions of the financial institutions.

1.6.3 Evolution of shareholdings

Analysing only the evolution of investment amounts does not allow to determine the investor's behaviour during the period under analysis due to share's price fluctuations. Did the investors buy additional shares? Or on the contrary, did they partially divest from their shares? When the amount of an investor's shareholdings increases, it can be caused by the purchase of additional shares, but it can also be because the shares' price increased. Similarly, when the amount of investments decreases, it can be due to the sale of the shares or by a fall in the share price.

Thus, for a more detailed analysis of the evolution of investments in shares, this research includes the "baseline analysis" methodology (i.e., comparative analysis). The methodology consists of comparing, at the end of each year, two potential outcomes:

- **Baseline investment:** If an investor would have kept the number of shares it held in its portfolio at the beginning of the period under analysis (December 2016), then all changes in the trajectory of such investments would be attributable to changes in the share's prices.
- **Actual investment:** If the share's prices would have not changed overtime—that is, the price remained unchanged during the period under analysis, then all changes in the trajectory of such investments would be attributable to investments or divestments by the investor.

Comparing these two situations makes it possible to determine whether investors sold or bought shares during the period under analysis: If the trajectory of the **actual investment** is above the trajectory of the **baseline investment**, it means that the investor invested in more shares. On the contrary, if the trajectory of the **actual investment** is below the trajectory of the **baseline investment**, it means that the investor divests from its shares.

1.7 Combining financings and investments with segment adjusters

The financing and investment data identified for each financial institution (see Section 1.6) were then combined with the relevant segment adjusters (see Section 1.5). For example, if we find that Oil Company A received a general corporate loan from Bank B for EUR 100 million in 2019. During this financial year, 95% of Oil Company A's capex went to oil, 3% to wind power and 2% to activities which are not relevant four our analysis. EUR 95 million was therefore attributed to fossil fuels, EUR 3 million to renewable energy and EUR 2 million was not included in the analysis. The same calculation applies to an investment in shares or bonds of Oil Company A by Insurance company C or Pension fund D.

After making these calculations for all financings and investments found, the total amounts financed and invested by each bank, insurer or pension fund were added up, both for *Renewable energy* activities and for *Fossil fuel* activities. As all financing attributable to other energy activities as well as to non-energy sectors is ignored, the total financing analysed for each financial institution will usually be lower than the actual financing provided to the selected companies as found in Section 1.6.

Using the total financing and investment amounts, we also calculated which percentage of the combined energy financings and investments of the banks, insurers and pension funds went to *Renewable energy* in the period under analysis and which percentage to *Fossil fuels*. These percentages were calculated per individual financial institution and for the three groups: banks, insurers and pension funds.

1.8 1.5°C alignment assessment

The Beyond Fossil Fuels coalition, using the International Energy Agency (IEA) Net Zero Emissions (NZE) 2050 scenario, states that in order to meet 2050 NZE targets, financial institutions must have a 6:1 ratio of sustainable power supply financing to fossil fuel financing by 2030.[15]

To assess whether the selected financial institutions are on track to meet the 2030 target of achieving a 6:1 ratio of sustainable power supply financing to fossil fuel financing this research employed the Compound Annual Growth Rate (CAGR) to project trends in both fossil fuel and renewable energy financing, based on available financing data. The methodology consists of calculating the growth ratio of the identified financing between two periods and then using such ratio to extrapolate / estimate the future financing and investments.

To mitigate the impact of economic cycles on financing and investment values, the analysis utilized three-year moving averages for the starting and ending values wherever possible, and two-year moving averages in cases where the data period was more limited. The scope of the analysis covered:

- Banks' loans and underwriting (2016–2023)
- Banks' shareholdings (2016–2023)
- Insurers' shareholdings (2016–2023)
- Pension funds' share and bond holdings (2017–2023)

1.9 Differences with other studies

This research (referred to as "Profundo's 2023 research" in the coming subsections) is similar in scope to other existing publications in the sense that it analyses the evolution of financing between fossil fuels and renewable energy companies. Specifically, Profundo's 2023 research is similar in scope to:

- The previous version of this research (Profundo's 2021 research): *Fossil fuel versus renewable financing by financial institutions active in the Netherlands*[16]
- The Bloomberg New Energy Finance (BNEF) report

- The EU taxonomy on Green Assets Ratio (GAR).

The next subsections highlight the differences between Profundo's 2023 research and the others available.

1.9.1 Differences with Profundo's 2021 research

Profundo's 2023 research is, in a sense, a follow up study of the one made in 2021 titled *"Fossil fuels versus renewable financing by financial institutions active in the Netherlands: A case study for Fair Finance Guide Netherlands*". As a consequence, there are some methodological similitudes. For instance, both studies consider the main financial institutions (banks, insurance companies and pension funds) active in the Netherlands, both have the same definition for what accounts for fossil fuels and renewables and both include the same types of financing.

The main difference between the two studies is in the company selection. Profundo's 2021 report considered the largest companies on the global market as well as the largest companies on the Dutch market active in the business operations presented in Table 7 for a total of 380 companies. Profundo's 2023 report, on the other hand, consider a much broader spectrum of companies, as described in Section 1.4, for a total of more than a thousand companies.

1.9.2 Differences with Bloomberg's New Energy Finance Report

The Bloomberg New Energy Finance (BNEF)[17] study looks at the trends in banks' financing of fossil fuels and low-carbon energy entities. The primary focus of the research is on the supply side and covers companies whose revenue is driven by the development, extraction, transportation or generation of energy and the development and production of energy technologies and equipment. Sources of revenue were used as the key indicator for assigning the financing of a company (or, presumably, a portion of it) to the fossil fuels or low-carbon category.

1.9.2.1. Company selection

The first difference between this research and the BNEF report is in the definition of the sectors and activities considered as fossil fuels and renewables.

The BNEF report considers the following sectors and sub-sectors as fossil fuels:

- **Fossil extraction, processing, power production & supply**
  - Utilities
    - Fossil-fuel power generation
    - Heating and cooling
  - Coal
    - Mining
    - Rail/freight
  - Oil and gas
    - Exploration and production
    - Transport
    - Refining
    - Marketing/trading
    - Filling stations
- **Equipment and infrastructure**
  - Generators
  - Power generation equipment, parts and services

- Power boilers and heat exchangers
- Oilfield chemicals

The BNEF report does not seem to differentiate between thermal coal, which is used as a fossil fuel, and metallurgical coal, which is used in the steel and cast-iron production process. Profundo's 2023 research does such differentiation by calculating segment adjusters (see Section 1.5) considering the type of coal produced by the companies with mining activities.

The following sectors and sub-sectors are included in the low-carbon energy segment:

- **Energy production & distribution**
  - Solar
  - Wind
  - Geothermal
  - Hydropower
  - Storage
  - Marine power
  - Biofuels and biomass
  - Nuclear
  - Electricity grid
  - Hydrogen and CO2 transport/storage
- **Technology development and equipment production**
  - Plant development
    - Solar
    - Biomass
    - Wind
  - Smart grid equipment
    - Clean energy equipment
    - Solar cells/modules
    - Inverters
    - Wind turbines
    - Geothermal equipment
    - Hydro equipment
    - Fuel cells
    - Nuclear equipment

The inclusion of nuclear energy generation, development of nuclear power plants and production of nuclear equipment perhaps explains the use of the term 'low-carbon' instead of sustainable or renewable energy. It is also unclear if all hydropower or only small and micro-hydro is included in the scope.

The total number of companies included in the BNEF report is 15,494. The final company selected used in the BNEF report is comprised by four groups of companies:

- Bloomberg industry classification (*BICS)*: BNEF designates each Bloomberg industry categorization, levels 1-7, to low-carbon energy, fossil fuels, or neither, and further broke it down into energy supply or demand. It then compiles all companies in the Bloomberg database with industry-classified revenue data. This resulted in 12,660 companies with non-zero revenue in relevant energy categories.
- BNEF oil and gas capex: The above list of companies is supplemented with the 40 major oil and gas, bringing in better bottom-up analysis on the portion of their capital expenditures dedicated to low-carbon energy.

- Urgewald: The above list of companies is supplemented with 2,487 other coal, oil and gas companies from GCEL and GOGEL.
- New energy exposure scores (NEES): Finally, the list of companies is supplemented with 347 additional companies with New Energy Exposure Scores.[18]

In terms of the company selection, Profundo's 2023 research differentiates from the BNEF report in the sense that Profundo only considers GCEL and GOGEL companies for the selection of companies engaged in fossil fuels. In that respect, Profundo's 2023 research does not include companies engaged, for instance, in equipment and infrastructure, while BNEF does. Furthermore, the selection of fossil fuel companies is supplemented by a renewables sector screening process using The Refinitiv Business Classification (TRBC). Section 1.3 details the energy sources considered as renewables and the reasons behind such reasoning which, for instance, do not include several of the energy sources considered by BNEF such as hydropower, nuclear. biomass, carbon capture, carbon capture utilisation and storage.

The fact that the BNEF report includes such a broader spectre of companies as "low-carbon", instead of a more robust approach of what relevant stake holders consider "renewable energy", allows for non-comparable results between the BNEF report and Profundo's 2023 report. In addition, it permits BNEF to present much more promissory results towards a green energy transition despite the inclusion of technologies not considered "green" such as biofuels, biomass and Nuclear.

1.9.2.2. Type of financing

BNEF research team looked at the three types of financing of the selected companies: recourse debt (general corporate purposes loans and bonds), equity (IPOs and additional share offerings), and project finance.

For bonds and loans, Bloomberg LEAG database was used to gather financial information by looking up all the debt instruments issued by each of the selected entities in 2021. BNEF explains that it "*supplement* [their data] *with labelled sustainable debt (in other words, green bonds and loans) based on an analysis of their use of proceeds, rather than the issuer's business model, since any company (even one without known energy revenue) can issue clean-energy-related green debt.* [BNEF] *parsed each deal by the individual banks involved, their role and their credited amount underwritten for the deal. For loans,* [BNEF measures] *underwriting instead of direct lending because the data is far more transparent; to do this,* [it analyses] *the banks named as bookrunners. For bond underwriting,* [it analyses] *managers*".

For the equity data, BNEF team used the Bloomberg IPO database. As for the other data, 2021 was used as the reporting year. For each selected company, information on initial and secondary offerings was collected and then disaggregated by individual banks engaged in these transactions. Information on "*their role and their credited amount of shares sold for the deal*" was taken into account. BNEF explains that to "[…] *capture all of the material roles banks play in underwriting equity offerings,* [it] *analysed left leads, managers, agents and bookrunners*".

In terms of project finance, BNEF relied on its own data on low-carbon energy projects (BNEF Energy Transition Investment (ETI) database) and on the IJGlobal database on fossil-fuel-related projects. BNEF explains that in this case, the scope of companies and projects was done separately from and unrelated to the initial company selection exercise (for debt and equity), as project finance is always earmarked for a specific energy project, even if the executing company is not itself an energy company. Project-level data was disaggregated to individual banks taking part in the transaction. Data on lead arrangers for syndicated facilities and bond arrangers was used in the subsequent analysis.

Profundo's 2023 report and the BNEF report are very similar in terms of the type of financing considered. The main difference is Profundo's 2023 research does not include project finance and sustainable debt (green bonds and loans). The reason for Profundo's 2023 report not including project finance and sustainably labelled financing is that it might lead to the inclusion, for instance, of government bonds earmarked as green bonds. For instance, three out of the top five deals included in the BNEF report were to governmental bodies: a bond issued by United Kingdom for US$ 25.3 billion, another one issued by the EU for US$ 21.3 billion and another one issued by Italy for US$ 15.7 billion. Including this type of deals contributes to results not aligned with financial institutions transitioning from financing fossil fuels to renewable energy companies.

1.9.2.3. Adjustment factors

To understand the share of each financial operation that was channelled on energy-related activities, BNEF experts applied the company adjustment factors based on the information on the sources of revenue or the earmarked capital expenditures. The percentage of fossil- or renewable-based revenue or capital expenditure was used as a proxy to assume how the raised funds are used on average. Methodologically, this builds upon the solution put forward in the Rainforest Action Network's Banking on Climate Chaos project, where RAN applies company adjustment factors to assess major banks' exposure to the fossil fuel sector.

To deal with the recourse debt and equity, the company adjustment factors were multiplied by the amount credited to each bank (in USD), thus providing an estimate of credit for the low-carbon and fossil fuels-related activities.

Adjustment factors were not applied to two types of transactions: sustainable finance deals and project finance. For the sustainable debt, the reported use of proceeds data was used to assess how much was channelled to the renewable energy projects. For project finance, adjustment factors were also not applied, since such transactions are specifically earmarked for financing designated projects.

As described in Section 1.5, the calculation of **segment adjusters**, or what BNEF calls "adjustment factors", is required because most of the companies included in the study have multiple business operations. In fact, the methodology used in the BNEF report is based on the methodology developed by Profundo and RAN.

1.9.3 Differences with Europe Union Taxonomy on green assets ratio

From 1 January 2024, under the Disclosures Delegated Act,[19] financial institutions, including banks, are obliged to report on the taxonomy eligibility and alignment. That is, to disclose "*to what extent their activities are covered by the EU Taxonomy (Taxonomy-eligibility) and comply with the criteria set in the Taxonomy delegated acts (Taxonomy-alignment)*". The reporting metric is called the Green Asset Ratio (GAR), which is calculated as a share of a credit institution's Taxonomy-aligned balance sheet exposures over the total eligible exposures. The GAR is supposed to help stakeholders understand what the financial institutions contribution to European environmental and climate objectives is.

The drawback of using GAR as a measure of the performance of financial institutions towards the green energy transition is that the GAR includes different activities that are not considered as renewable by interested stakeholders. Specifically, GAR is based on a list of activities covered by the Taxonomy, such as construction and safe operation of new nuclear power plants (as defined in Taxonomy, for the 'generation of electricity and/or heat, including for hydrogen production, using best-available technologies') and electricity generation from fossil gaseous fuels. Other eligible energy activities are hydropower—though with some limitations (e.g. only run-of-river plants which do not have an artificial reservoir are eligible, and the life cycle GHG emissions from the generation are lower than 100gCO2e/kWh), bioenergy, geothermal, solar, ocean energy, heat pipes, and hydrogen storage (regardless of the hydrogen production technique). Installation, maintenance and repair of energy efficiency equipment for real estate, as well as manufacturing of such equipment, is also eligible and contributes to GAR calculation and reporting.

The 2024 reporting results on the Taxonomy of the EU's major banks appear disappointingly low. According to recent ING research,[20] which covered 33 major European banks from 13 jurisdictions, "*the average eligibility rate lies at 35%, 5pp ahead of last year. However, while some estimated this year's average GAR to be below 10%, in reality, the average reaches just over 3%*".

Overall, GAR reporting is an important step towards the actual enforcement of the EU taxonomy. However, because of the methodological limitations on the one hand, and as there is currently no legislation requiring financial institutions to set specific time-bound targets on the eligibility and alignment of their portfolios on the other, the effect remains limited. There is also no stimulus for banks to perform better, as they are not rewarded for demonstrating a high GAR, nor sanctioned for showing low figures.

1.10 Historical comparison

Where possible, the percentages found in Section 1.7 were compared with the findings in similar studies done by Profundo for the Eerlijke Geldwijzer in 2015 (*Undermining Our Future* - which focused on banks), 2018 (*Still Undermining Our Future* - banks and insurance companies) and 2021 (*Fossil fuel versus renewable financing by financial institutions active in the Netherlands* – banks, insurance companies and pension funds). These historical comparisons will focus on the percentages of financings and investments funding fossil fuels and renewable energy, but will not compare absolute values as the selection of companies in the three studies is different: companies went bankrupt or merged, new companies emerged in the rankings of the largest companies in a market, etc. Comparing how the absolute credit and investment data and the relevant percentages developed over the years, nevertheless, makes it possible to draw conclusions on the trends in financing of and investments in, renewable energy and fossil fuels by banks and insurance companies operating in the Netherlands.

1.11 Feedback round

This research reached out to the selected financial institutions to review and either confirm or suggest corrections to its findings. Out of the 33 contacted financial institutions, only 12 replied with comments. Most of the comments are related to the financial institution's inability to make statements about the deals they have with companies given their privacy policies. Others point to the financial institution's policies on energy transition and exit lists. The position of each bank, insurance company and pension fund regarding the research findings are presented at the end of the subsections analysing the results per financial institution.

2

Banks

This chapter analyses bank loans and underwriting services provided by Dutch banks to the selected energy companies in the period 2016–2023, as well as the investments in shares and bonds of these same companies by the banks' asset management divisions. An assessment is made which proportion of these credits and investments is attributable to fossil fuels and which proportion to renewable energy.

2.1 General findings

Between 2016 and 2023, six Dutch banks (ABN Amro, De Volksbank, ING Group, NIBC Holding, Rabobank and Triodos Bank) provided EUR 64.8 billion in loans and underwriting services to companies in the fossil fuels and renewables sectors. Of this, 79% (EUR 51.2 billion) was directed toward fossil fuels, while 21% (EUR 13.6 billion) went to renewable energy.

Additionally, we found that the asset management divisions of four Dutch banks (ABN Amro, ING Group, Triodos and Van Lanschot Kempen) had invested a total amount of EUR 1.7 billion in the shares and bonds of companies in the fossil fuels and renewables sectors at the most recent filing date in August 2024. Of these investments, 83% (EUR 1.4 billion) was allocated to fossil fuels, with the remaining 17% (EUR 286 million) directed toward renewable energy.

The following subsections present in detail the findings per bank.

2.1.1 Loans and underwriting

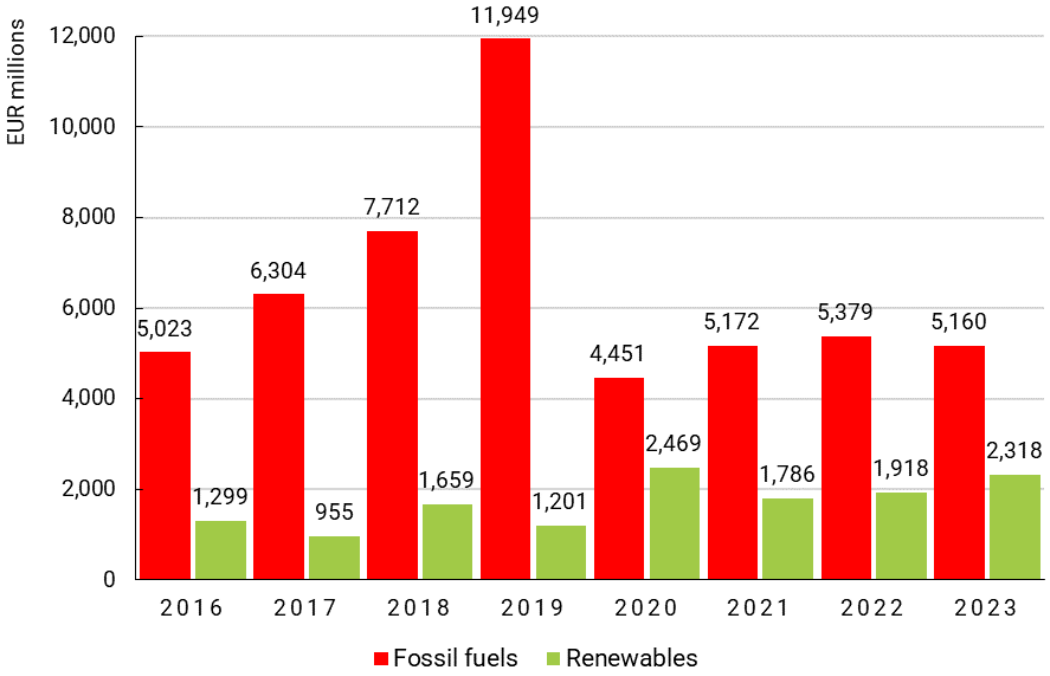
In the period 2016 to 2023, six Dutch banks (ABN Amro, De Volksbank, ING Group, NIBC Holding, Rabobank and Triodos Bank) provided EUR 46.2 billion in loans to companies in the fossil fuel and renewable sectors. 74% of these loans (EUR 34.2 billion) was attributable to fossil fuels and 26% (EUR 12.0 billion) to renewable energy.

In the same period, these four Dutch banks also provided EUR 18.6 billion in underwriting services to companies in the fossil fuel and renewable sectors. 91% of these underwriting services (EUR 16.9 billion) was attributable to fossil fuels and 9% (EUR 1.6 billion) to renewable energy.

Combined, out of the EUR 64.8 billion in loans and underwriting services identified, 79% (EUR 51.2 billion) was attributable to fossil fuels and 21% (EUR 13.6 billion) to renewable energy. A year-by-year trend analysis reveals a peak of financing in 2019, with EUR 13.2 billion provided by Dutch banks in that year alone. Notably, 2019 also marked the highest focus on fossil fuels, which accounted for 91% of the identified credits. However, by 2020, there was a significant shift, with renewable energy making up 36% of the loans and underwriting services.

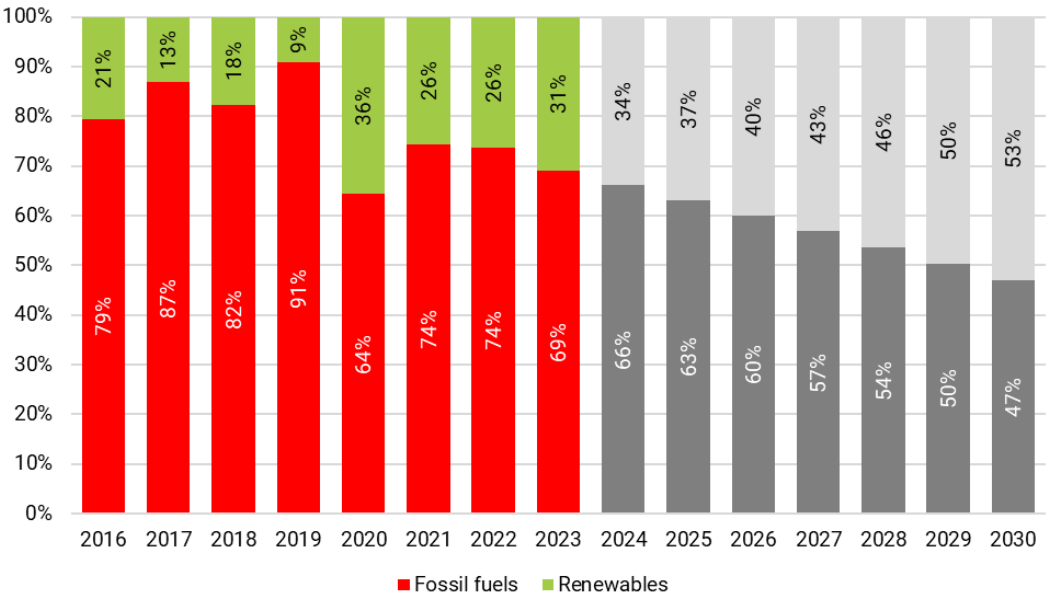
Figure 14 shows that this change in the financing proportions between fossil fuels and renewables is driven almost solely by the increase in financing of renewable energy companies which went from EUR 1.3 billion in 2016 to EUR 2.3 billion in 2023. On the other hand, financing of fossil fuel companies presented a higher variability by going from EUR 5.0 billion in 2016 to EUR 11.9 billion in 2019 to end in EUR 5.2 billion in 2023. However, comparing the whole period, it can be observed that Dutch banks are still providing the same amount of financing to fossil fuels as they were doing in 2016.

Figure 14 Banks' loans and underwriting by energy source (2016—2023, EUR mln)



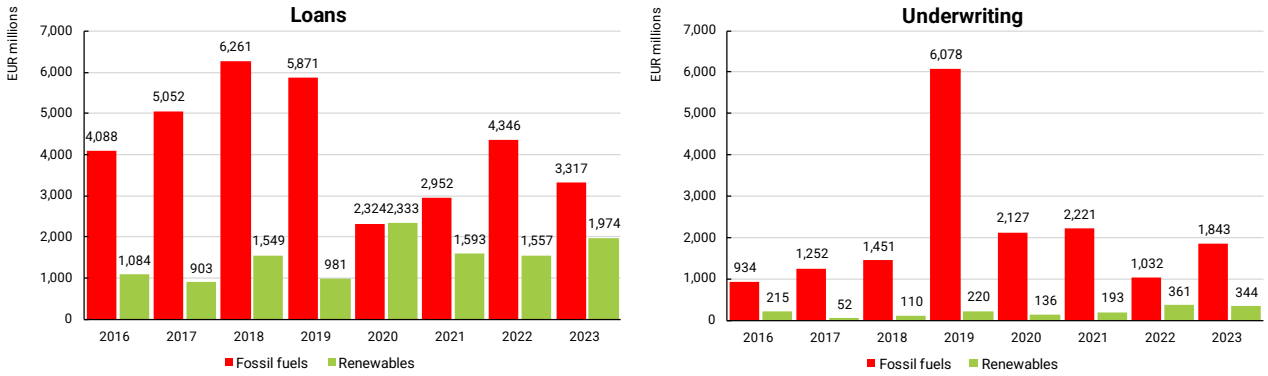
As described in Section 1.8, to align with a Net Zero Emissions (NZE) 2050 scenario, financial institutions must achieve a 6:1 ratio of sustainable power supply financing to fossil fuel by 2030. That is equivalent to 14% financing of fossil fuel and 86% financing of renewable energy. However, as shown in Figure 15, Dutch banks are currently not on track to meet the 2030 NZE target. The data indicates that, at their current pace, Dutch banks will only reach the 6:1 ratio by 2042, twelve years behind schedule.

Figure 15 Banks' proportions of loans and underwriting by energy source, (2016—2023, forecast 2024—2030)



Considering separately the type of financing, either loans or underwriting services, this research finds that most of the financing has been through loans. As can be seen in Figure 16, except for 2019, between 2016 and 2018, the amount of financing through loans was about four times as much as that through underwriting services. Similarly, after 2020, the amount of financing though loans was between three to four times as much. This is especially clear for financing of renewable energy companies where most of the financing provided was through loans.

Figure 16 Banks' loans and underwriting by energy source (2016–2023, EUR mln)



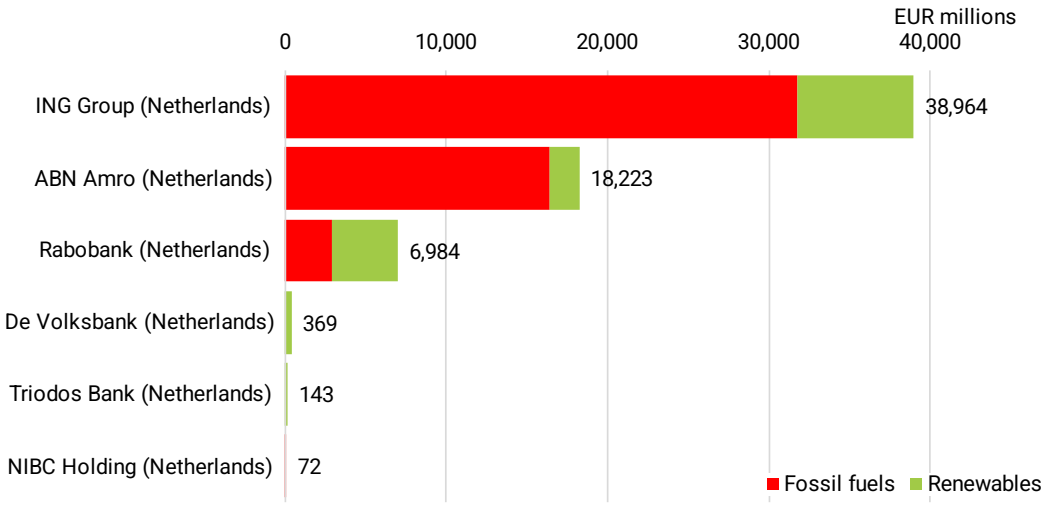
Furthermore, considering the total financing by bank, Figure 17 shows that the largest creditor of the selected companies was ING Group, which provided EUR 39.0 billion in loans and underwriting services in the period 2016–2023. ING Group was followed by ABN Amro (EUR 18.2 billion) and Rabobank (EUR 7.0 billion). These three banks (ING Group, ABN Amro and Rabobank) provided 99% of the identified financing, of which ING Group alone provided 60%. That means that ING Group alone provides almost two-thirds of the total financing to the selected companies while ABN Amro and Rabobank provide the remaining portion.

The other Dutch banks contributed to a much lesser extent to the total financing. Specifically, during the period under analysis, De Volksbank provided EUR 369 million in loans to the renewable energy companies while Triodos Bank provided EUR 143 million in loans also to renewable energy companies. These two banks, De Volksbank and Triodos, did not provide underwriting services to either fossil fuels or renewable energy companies.

Contrary to De Volksbank and Triodos which only provided loans to renewable energy companies, NIBC Holdings only provided loans to fossil fuel companies. Nonetheless, the identified financing for NIBC Holding was only in 2016. This research did not identify further financing to either fossil fuel or renewable energy companies by NIBC Holding between 2017 and 2023. Through email exchange communication with NIBC Holding, the bank confirmed that "[it] *has divest*[ed] *its energy and shipping portfolios during the last couple of years*"

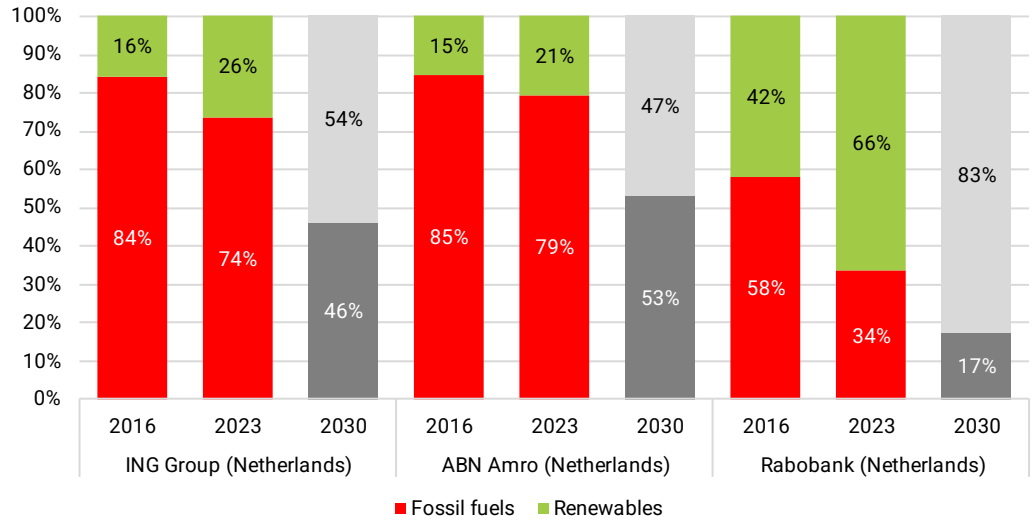
Finally, no loans and underwriting services to fossil fuels and renewable energy companies were identified for Bunq. This does not mean that Bunq does not provide financing to the companies in scope. It means that if there is such financing, it was not recorded by the financial databases used in this research, for instance, because such financing was provided through bilateral, instead of syndicated, financing.

Figure 17 Total banks' loans and underwriting by energy source (2016—2023, EUR mln)



For the relevant Dutch banks, i.e. those for which data was identified both in 2016 and 2023, Figure 18 shows an improvement in the proportion of financing between the two sectors. ING group increased the proportion of renewable energy in its energy credits from 16% to 26% from 2016 to 2023. ABN Amro increased from 15% to 21% and Rabobank from 42% to 66%. Forecasting using CAGR shows that only Rabobank is close to meeting the target of 14% fossil fuel to 86% renewable energy financing by 2030.

Figure 18 Banks' proportions of loans and underwriting by energy source (2016, 2023, 2030 forecasted)



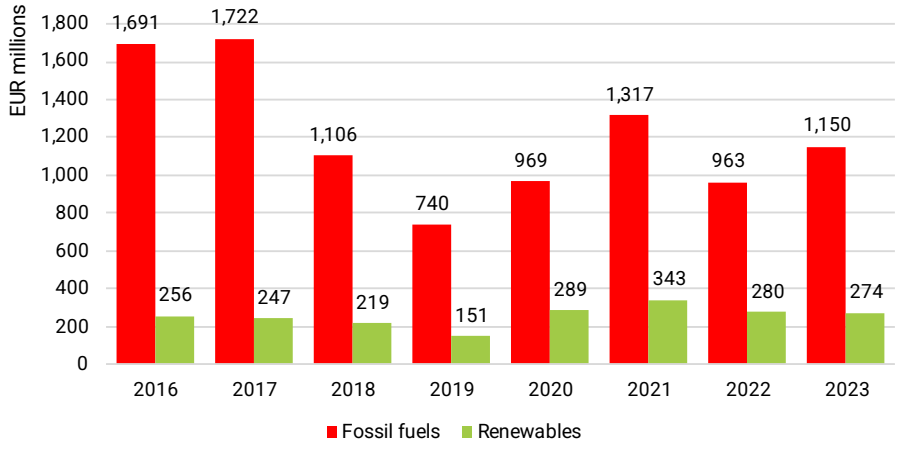
2.1.2 Investments

At the most recent filing date in August 2024, the asset management divisions of four Dutch banks (ABN Amro, ING Group, Triodos and Van Lanschot Kempen) has invested a total amount of EUR 1.7 billion in the shares and bonds of companies in the fossil fuel and renewable energy sectors. Of this amount, EUR 1.4 billion (83%) was attributable to fossil fuels while EUR 286 million (17%) was directed towards renewables.

In December 2023, the four Dutch banks held shares issued by fossil fuel and renewable energy companies, with a total value of EUR 1.4 billion. Of these shareholdings, 81% (EUR 1.2 billion) was attributable to fossil fuels and 19% (EUR 0.3 billion) to renewable energy. This represents a slight improvement in comparison with December 2016 when 87% of the Dutch bank shareholdings of the selected companies were attributable to fossil fuels and 13% to renewable energy.

Figure 19 shows that this is due to a 31% decrease in the value of fossil fuel shareholdings from EUR 1.7 billion in December 2016 to EUR 1.2 billion in December 2023. Meanwhile, there was a 7% increase in the value of renewable shareholdings from EUR 256 million to EUR 274 million.

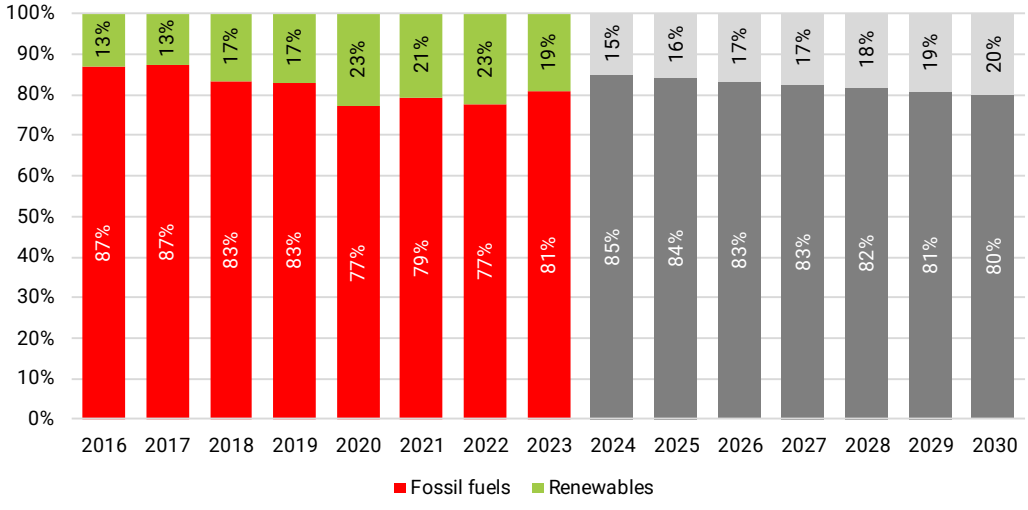
Figure 19 Banks' shareholdings by energy source (2016—2023, EUR mln)



In terms of proportions of investments per energy source, Figure 20 shows a very gradually declining trend in proportions attributable to fossil fuels. There was a dip in 2020 caused by COVID-19 when many fossil fuel companies lost market value. This recovered by 2021. But a declining trend has set in since then.

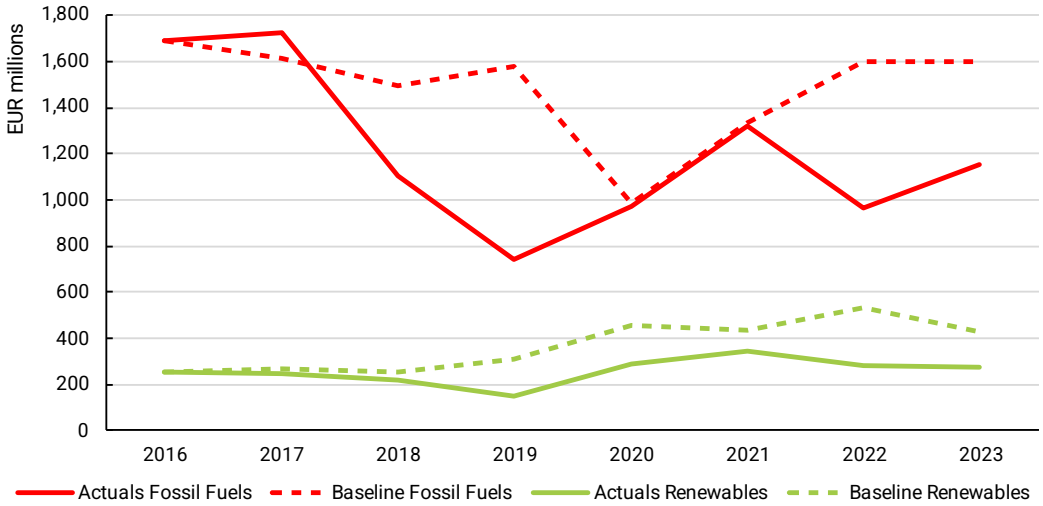
Nevertheless, the financing proportions are not on track to meet the 6:1 ratio of sustainable power supply financing to fossil fuel financing by 2030. In fact, the 6:1 ratio will only be achieved in 2084. This is mainly because the CAGR for investments in renewable energy by Dutch banks is 1%, meaning that there will only be a 1% increase in the value of investments attributable to renewable energy per year.

Figure 20 Banks' proportions of shareholdings by energy source, (2016–2023, forecast 2024–2030)



A closer look at the actual portfolio developments compared with the baseline development shows that Dutch bank divested from fossil fuels (see Figure 21). This can be seen by the fact that the actual value of their investments in fossil fuels decreased at a more rapid pace than the baseline value. However, it also appears that Dutch banks have decreased the level of their investments in renewable energy slightly. As can be seen by baseline value of their investments in renewable energy is higher than the actual value in December 2023.

Figure 21 Banks' shareholdings baseline vs actuals by energy source (2016–2023, EUR mln)



Besides their investments in shares, the selected Dutch banks also held EUR 249 million in bonds as of the most recent filing date in August 2024. As Figure 22 shows, three quarters of these bond holdings, with a value of EUR 184 million, were attributable to fossil fuels and one quarter, with a value of EUR 65 million, to renewable energy.

Figure 22 Banks' proportions of bond holdings by energy source (August 2024)

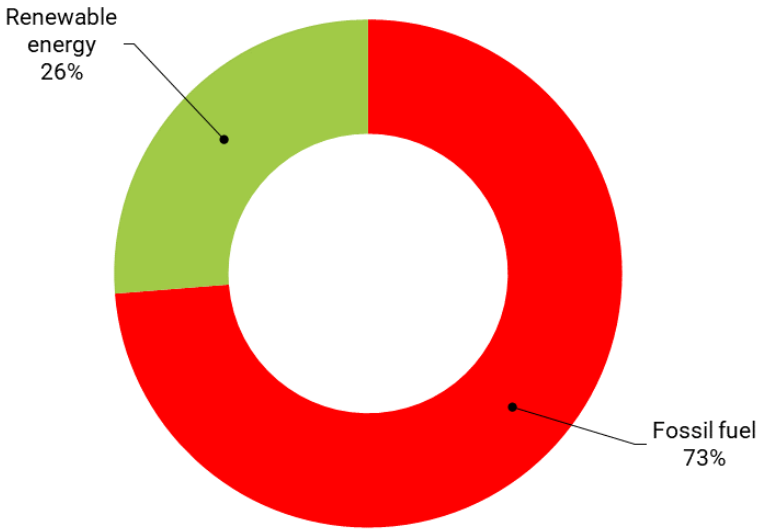
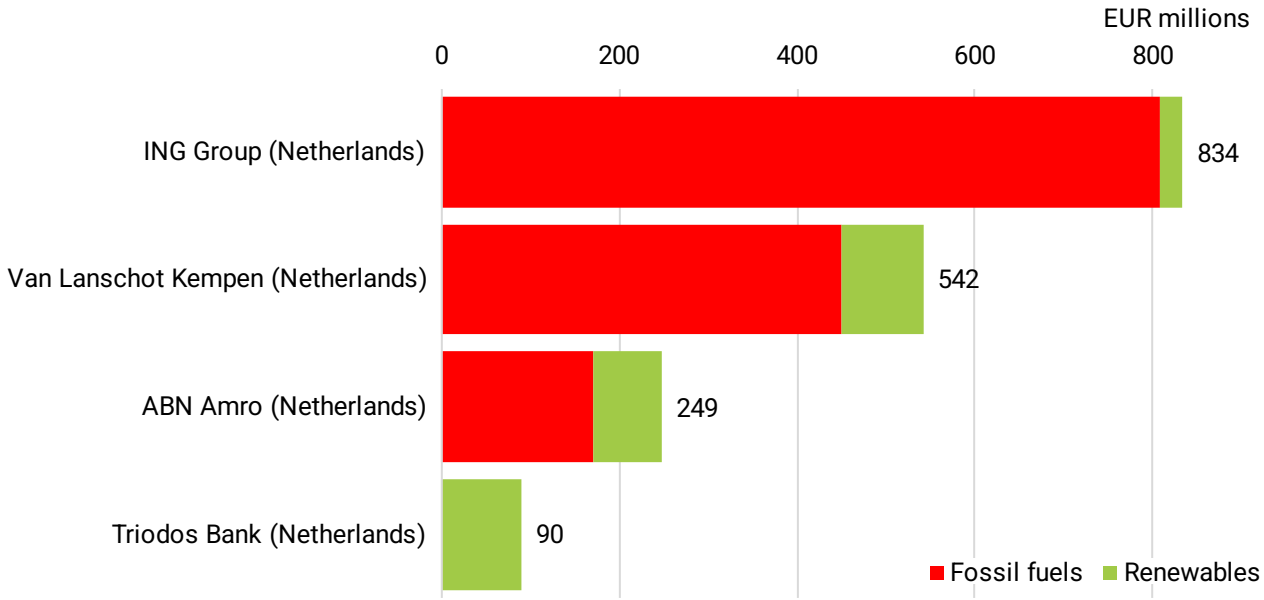


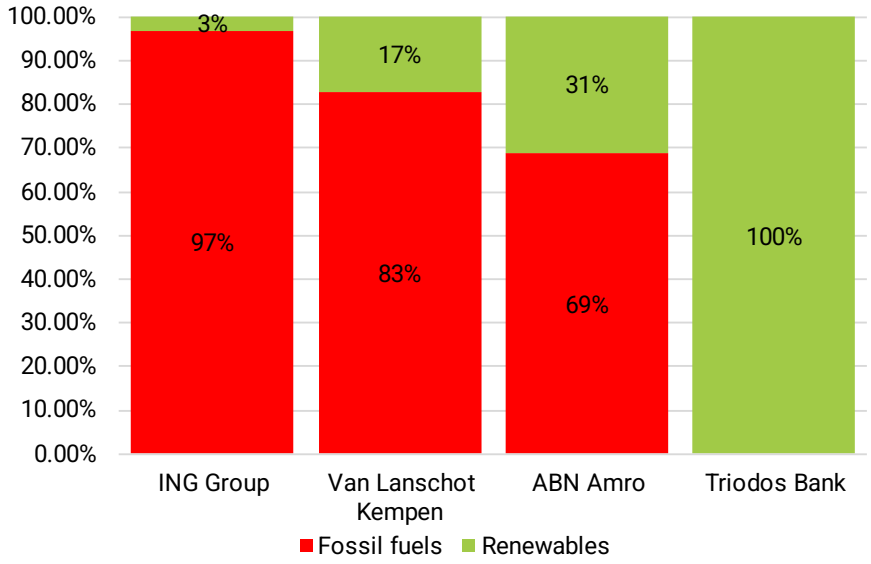
Figure 23 shows that among the four banks, ING Group was the largest investor in the shares and bonds of the selected companies, with a total investment of EUR 834 million in August 2024. It was followed by Van Lanschot Kempen (EUR 542 million) and ABN Amro (EUR 249 million). Triodos, with investments of EUR 90 million, is the only one investing only in renewable energy companies.

Figure 23 Total banks' investments by energy source (August 2024, EUR mln)



As shown in Figure 24, Triodos is consistently investing only in shares and bonds attributable to renewable energy. Among the other banks, ABN Amro follows with a proportion of its investments attributable to renewable energy of 31%. Van Lanschot Kempen (17%) and ING Group (3%) lag far behind.

Figure 24 Banks' proportions of investments by energy source (August 2024)



2.2 Findings per bank

2.2.1 ABN Amro

- **Loans and underwriting**

  Over the period 2016—2023, ABN Amro provided EUR 18.2 billion in loans and underwriting services to companies in the fossil fuel and renewable sectors. Of this amount, EUR 11.1 billion consisted of loans while EUR 7.1 billion were underwriting services.

  With EUR 16.4 billion, 90% of this financing was attributable to fossil fuels, leaving EUR 1.8 billion, or 10%, attributable to renewable energy. As shown in Figure 25 , an examination of the financing amounts by year shows a dichotomy between the first half and the second half of the period under analysis:

  - From 2016 to 2019, there is an increased focus given to fossil fuels. Financing attributable to fossil fuels represented 85% in 2016 while in 2018 it has surged to 94%. Furthermore, in 2019 there is an increase in financing provided to fossil fuel companies, up from EUR 3.0 billion in 2018 to EUR 6.4 billion, caused by the underwriting of several bonds of Petrobras. Over 2016–2019, fossil fuels financing represented 94% of the credits while renewables accounted for 6%.
  - From 2020, the level of financing directed towards fossil fuels decreased considerably but that towards renewable energy rose only slightly. Because the divestments from fossil fuels was not complemented by higher financing to renewables, the proportions between fossil fuels and renewables did not improve as desirable. Over the 2020–2023 period, fossil fuels financing represented on average 79% of the financing while renewables accounted for 21%.
  - Using the CAGR methodology, it can be seen that ABN Amro is not on track to meet the 6:1 renewable energy to fossil fuel financing ratio by 2030 (see Figure 26). In fact, given the actual trend, ABN Amro would only meet that target by 2041.

Figure 25 ABN Amro's loans and underwriting by energy source (2016—2023, EUR mln)

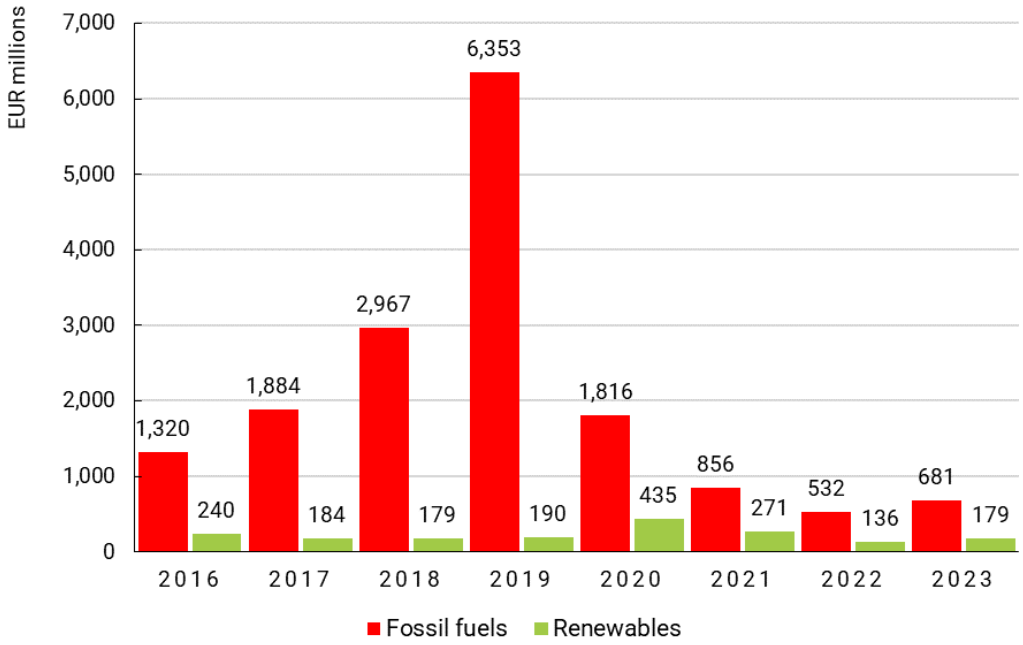
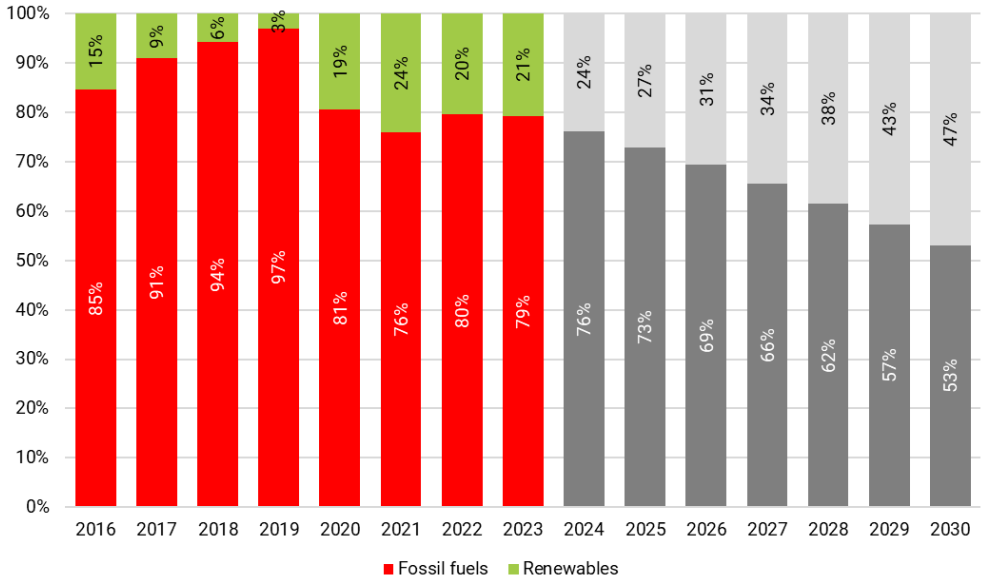


Figure 26 ABN Amro's proportions of loans and underwriting by energy source, (2016—2023, forecast 2024—2030)



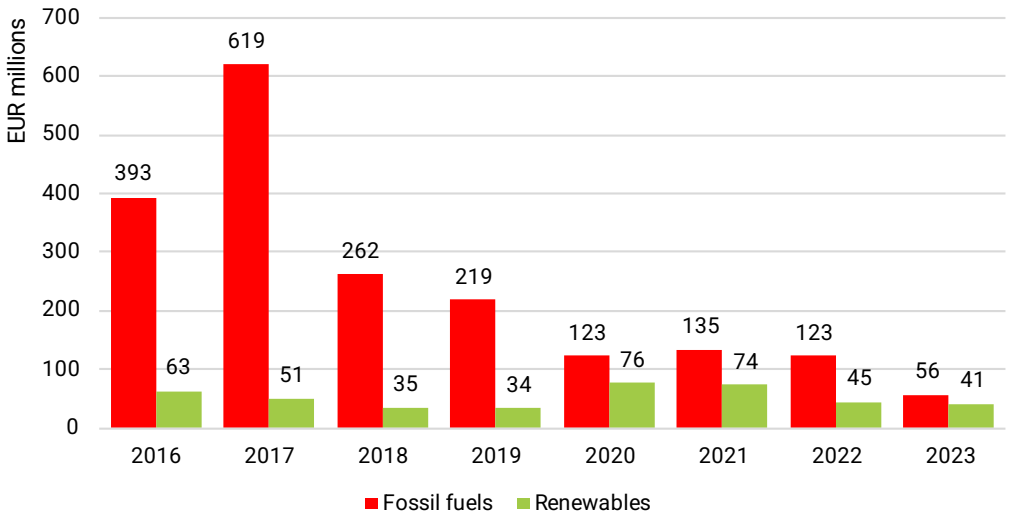
- **Investments**

  In August 2024, the asset management division of ABN Amro had invested a total amount of EUR 249 million in shares and bonds of fossil fuel and renewable energy companies. EUR 171 million (69%) was attributable to fossil fuels, while EUR 78 million (31%) was directed towards renewable energy.

  In December 2023, ABN Amro held EUR 97 million in shares issued by the selected companies. Of these shareholdings, 58% was attributable to fossil fuels and 42% to renewable energy. This is an improvement in comparison to December 2016, when fossil fuels accounted for 86% while renewable energy represented 14% only.

  Figure 27 shows that this change in composition was mainly driven by the strong decrease in the value of fossil fuels shareholdings, from EUR 393 million in 2016, and even EUR 619 million in 2017, to EUR 56 million in 2023. On the other hand, the value of renewable shareholdings decreased slightly over the whole period, between EUR 63 million in 2015 and EUR 41 million in 2023.

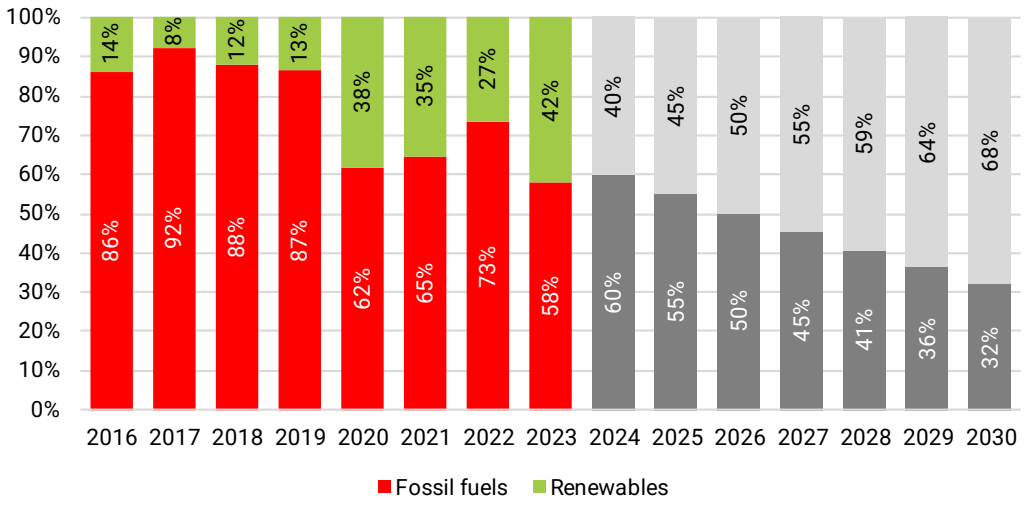
Figure 27 ABN Amro's shareholdings by energy source (2016—2023, EUR mln)



In terms of proportions of investments per energy source, Figure 28 shows a declining trend in proportions attributable to fossil fuels. There was a significant dip in 2020 caused by COVID-19 when many fossil fuel companies lost market value. This recovered slightly in 2021—2022.

Despite the declining trend observed over the whole period, the financing proportions are not on track to meet the 6:1 ratio of sustainable power supply to fossil fuel financing by 2030. At the current trend, the 6:1 ratio will be achieved in 2035.

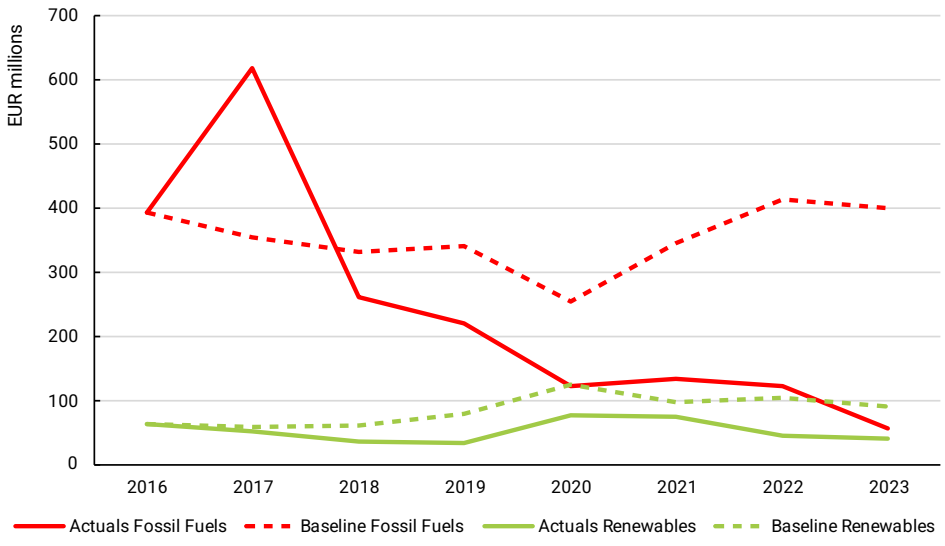
Figure 28 ABN Amro's proportions of shareholdings by energy source, (2016—2023, forecast 2024—2030)



Analysis of the actual portfolio developments and the baseline development shows that ABN Amro divested from fossil fuels as well as from renewable energy. This can be seen in Figure 29 by the fact that the actual value of its investments in fossil fuels decreased, while the fossil fuels baseline value slightly increased. Likewise, the actual value of renewables stands lower than the renewable baseline value.

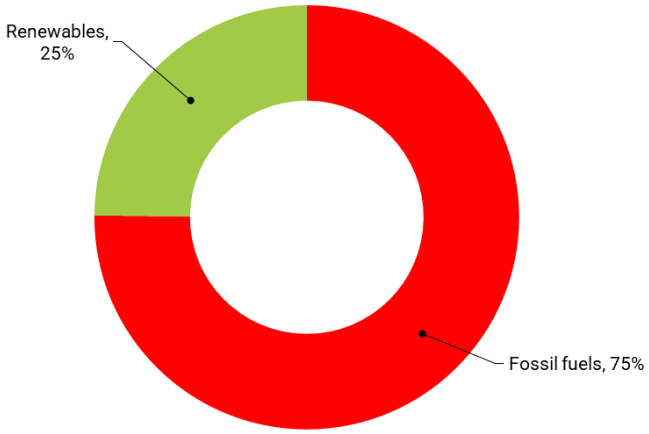
However, this analysis also shows that ABN Amro divested at a much more rapid pace from fossil fuels than from renewables. This can be seen by the much larger gap between the actual and baseline fossil fuels curves than between the actual and baseline renewable curves.

Figure 29 ABN Amro's shareholdings baseline vs actuals by energy source (2016—2023, EUR mln)



The shift towards renewable among ABN Amro's shareholdings is less apparent among its bondholding. The most recent filing data, in August 2024, show that ABN Amro held EUR 146 million in bonds issued companies belonging to the fossil fuel and renewable sectors. Figure 30 shows that 75% of these bond holdings (EUR 109 million) were attributable to fossil fuels and 25% (EUR 36 million) to renewable energy.

Figure 30 ABN Amro's proportions of bond holdings by energy source (August 2024)



The *Still Undermining Our Future* study found that at the start of 2018, 9% of ABN Amro's bond holdings of the selected companies was attributable to renewable energy. The 2021 study "*Fossil fuels versus renewable financing*" found that renewable energy accounted for 20% in 2020. This current research finds that the proportion of bond holdings of renewable energy companies has increased to 25%, which is an improvement.

- **Comments by the bank**

  In communications with ABN Amro, it has pointed out that since August 2020, "[the bank] was implementing a change in strategy focusing on the Netherlands and Northwest Europe where our bank has the scale to properly serve its corporate clients". Furthermore, ABN Amro states that the bank has been winding down its "*Corporate Banking* [and] *Trade & Commodities Finance*" activities in Europe and worldwide, respectively. According to the bank, in their 2022 and 2023 annual reports, it has been reported that such wind down "*had been virtually completed by the end of 2022*".

  The above statements are in line with the findings of this research. As seen in Figure 25, Figure 27 and Figure 29, the banks financing and investment activities have fallen consistently during the last years. Nonetheless, this research still identifies some remaining financing and investments in fossil fuels.

2.2.2 Bunq

Bunq does not provide loans and underwriting services. Bunq does invest, but not in the companies or sectors under study in this research. No financial relationships between Bunq and the selected companies were therefore identified.

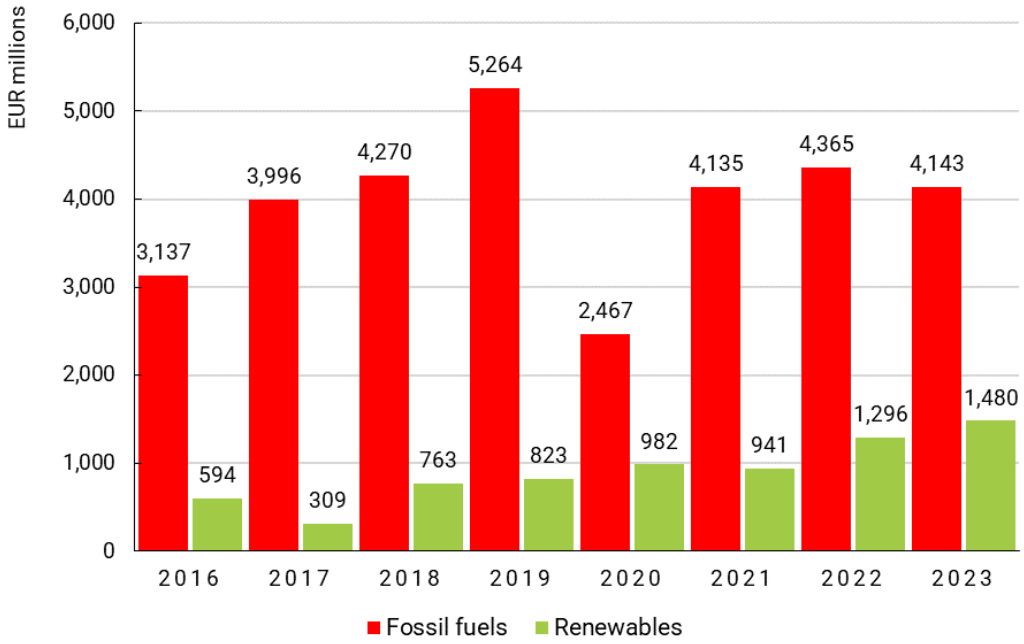
2.2.3 ING Group

- **Loans and underwriting services**

  In the period 2016—2023, ING Group provided EUR 39.0 billion in loans and underwriting services to companies in the fossil fuel and renewable sectors. Of this amount, EUR 28.0 billion consisted of loans while underwriting services represented EUR 11.0 billion.

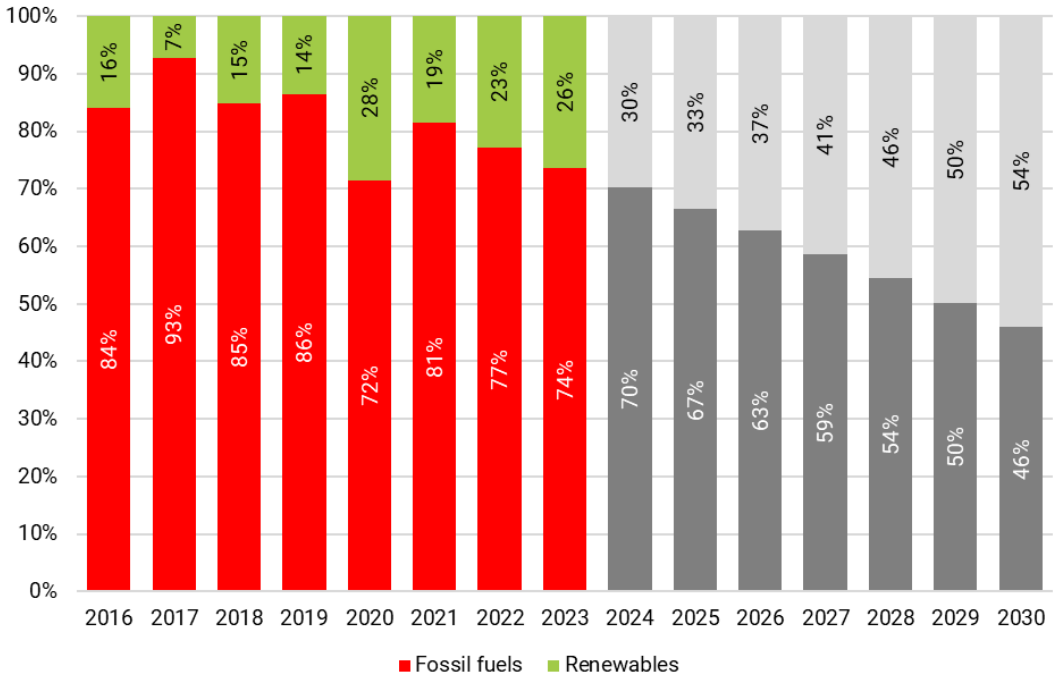
  Financing attributable to fossil fuels accounted for EUR 31.8 billion, or 82%, while renewables represented 18% at EUR 7.2 billion. Per year, the observed (see Figure 31) upward trend in fossil fuel financing halted in 2020, with a drop from EUR 5.3 billion to EUR 2.5 billion. Such drop is in large part attributable to the decline in fossil fuel companies' valuation during COVID—19. Though, such drop in financing rebounded to around EUR 4 billion between 2021 and 2023, it did not reach the record level observed in 2019. Still, ING's fossil fuels financing in 2023 is higher than it was in 2016. Meanwhile, renewable financing presents a steady and substantial increase, rising from EUR 594 million in 2016 to EUR 1.5 billion in 2023. This caused an improvement in the proportion of financing attributable to renewables, from 16% in 2016 to 26% in 2023.

Figure 31 ING Group's loans and underwriting by energy source (2016—2023, EUR mln)



Nevertheless, as seen in Figure 32, the trend shift is not on track to meet the 6:1 ratio by 2030. In fact, based on the current trend ING Group is set to only meet the target ratio by 2040.

Figure 32 ING Group's proportions of loans and underwriting by energy source, (2016—2023, forecast 2024—2030)

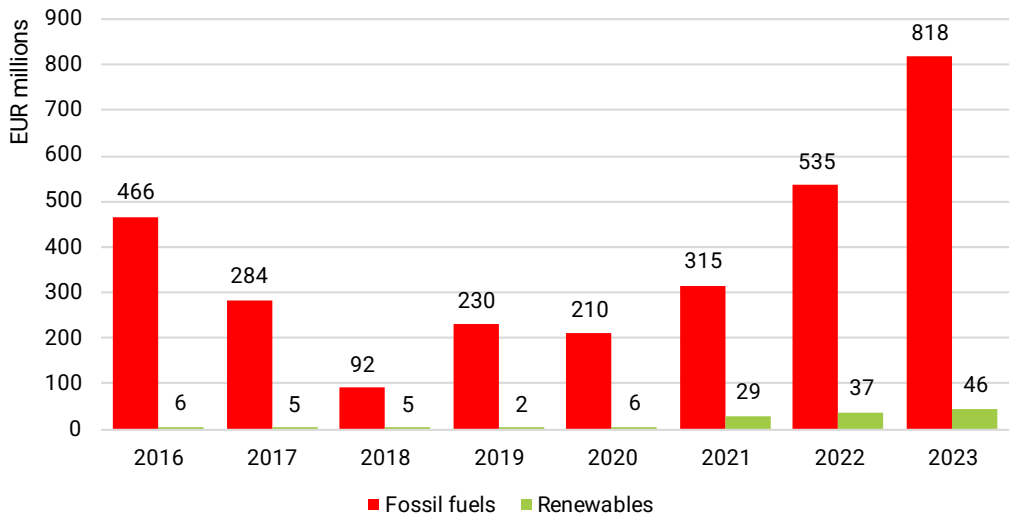


- **Investments**

  In August 2024, the asset management division of ING Group had invested a total amount of EUR 834 million in the shares and bonds of fossil fuel and renewable energy companies. EUR 809 million (97%) was attributable to fossil fuels and only EUR 25 million (3%) was attributable to renewable energy.

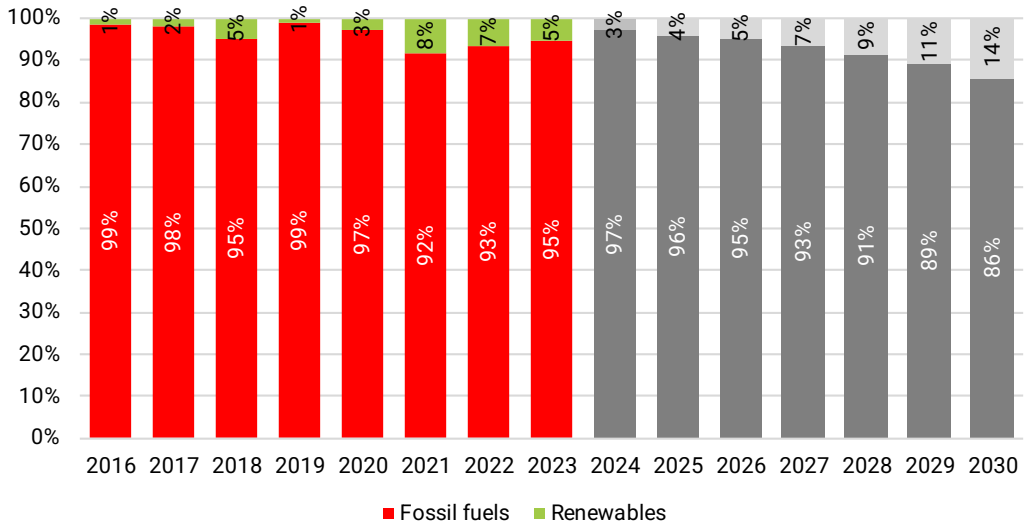
  In December 2023, ING Group held EUR 864 million in shares issued by the selected companies. 95% of these shareholdings were attributable to fossil fuels and 5% to renewable energy. Figure 33 shows that there was a significant increase in the value of shareholdings attributable to fossil fuels over the period 2016—2023, from EUR 466 million to EUR 818 million. The value of renewable energy shareholdings slightly rose too, from EUR 6 million in December 2016 to EUR 46 million in December 2023.

Figure 33 ING Group's shareholdings by energy source (2016—2023, EUR mln)



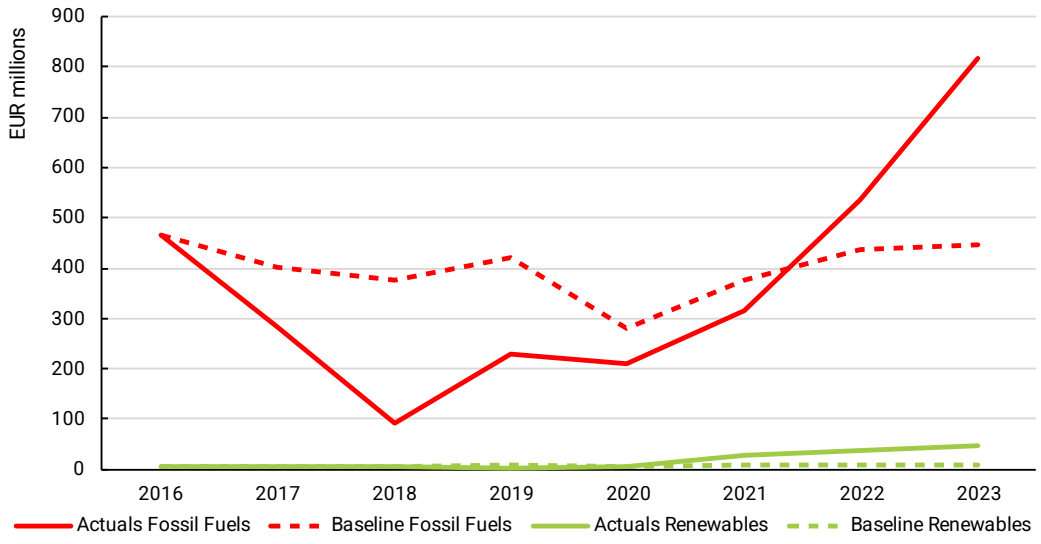
In terms of proportions of investments per energy source, Figure 34 shows that there is no distinct declining trend in proportions attributable to fossil fuels. The financing proportions are not on track to meet the 6:1 ratio of sustainable power supply to fossil fuel financing by 2030. In fact, in 2030 ING Group looks set to have an opposite 1:6 ratio of sustainable power supply to fossil fuel financing. That is, by 2023, ING is set to finance fossil fuel companies with EUR 6 million for every EUR 1 million of renewables financing. The 6:1 ratio will only be achieved by 2043.

Figure 34 ING Group's proportions of shareholdings by energy source, (2016—2023, forecast 2024—2030)



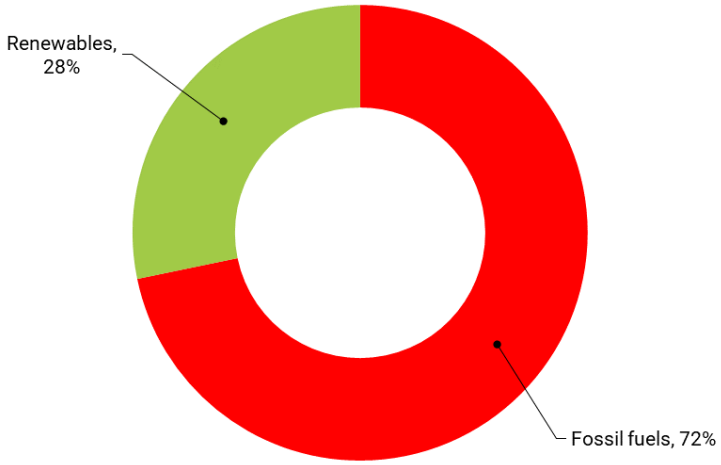
Looking at the baseline portfolio developments compared with the actual portfolio developments in Figure 35 shows that in the period 2016-2021, ING Group did divest from fossil fuels, as can be seen by the fact that the actual fossil fuel attributable values were below the baseline. As of 2022, ING Group re-invested in fossil fuels.

Figure 35 ING Group's shareholdings baseline vs actuals by energy source (2016—2023, EUR mln)



Next to its shareholdings in the selected sectors, only a very small investment in the bonds were found. As of the most recent filing date, August 2024, ING Group held EUR 3 million in bonds issued by companies in the selected sectors. Figure 36 shows that 72% of these bond holdings were attributable to fossil fuels and 28% to renewable energy.

Figure 36 ING Group's proportions of bond holdings by energy source (August 2024)



- **Comments by the Bank**

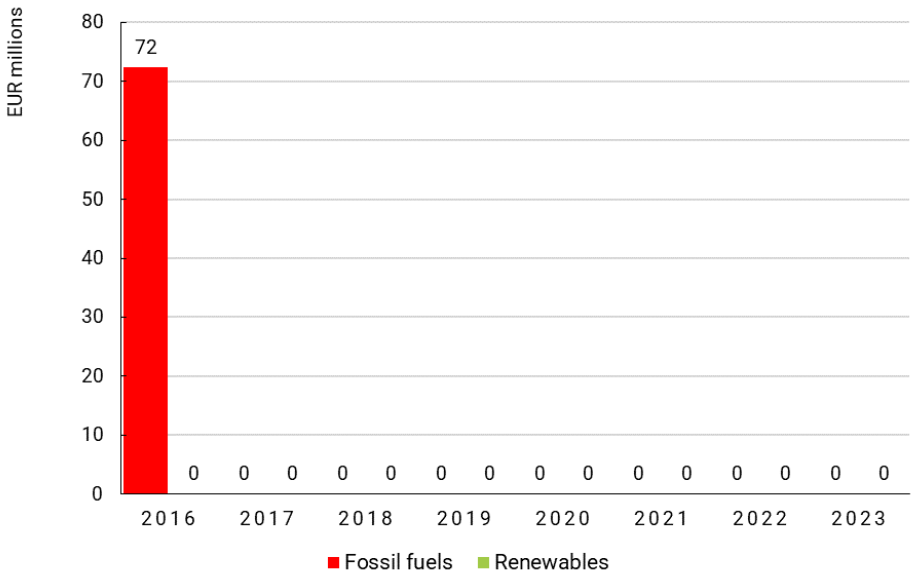
  In communication with ING, it stated that "*in this instance,* [the bank] *will refrain from providing feedback on* [the identified] *transactional data*".

2.2.4 NIBC Holding

- **Loans and underwriting services**

  In 2016, NIBC provided a total amount of EUR 72 million in loans to companies in the fossil fuel sector. No loans and underwriting services, to either fossil fuel companies as well as renewable energy companies, were identified for the rest of the period under analysis.

Figure 37 NIBC Holding's loans and underwriting by energy source (2016—2023, EUR mln)



- **Investments**

  NIBC does not provide asset management services and does not invest. Consequently, there is not investment financing presented.

- **Comments by the bank**

  In communication with NIBC, it stated that "[the bank] *has divested its energy and shipping portfolios during the last couple of years*", which is consistent with this research findings. It also pointed out that such divestments were made public in July 2022[21] and June 2024.[22] The above statements are in line with the findings of this research since no financing was identified since 2017.

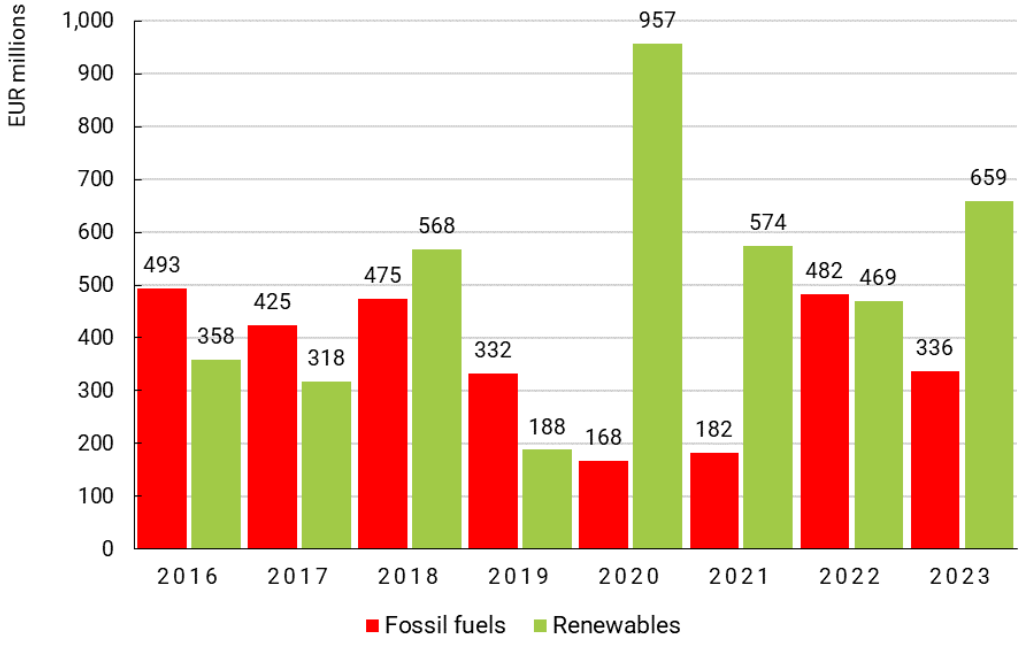
2.2.5 Rabobank

- **Loans and underwriting services**

  In the period 2016—2023, Rabobank provided EUR 7.0 billion in loans and underwriting services to the fossil fuel and renewable energy sectors. Of this amount, EUR 6.5 billion consisted of loans while underwriting services represented EUR 499 million.

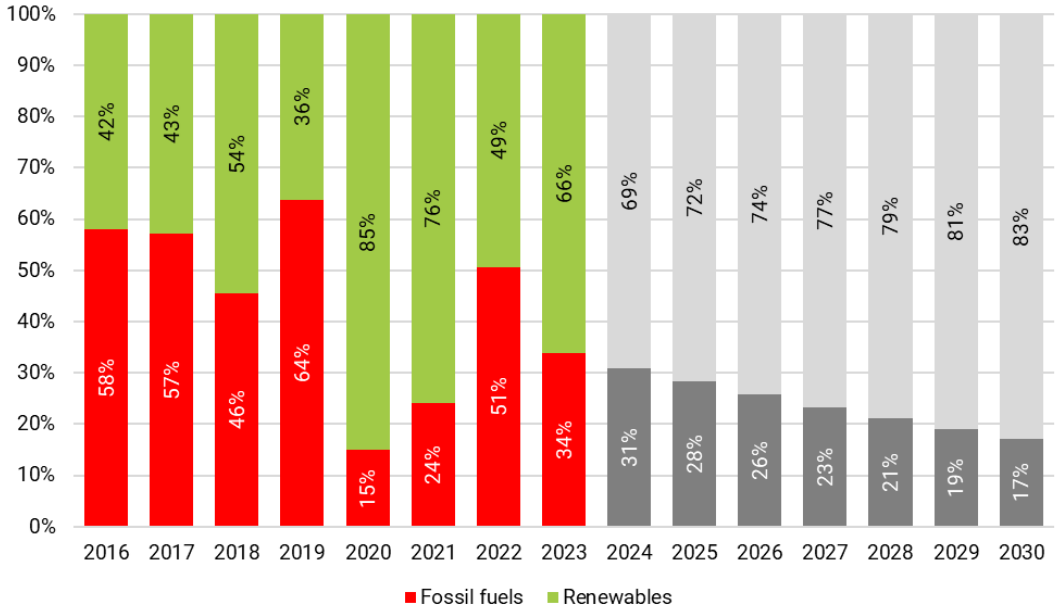
  Overall, Rabobank provided more financing to companies in the renewable energy sector (EUR 4.1 billion or 59%) than in the fossil fuel industry (EUR 2.9 billion or 41%). A closer look at annual trends indicates an increased focus on renewables, both in absolute as well as in relative terms, from 2020. That year, Rabobank provided EUR 957 million of loans and underwriting services attributable to renewable energy companies (85%). The following years show higher financing amounts directed towards renewables, which translate into a larger proportion versus fossil fuels too.

Figure 38 Rabobank's loans and underwriting by energy source (2016—2023, EUR mln)



Assessing the trend shown in Figure 39, Rabobank is on track to meet the 2030 6:1sustainable power supply to fossil fuel financing ratio necessary to meet the 2050 NZE target.

Figure 39 Rabobank's proportions of loans and underwriting by energy source, (2016—2023, forecast 2024—2030)



- **Investments**

  Rabobank does provide private banking services, but no investments in the shares and bonds of the selected companies were identified in the period of study.

- **Comments by the bank**

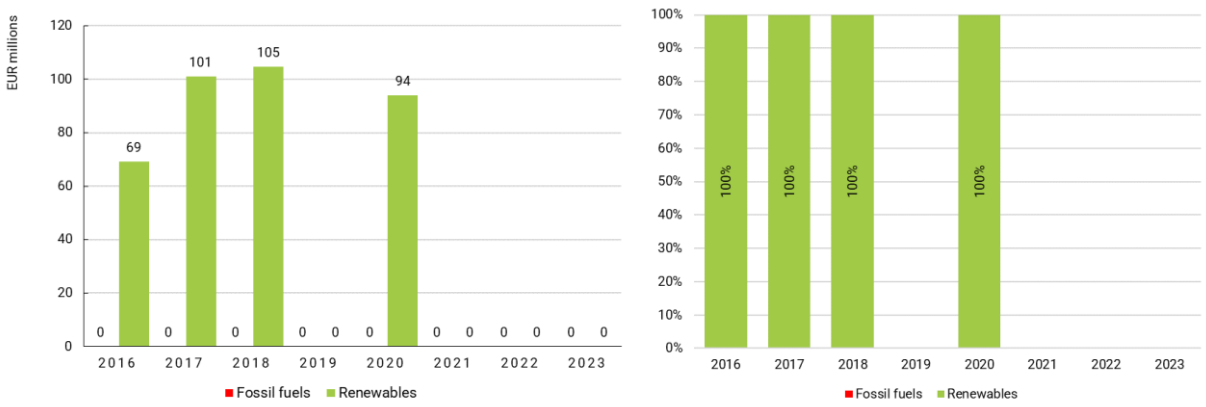
  In communication with Rabobank, it stated that due to client/business "*legal confidentiality limitations*", the bank refrain from commenting regarding this research's identified financing information.

2.2.6 De Volksbank

- **Loans and underwriting services**

  Between 2016 and 2023, De Volksbank provided EUR 369 million, solely in loans and solely to renewable energy companies.

Figure 40 De Volksbank's loans and underwriting by energy source (2016—2023, EUR mln)



- **Investments**

  De Volksbank does provide asset management services, and it invests in the energy sector focusing exclusively on renewable energy projects. However, this research did not identify investments by De Volksbank in the shares or bonds of the selected companies.

- **Comments by the bank**

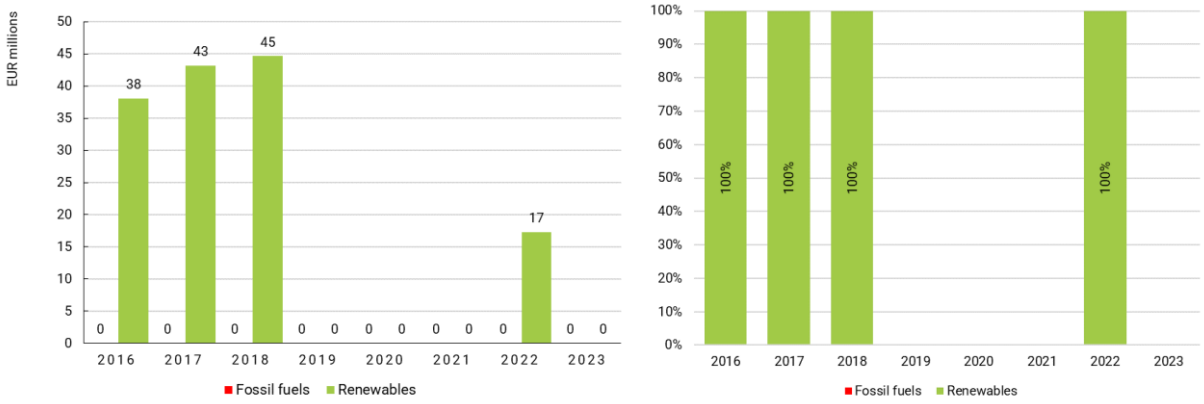
  This study reached out to De Volksbank for comments about the research findings, but no response was received.

2.2.7 Triodos Bank

- **Loans and underwriting**

  Between 2016 and 2023, Triodos Bank provided EUR 143 million, solely in loans and solely to renewable energy companies.

Figure 41 Triodos's loans and underwriting by energy source (2016—2023, EUR mln)

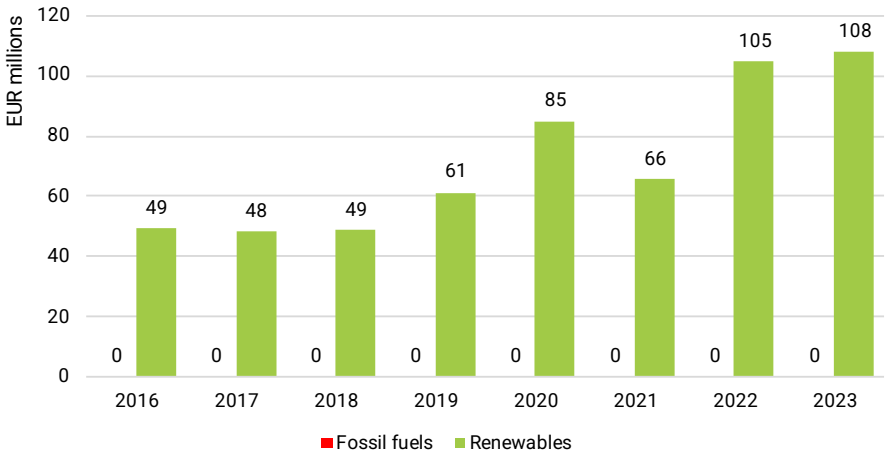


- **Investments**

  In August 2024, the asset management division of Triodos Bank had invested EUR 90 million in shares and bonds of companies in the fossil fuel and renewable energy sectors. The full amount was attributable to renewable energy. At the same time, the bank held EUR 84 million in shares, all of which were attributable to renewable energy.

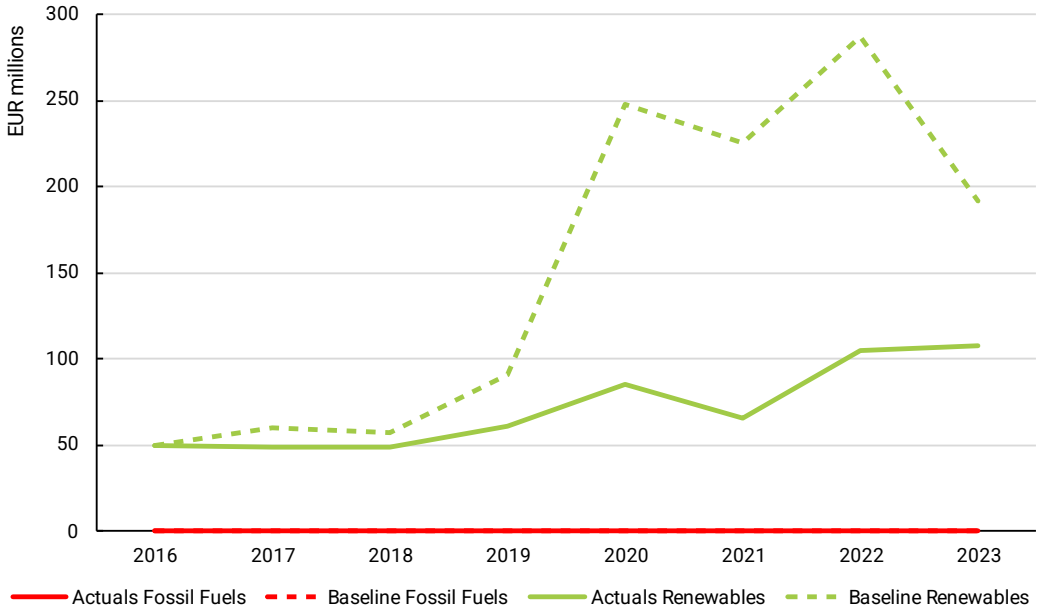
  Figure 42 shows that the value of investments attributable to renewable energy increased from EUR 49 million in December 2016 to EUR 108 million in December 2023.

Figure 42 Triodos's shareholdings by energy source (2016—2023, EUR mln)



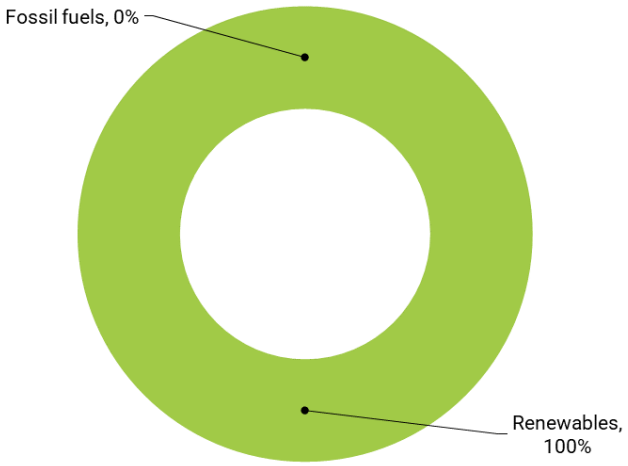
Despite the upward trend in the absolute investment values seen in Figure 42, it appears that Triodos decreased the level of its investments in renewable energy and that the upward trend is mostly due to market valorisation of the shares it held. As can be seen in Figure 43, the baseline value of Triodos's investments in renewable energy is higher than the actual value in December 2023. In other words: the total value of its investments would have grown faster when no shares would have been sold.

Figure 43 Triodos's shareholdings baseline vs actuals by energy source (2016—2023, EUR mln)



In addition to its shareholdings, at the most recent filing date, August 2024, Triodos held EUR 6 million in bonds issued by companies in the renewable energy sector. As Figure 44 shows, all of these bond holdings were attributable to renewable energy.

Figure 44 Triodos's proportions of bond holdings by energy source (August 2024)



In all previous studies, for Triodos Bank no bond holdings attributable to fossil fuels were identified.

- **Comments by the bank**

  This study reached out to Triodos Bank for comments about the research findings, but no response was received.

2.2.8 Van Lanschot Kempen

- **Loans and underwriting**

  No loans or underwriting services provided by Van Lanschot Kempen to the selected sectors were identified in the period of study. This does not mean that Van Lanschot Kempen does not provide loans and underwriting services to the selected companies, but rather that such financing, if provided, was not identified. For instance, because it is not covered by the financial datasets used in this research.

- **Investments**

  In August 2024, the asset management division of Van Lanschot Kempen had invested a total amount of EUR 542 million in shares and bonds of companies in the fossil fuel and renewable energy sectors. EUR 450 million (83%) was attributable to fossil fuels and only EUR 92 million (17%) was attributable to renewable energy.

  On December 2023, Van Lanschot Kempen held EUR 356 million in shares issued by the selected companies. 78% of these shareholdings were attributable to fossil fuels and 22% to renewable energy. These proportions reduced slightly since December 2016, when fossil fuels accounted for 86% while renewable energy represented 14%.

  As can be seen from Figure 45, this is due to the fact that both the value of fossil fuel and renewable energy shareholdings decreased during the period under analysis.

Figure 45 Van Lanschot Kempen's shareholdings by energy source (2016—2023, EUR mln)

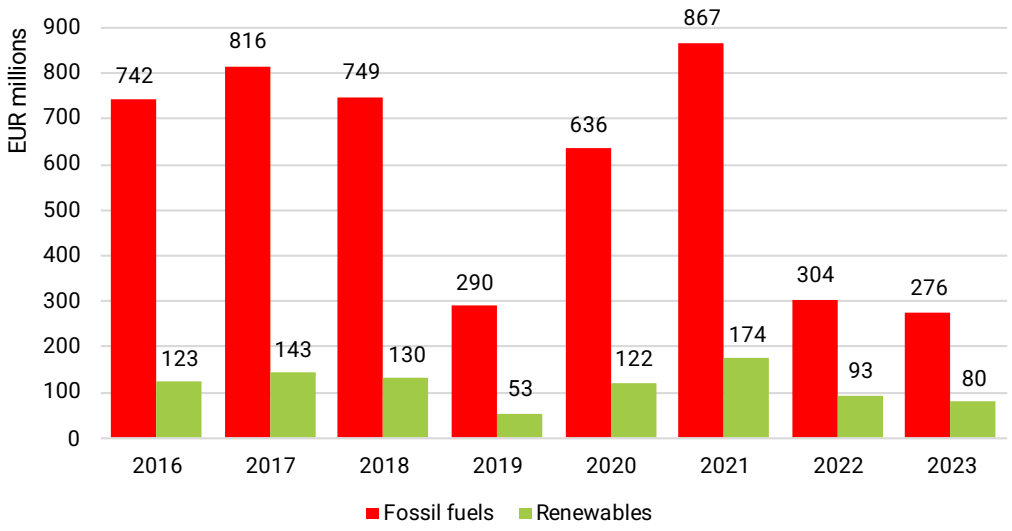
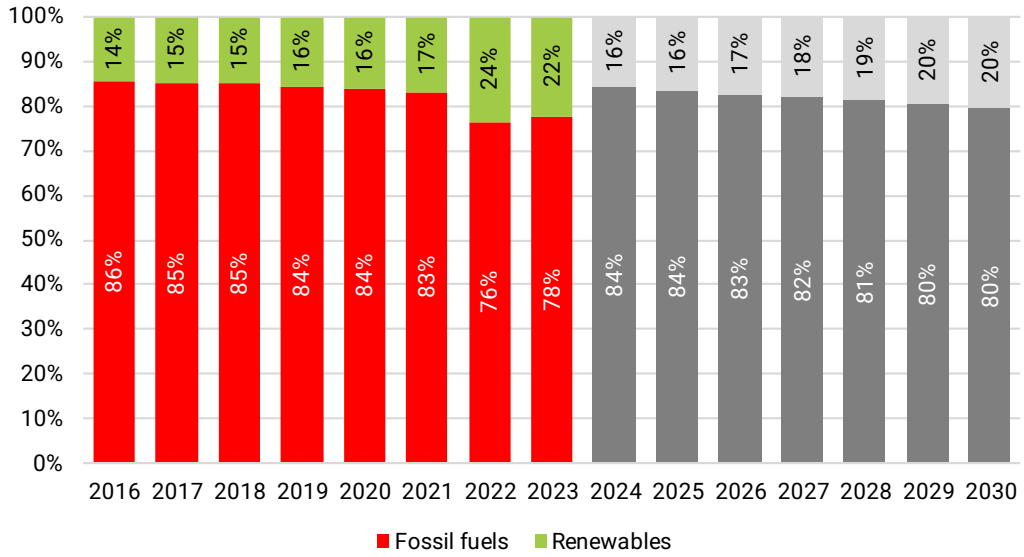


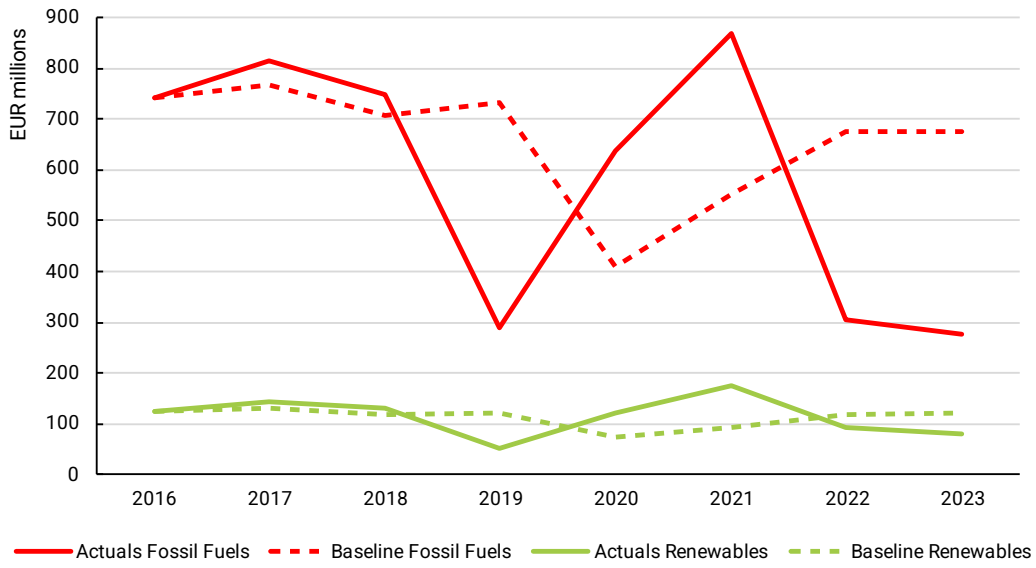
Figure 46 shows a minimally declining trend in proportions attributable to fossil fuels. The financing proportions are clearly not on track to meet the 6:1 ratio of sustainable power supply to fossil fuel financing by 2030. This is in large part due to the decline in investments in renewable energy, as can be seen in Figure 45, in the last three years, Van Lanschot Kempen has reduced its shareholdings in renewable energy companies.

Figure 46 Van Lanschot Kempen's proportions of shareholdings by energy source, (2016—2023, forecast 2024—2030)



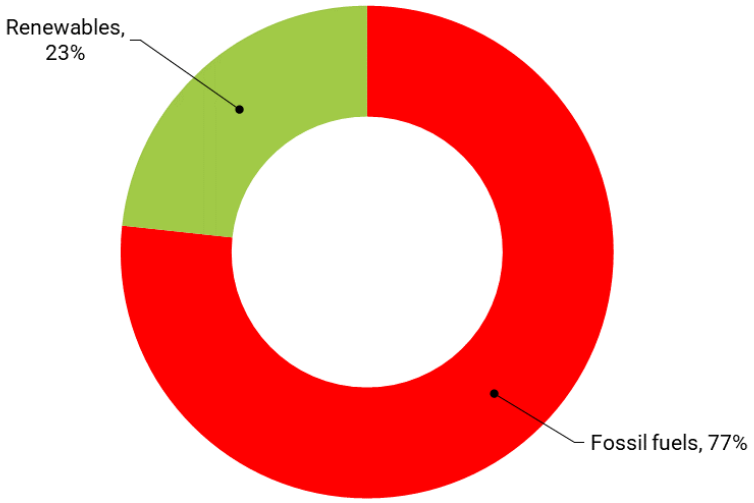
A comparison of Van Lanschot Kempen's actual portfolio versus the baseline as shown in Figure 47 provides more context. Throughout the period, the bank alternated between investing in and divesting from both sectors. This is reflected by the multiple points where the actual investment curve intersects with the baseline. Eventually, at the end of the period, the bank had divested from both fossil fuels and renewables. This can be seen by the fact that the actual value of its investments in renewable energy was lower than the baseline value in December 2023.

Figure 47 Van Lanschot Kempen's shareholdings baseline vs actuals by energy source (2016—2023, EUR mln)



Apart from its shareholdings, at the most recent filing date, August 2024, Van Lanschot Kempen held EUR 94 million in bonds issued by companies in the fossil fuel and renewable energy sectors. As Figure 48 shows, 77% of these bond holdings (EUR 72 million) were attributable to fossil fuels and 23% (EUR 22 million) to renewable energy.

Figure 48 Van Lanschot Kempen's proportion of bond holdings by energy source (August 2024)



The *Still Undermining Our Future* study found that at the start of 2018, 16% of Van Lanschot Kempen's investments in bonds of the selected companies was attributable to renewable energy and 84% to fossil fuels. In the 2021 study, *Fossil fuels versus renewables financing*, 23% of the bank's bond holdings were attributable to renewable energy. The current study finds that the proportion of investments in bonds issued by fossil fuel companies is still 77% and that of bonds issued by renewable energy companies is still 23%. That is, the proportion of bond holdings of fossil fuel and renewable energy companies have not changed between the 2020 and the current study.

- **Comments by the bank**

  In communication with Van Lanschot Kempen, the bank stated that it "*has divested from Exxon Mobil in May 2024"*. Based on the available information, this research indeed did not find investments by Van Lanschot Kempen in Exxon Mobil in June 2024.

  Furthermore, this research identified EUR 720 in investments in KKR & Co Inc in June 2024. However, the bank remarks that it "*cannot confirm the exposure to KKR & Co Inc (ISIN US48251W1045), based on our screening* [the bank's] *we end up with 6.5 M invested in KKR*". However, bear in mind that the results presented in Figure 45, Figure 46, Figure 47 and Figure 48 do not include Van Lanschot Kempen's investments in KKR & Co Inc because the latter is an investment firm not directly engaged in fossil fuel or renewable energy operations.

  O

3

Insurance companies

At the most recent filing date, August 2024, eight of the sixteen insurance companies considered in this study held EUR 14.6 billion in bonds and shares of the selected companies. This chapter analyses the energy sector investments of the selected insurance companies. It assesses which proportion of their investments in energy shares and bonds is attributable to fossil fuels and which proportion to renewable energy. These proportions are compared with the results of earlier studies where available.

3.1 General findings

At the most recent filing date, August 2024, eight insurance companies active in the Netherlands held EUR 14.6 billion in bonds and shares of the selected energy companies. 88% of these share and bond holdings (EUR 12.8 billion) were attributable to fossil fuels and only 12% (EUR 1.8 billion) to renewable energy.

Figure 49 shows that Allianz accounts for the lion's share of insurance companies' investments in the energy sector identified in this study, with a total investment of EUR 14.0 billion (95.6%), followed by Athora with EUR 196 million (1.3%), ASR Nederland with EUR 173 million (1.2%), NN Group with EUR 145 million (1.0%) and Achmea with EUR 93 million (0.6%) complete the top five.

Figure 49 Insurance companies' investments by energy source (Aug 2024, EUR mln)

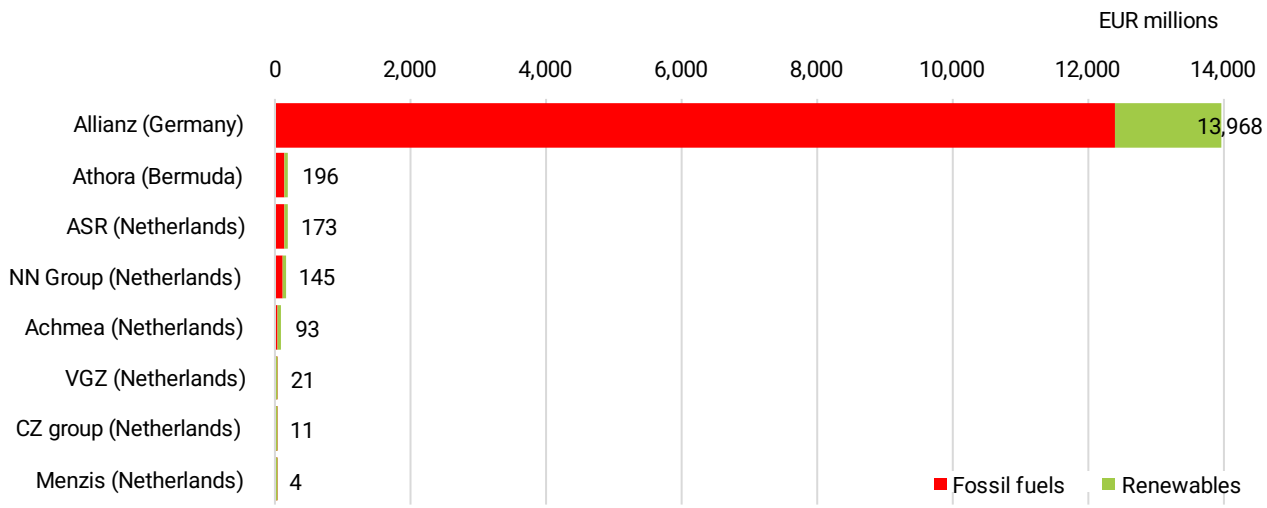
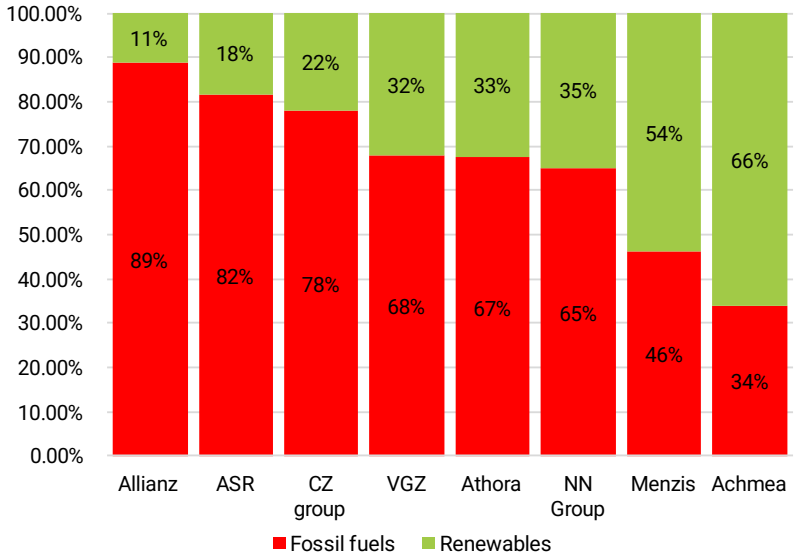


Figure 50 shows that six out of the eight insurance companies, still invest predominantly in fossil fuels. The only two investing predominantly in renewables are Achmea and Menzis, which energy sector portfolios are 66% and 54% attributable to renewable energy, respectively.

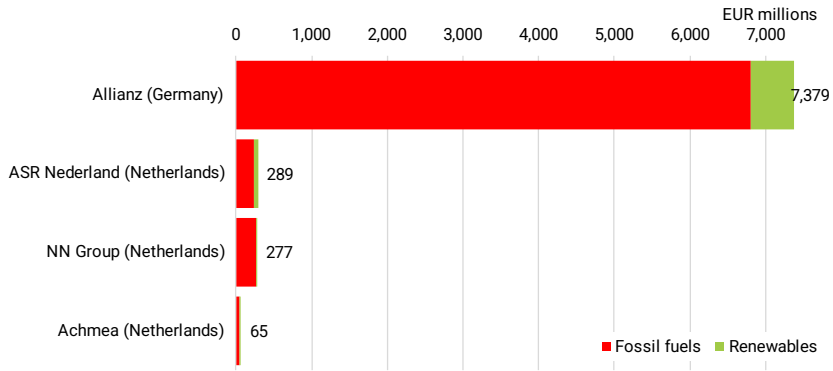
Figure 50 Insurance companies' proportions of investments by energy source (Aug 2024)



3.1.1 Shareholdings

By December 2023, four of the six insurance companies[v] held EUR 8.0 billion in shares of the selected energy companies. 92% of these shareholdings were attributable to fossil fuels and 8% to renewable energy. Figure 51 shows that by the end of 2023, Allianz was the largest investor in the shares of the selected companies, with an investment of EUR 7.4 billion. Followed by ASR Nederland (EUR 0.29 billion), NN Group (EUR 0.28 billion) and Achmea (EUR 0.07 billion).

Figure 51 Total insurance companies' shareholdings by energy source (Dec 2023, EUR mln)

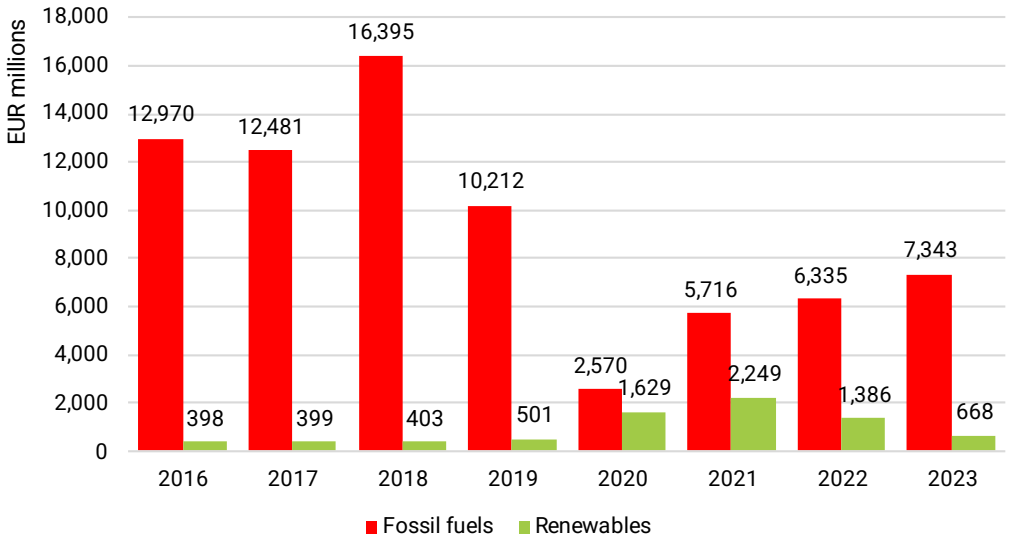


For four insurance companies (Achmea, Allianz, ASR Nederland and NN Group) an analysis could be made of how their shareholdings evolved between 2016 and 2023. The proportion of shareholdings of these four insurance companies attributable to fossil fuel dropped from 97% at the end of 2016 to 92% in December 2023. As can be seen from Figure 52, this change in composition was driven by two factors: Firstly, there was a 43% decrease in the value of shareholdings of the selected companies attributable to fossil fuels from EUR 13.0 billion at the end of 2016 to EUR 7.3 billion by December 2023. At the same time, there was a 68% increase in the value of investments attributable to renewable energy, from EUR 398 million at the end of 2016

[v] There is not historical data available for Athora, CZ Group, Menzis and VGZ. See Sections 3.2.5, 3.2.6, 3.2.10 and 3.2.14 for further details about these four insurance companies and the lack of historical data.

to EUR 668 million in the end of 2023.

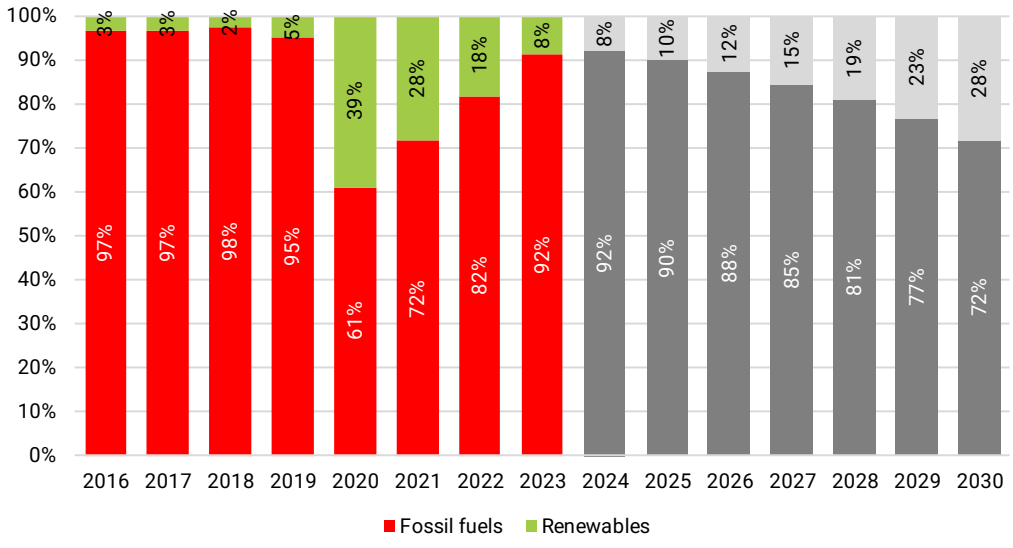
Figure 52 Insurance companies' shareholdings by energy source (2016—2023, EUR mln)



In terms of proportions of investments per energy source, Figure 53 shows the proportion of financing attributable to fossil fuels and renewables. There was a significant dip in 2020 caused by COVID-19 when many fossil fuel companies lost market value. This recovered by 2021—2022.

To determine if the insurance companies are on track to meet the 6:1 financing ratio between renewables and fossil fuels, it is necessary to determine the trend. In this case, there are two possible trends depending on the period considered. Analysing the last half of the period, 2020—2023, it is easy to observe the upward trend (see Figure 53), which would imply that the insurance companies are not going to achieve the 6:1 ratio unless they change their investment policies. On the other hand, analysing the whole period, 2016—2023, a downward trend can be observed: the proportion of financing towards renewables went from 3% in 2016 to 8% in 2023. Still, the financing proportions are not on track to meet the 6:1 ratio of sustainable power supply to fossil fuel financing by 2030. In fact, the 6:1 ratio will only be achieved by 2040, ten years behind schedule.

Figure 53 Insurance companies' proportions of shareholdings by energy source, (2016—2023, forecast 2024—2030)



As seen in Figure 51, Allianz is by far the biggest investor in the selected companies. Consequently, the results above are highly dependable of the results of Allianz. Excluding Allianz from the above analysis, this research finds that the other insurance companies (ASR Nederland, NN Group and Achmea) would be much closer to achieving the 6:1 ratio by 2030 (see Figure 54).

Figure 54 Insurance companies' (except Allianz) proportions of shareholdings by energy source, (2016—2023, forecast 2024—2030)

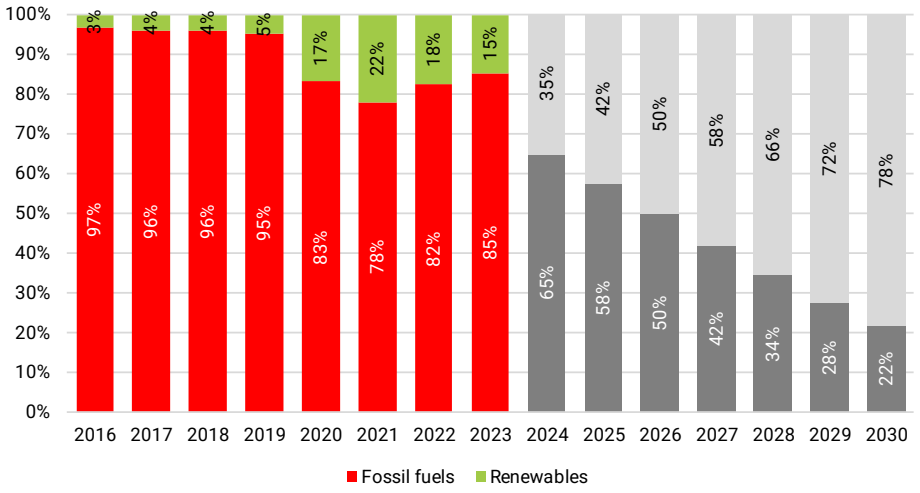
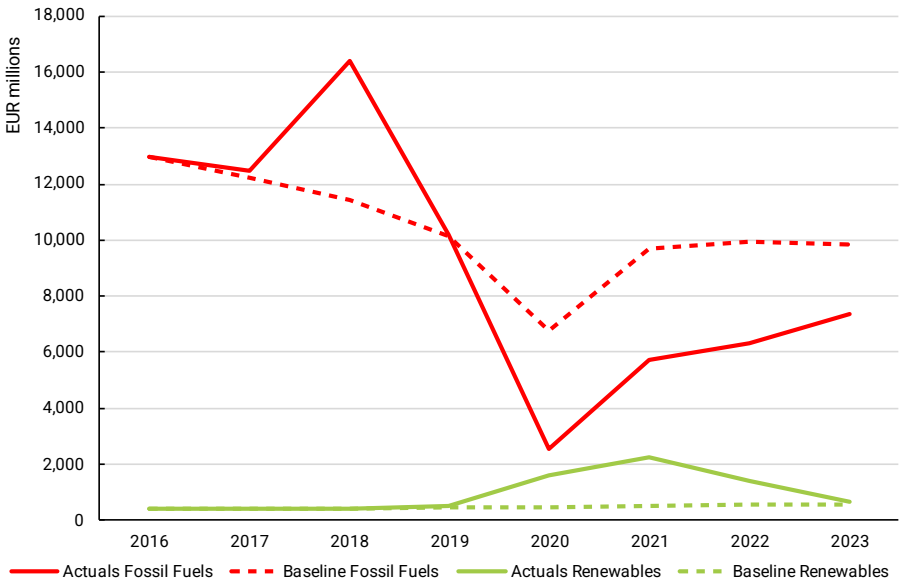


Figure 55 shows that the decline in value of fossil fuels is partly in line with the value decline of the baseline portfolio. However, it also shows that the decline in value of the fossil fuel shareholdings of the four insurance companies was more rapid in the first half of the period under analysis but it slowed down (shown as an increase in the "Actual fossil fuels" line) in the second half. This indicates that the insurance companies divested from shares attributable to fossil fuels very rapidly around 2019 and 2020 but slowed their divestments since 2021.

The difference between the baseline development and actual portfolio of shares attributable to renewable energy is less remarkable. Though there was an increase in investments in shares of renewable energy companies between 2020 and 2022, it slowed down at the last two periods under analysis.

Figure 55 Insurance companies' shareholdings baseline vs actuals by energy source (2016—2023, EUR mln)



3.1.2 Bond holdings

At the most recent filing date, August 2024, six out of the eight insurance companies, for which information was available, held in total EUR 4.4 billion in bonds issued by the selected companies. No historical bondholding data are published by the insurance companies or can be found in the financial databases used for this research. Therefore, a trend analysis cannot be carried out.

Figure 56 shows that Allianz was by far the largest investor in the bonds of the selected companies with an investment amount of EUR 4.3 billion. Followed by Athora with EUR 53 million, VGZ with EUR 13 million, Menzis with EUR 3 million CZ Group with an investment of EUR 2 million to complete the top five.

Figure 56 Insurance companies' bond holdings by energy source (Aug 2024, EUR mln)

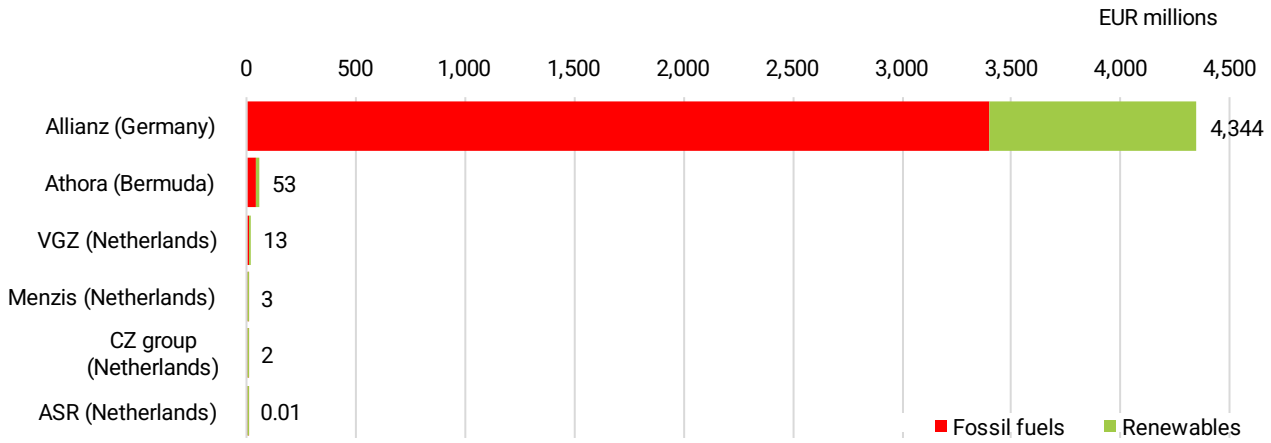
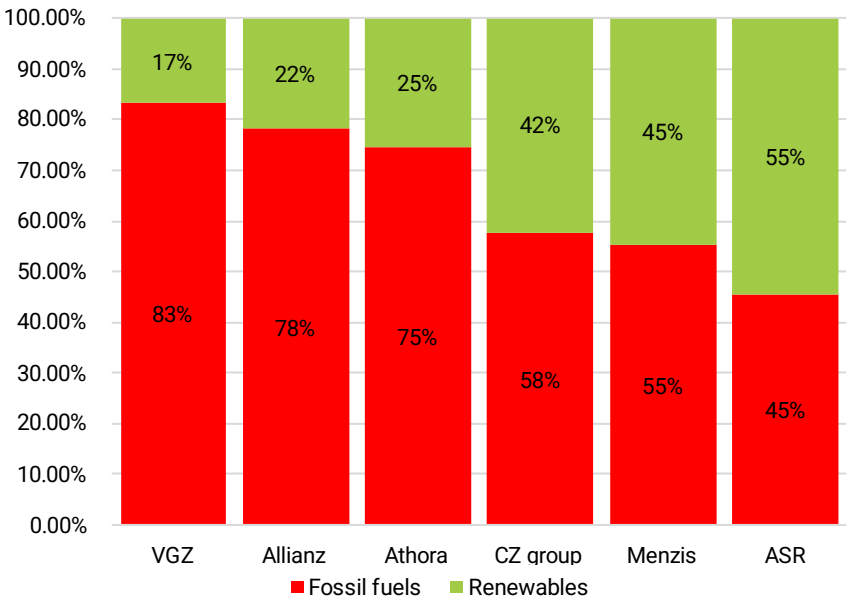


Figure 57 shows that 78% of the bond holdings (with a value of EUR 3.5 billion) of the selected insurance companies was attributable to fossil fuels and 22% (with a value of EUR 1.0 billion) to renewable energy. As can be seen in Figure 57, VGZ's bond holdings are predominantly attributable to fossil fuels, 83% investments in fossil fuels compared to 17% in renewables. Similarly for Allianz's and Athora's energy portfolio, which are 78% and 75% attributable to fossil fuels, respectively. On the other hand, CZ Group, Menzis and ASR Nederland have a more balanced portfolio with 58%, 55% and 45%, respectively, of their investments attributable to fossil fuels.

Figure 57 Insurance companies' proportions of bond holdings by energy source (Aug 2024)



3.2 Findings per insurance company

3.2.1 Achmea

In August 2024, Achmea had invested EUR 93 million in the selected companies, all of which were invested through shareholdings. Out of those EUR 93 million, EUR 32 million can be attributed to fossil fuels and EUR 62 million to renewable energy companies.

- **Shareholdings**

  In December 2023, Achmea held EUR 65 million in shares issued by the selected companies. 65% of these shareholdings were attributable to fossil fuels and 35% to renewable energy. At the end of 2017, 90% of its shareholdings of the selected companies were attributable to fossil fuels and 10% to renewable energy.

  Figure 58 shows that this change was mainly due to a 47% decrease in the value of shares attributable to fossil fuels, from EUR 79 million at the end of 2017 to EUR 42 million in 2023. The value of shares attributable to renewable energy increased 188% from EUR 8 million to EUR 23 million.

Figure 58 Achmea's shareholdings by energy source (2016–2023, EUR mln)

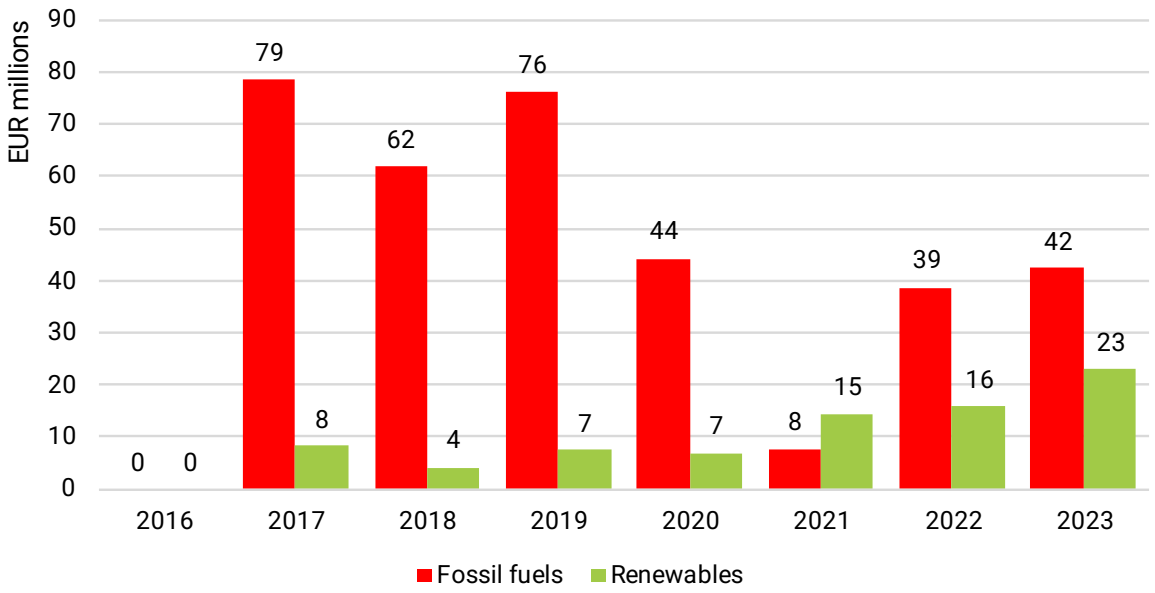
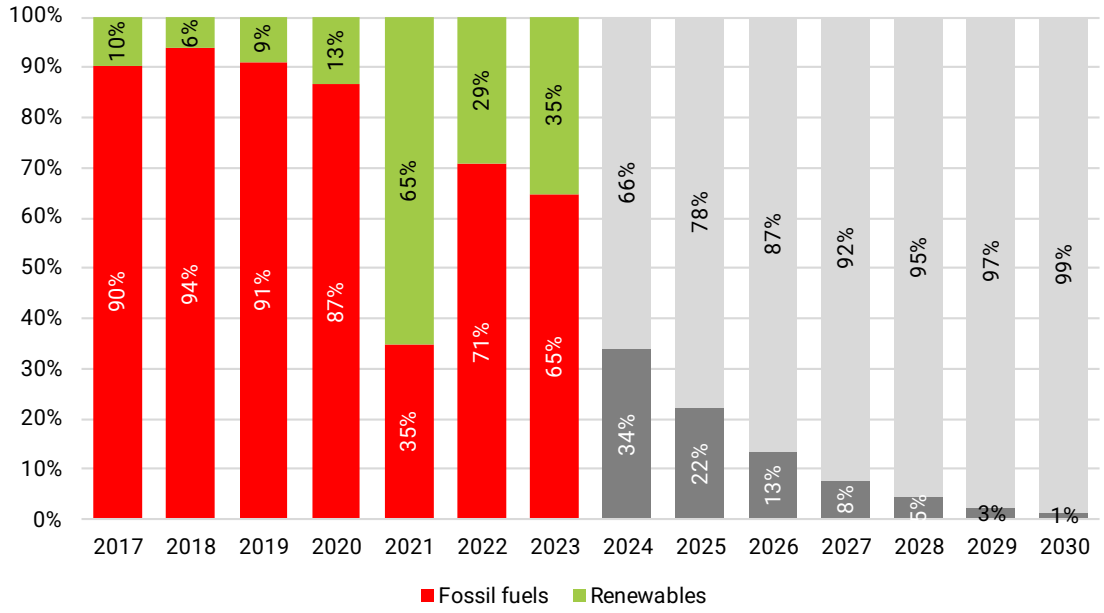


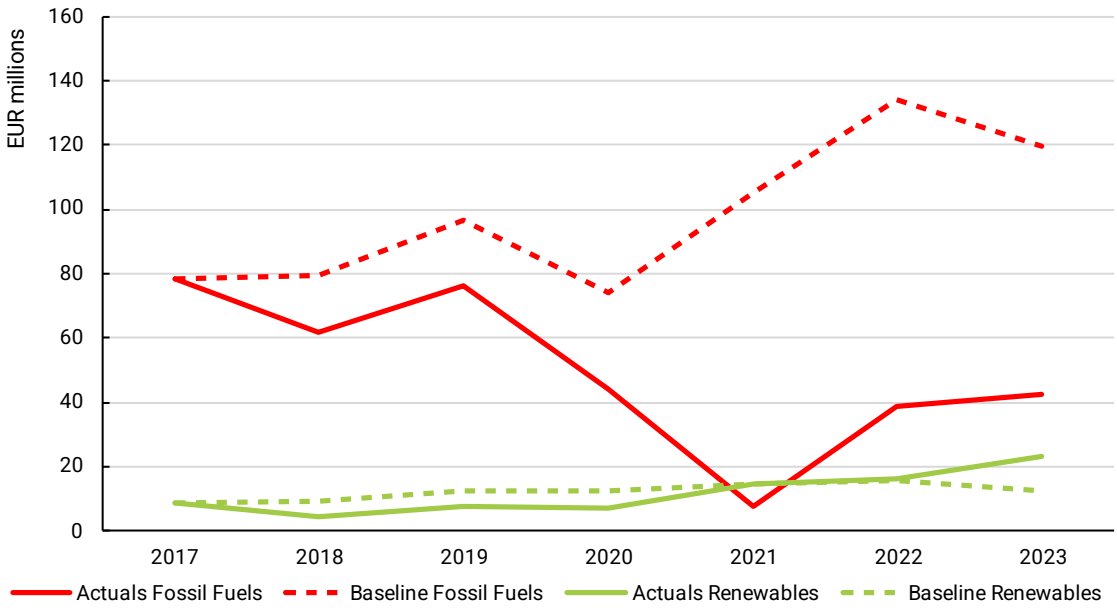
Figure 59 shows the rapid decline in proportions of energy investments attributable to fossil fuels. Based on the current trend, it can be expected that Achmea meets the 6:1 ratio of sustainable power supply to fossil fuel financing ratio already by 2026. That is three years ahead of the 2030 target year.

Figure 59 Achmea's proportions of shareholdings by energy source, (2016—2023, forecast 2024—2030)



While Figure 58 shows that Achmea used to invest predominantly in fossil fuels and that since 2021 its shareholdings have shifted from fossil fuels to renewables, Figure 60 confirms that conclusion in what respect to fossil fuels. As can be seen in Figure 60, Achmea has been divesting from fossil fuels since 2017 (the year of which there is available data). This can be seen by the fact that the actual value of its investments in fossil fuels is below the baseline investments in fossil fuels for the whole period under analysis. In addition, it can also be seen that Achmea also divested from its renewable energy investments between 2017 and 2021. Since then, it has slightly increased its investments in renewable energy companies.

Figure 60 Achmea's shareholdings baseline vs actuals (2016—2023, EUR mln)



- **Bond holdings**

  This research did not identify bondholding data for Achmea.

- **Comments by the insurance company**

  In communications with Achmea, the insurance company states that it "*has updated its policy regarding investments in conventional and unconventional fossil fuels*" and it points out a new list of excluded companies[23] as of 1 July 2024. Achmea further explains that, as a result of the updated list, it has divested from the following companies included in this research: Exxon Mobil, Kinder Morgan Inc and Williams Companies Inc. The exclusion of these companies from Achmea's portfolio means that for 2024, the insurance company will be divesting at least an extra EUR 15 million from fossil fuels companies.

  Note that the results presented in Figure 58 and Figure 60 still include Achmea's investments in the mentioned companies because such investments were held at the end of 2023. Such divestments, and others as a result of the updated exclusion list, shall be reflected i in follow up versions of this research.

3.2.2 Allianz

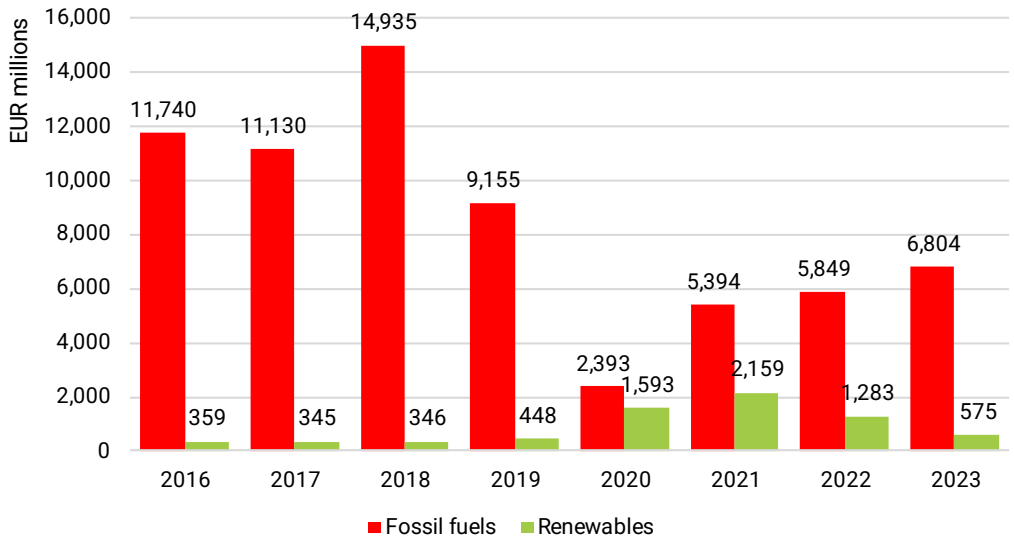
In August 2024, Allianz had invested EUR 14 billion in investments in the selected companies. Specifically, it held EUR 9.6 billion in shares and EUR 4.3 billion in bonds issued by the selected companies.

- **Shareholdings**

  In December 2023, Allianz held EUR 7.4 billion in shares issued by the selected companies. Of this, 92% was attributable to fossil fuels and 8% to renewable energy. This was an improvement from the end of 2016 when 97% of Allianz's shareholdings were attributable to fossil fuels and 3% to renewable energy. However, this is a deterioration from the proportions observed in 2020 when 40% of Allianz's shareholdings were attributable to renewable energy companies.

  As can be seen in Figure 61, the change in Allianz's energy equity portfolio composition is driven by two factors: The value of fossil fuel attributable shareholdings decreased from EUR 11.7 billion at the end of 2016 to EUR 6.8 billion in 2023. Moreover, the value of investments attributable to renewable energy increased by 60% from EUR 359 million to EUR 575 million.

Figure 61 Allianz's shareholdings by energy source (2016—2023, EUR mln)



In terms of proportions of investments per energy source, Figure 62 shows the proportions attributable to fossil fuels vs renewables. There was a significant dip in 2020 caused by COVID-19 when several fossil fuel companies lost market value. This recovered by 2021—2022.

To determine if Allianz is on track to meet the 6:1 financing ratio between renewables and fossil fuels, it is necessary to determine the trend. In this case, there are two possible trends depending on the period considered. Considering the last half of the period, 2020—2023, it is easy to observe the upward trend (see Figure 62), which would imply that the insurance company is not going to achieve the 6:1 ratio unless it changes its investment policies. On the other hand, analysing the whole period, 2016—2023, a downward trend can be observed: the proportion of financing towards renewables went from 3% in 2016 to 8% in 2023. Still, the financing proportions are clearly not on track to meet the 6:1 ratio of sustainable power supply to fossil fuel financing by 2030. Considering the downward trend, Allianz's energy sector equity investments will only achieve the 6:1 ratio by 2042, twelve years too late. This is due to the high starting value of fossil fuel investments, and the low starting point of renewable energy investments.

Figure 62 Allianz's proportions of shareholdings by energy source, (2016—2023, forecast 2024—2030)

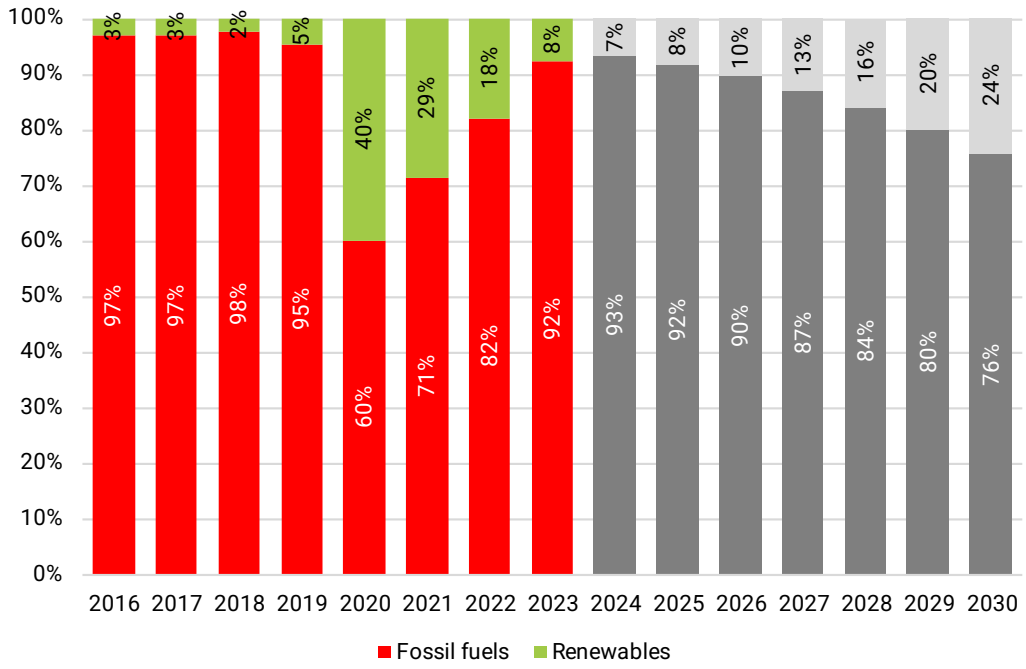
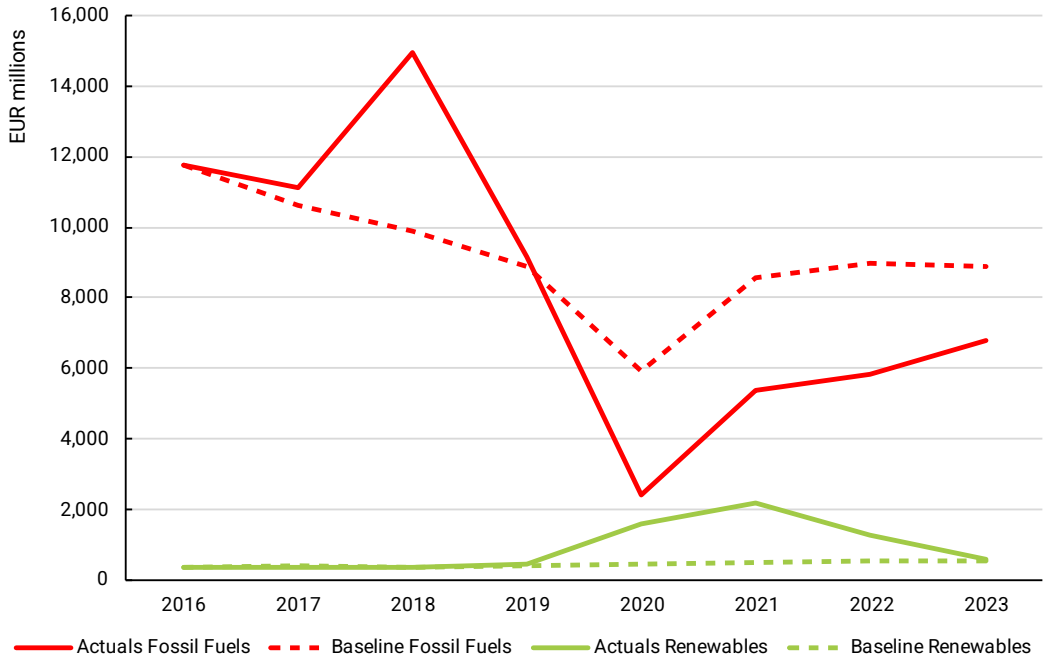


Figure 61 shows that Allianz invests predominantly in fossil fuels, Figure 63 shows that it has divested from fossil fuels, specially between 2019 and 2020, but has started investing again since then. This can be seen by the fact that the actual value of its investments in fossil fuels is growing at a faster pace than the baseline investments in fossil fuels. Nonetheless, it can also be seen that Allianz has increased its investments in renewable energy companies specially between 2019 and 2023.

Figure 63 Allianz's shareholdings baseline vs actuals (2016—2023, EUR mln)

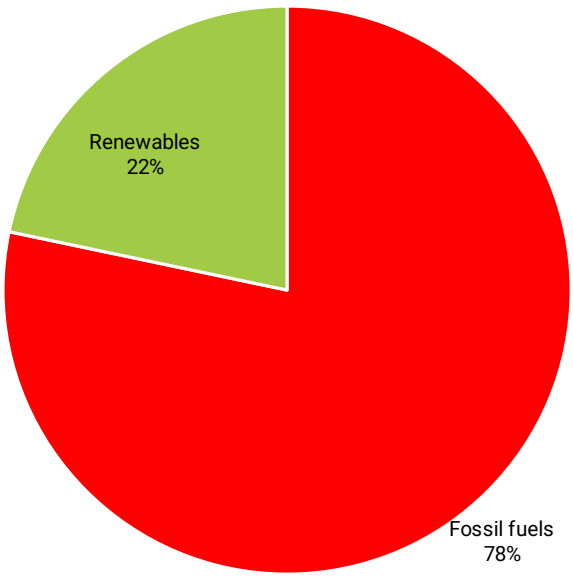


The *Still Undermining Our Future* study found that at the start of 2018 only 5% of Allianz's shareholdings was attributable to renewable energy and 95% to fossil fuels. The 2021 study, *Fossil fuels versus renewables financing*, found that in December 2020, 71% of Allianz's shareholdings in the selected companies was attributable to fossil fuels and 29% to renewable energy.

- **Bond holdings**

  Allianz held EUR 4.3 billion in bonds issued by the selected companies at the most recent filing date in August 2024. Figure 64 shows that 78% of these bond holdings with a value of EUR 3.4 billion were attributable to fossil fuels and 22% of the bond holdings with a value of EUR 0.9 billion were attributable to renewable energy.

Figure 64 Allianz's proportion of bond holdings by energy source (Aug 2024)



The *Still Undermining Our Future* study found that at the start of 2018, 95% of Allianz's bond holdings of the selected companies were attributable to fossil fuels and 5% to renewable energy. The 2021 study, *Fossil fuel versus renewables financing*, found that 93% of Allianz's bond holdings were attributable to fossil fuels and that 7%, where attributable to renewables. Based on this research, Allianz has made some improvements in the proportions of its bonds' investments between fossil fuels and renewable energy.

- **Comments by the insurance company**

  This study reached out to Allianz for comments about the research findings, but no response was received.

3.2.3 ANWB

This research did not identify investment data, share and bondholding, for ANWB. This is because ANWB is not covered by the financial databases used in this research. This does not imply that the insurance company is not investing in fossil fuel or renewable energy companies. It means that such financing was not possible to be obtained during the course of the research.

3.2.4 ASR Nederland

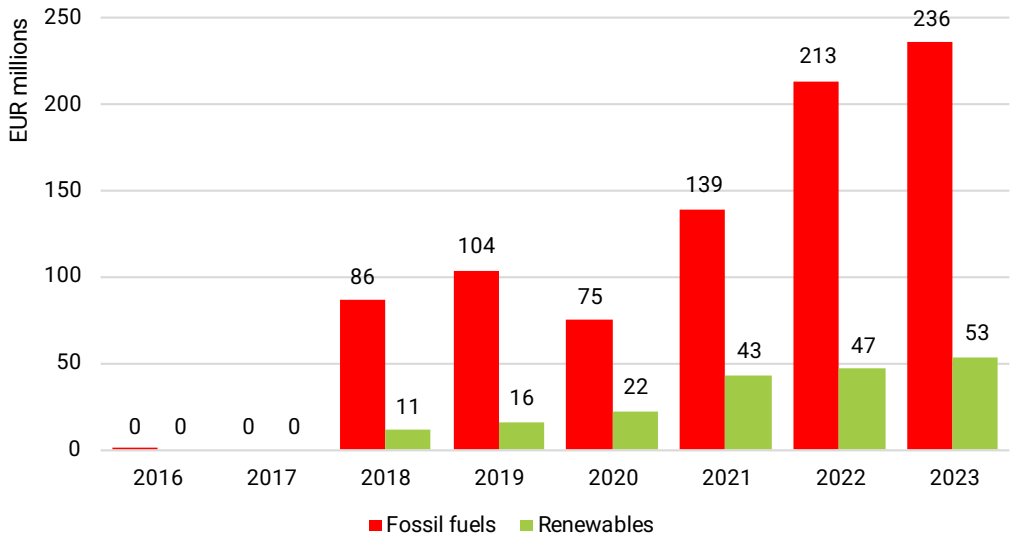
In August 2024, ASR Nederland had invested EUR 173.1 million in investments in the selected companies. Specifically, it held EUR 173.0 million in shares and EUR 0.1 million in bonds issued by the selected companies.

- **Shareholdings**

  In December 2023, ASR Nederland held EUR 289 million in shares issued by the selected companies. About 82% of these investments were attributable to fossil fuels and 18% to renewable energy. This was an improvement over the last quarter of 2018 when 88% of ASR shareholdings were attributable to fossil fuels and 12% to renewable energy.

  As Figure 65 shows, this is due to a 174% increase in the value of shareholdings attributable to fossil fuels from EUR 86 million in the last quarter of 2018 to EUR 236 million in 2023. Moreover, it is also due to the 381% increase the value of shares attributable to renewable energy from EUR 11 million to EUR 53 million.

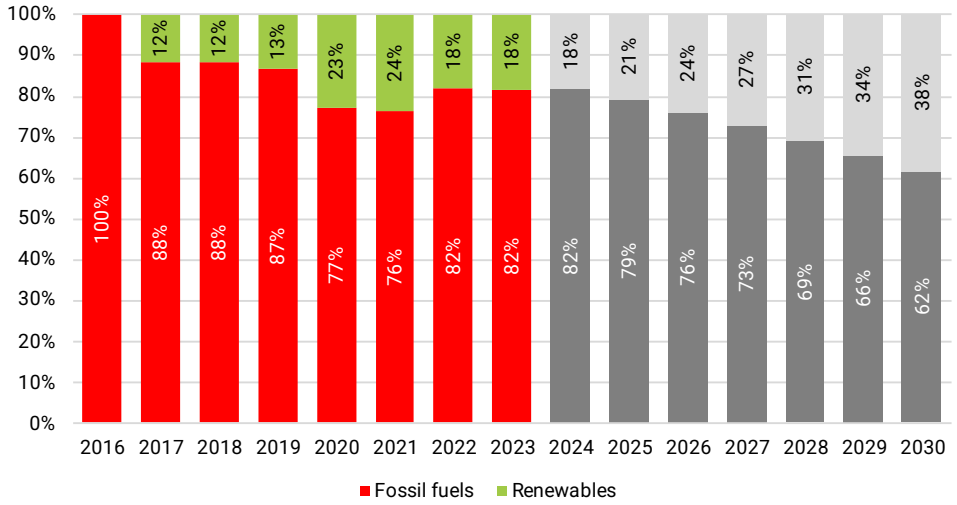
Figure 65 ASR's shareholdings by energy source (2016—2023, EUR mln)



In terms of proportions of investments per energy source, Figure 66 shows a gradually declining trend in proportions attributable to fossil fuels. There was a slight drop in 2020 caused by COVID-19 when several fossil fuel companies lost market value, which was then recovered in 2022.

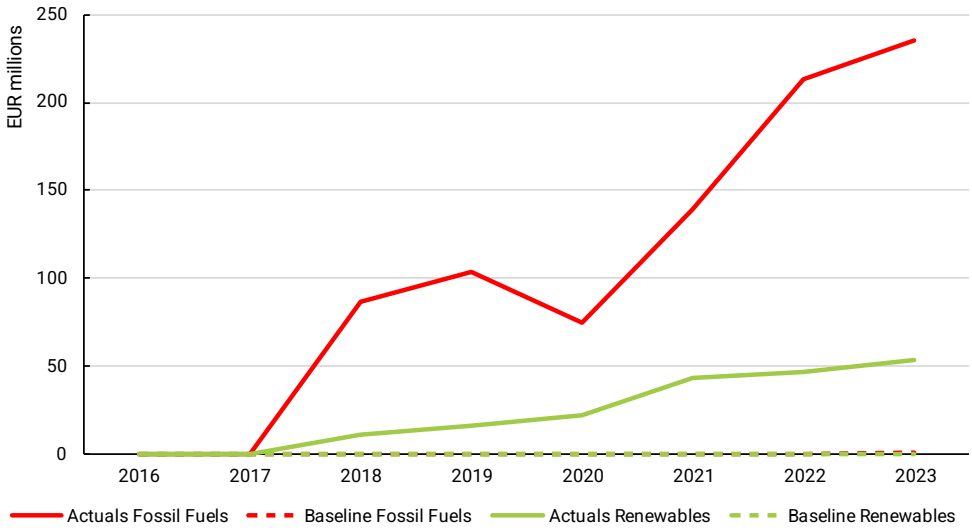
As seen in Figure 66, the financing proportions are not on track to meet the 6:1 ratio of sustainable power supply to fossil fuel financing by 2030. The current trend indicates that ASR's energy sector equity investments will only achieve the 6:1 ratio by 2043. This is due to a continued increase in the value of fossil investments coupled with a slightly faster increase in renewable energy investments.

Figure 66 ASR's proportions of shareholdings by energy source, (2016—2023, forecast 2024—2030)



A closer comparison of ASR's actual portfolio with the baseline as shown in Figure 67 provides more context. ASR increased the levels of its investments in renewable energy. This can be seen by the fact that the actual value of its investments in renewable energy increased at a more rapid pace than the baseline value. However, it also increased the level of its investments in fossil fuels at a more rapid pace. As can be seen by actual value of its investments in fossil fuels which is higher than the baseline value but also the actual values for renewables.

Figure 67 ASR's shareholdings baseline vs actuals (2016–2023, EUR mln)

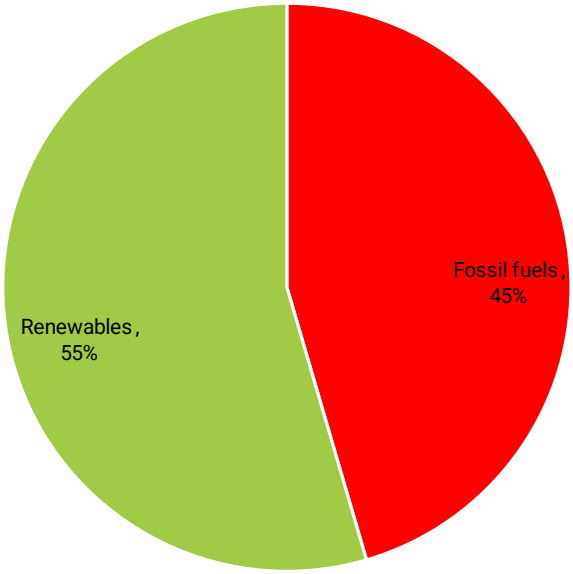


The *Still Undermining Our Future* study found that in the third quarter of 2017, 89% of ASR's shareholdings of the selected companies were attributable to fossil fuels and 11% to renewable energy. The 2021 study, *Fossil fuels versus renewables financing*, found that in December 2020, three quarters of ASR shareholdings were attributable to fossil fuels and one quarter to renewable energy.

- **Bond holdings**

  This research identified EUR 0.01 million in bond holdings issued by the selected companies. As can be seen in Figure 68, 45% of these bond holdings with a value of EUR 0.003 million were attributable to fossil fuels and 55% of the bond holdings with a value of EUR 0.004 million were attributable to renewable energy.

Figure 68 ASR's proportions of bond holdings by energy source (Aug 2024)



- **Comments by the insurance company**

  In communication with ASR Nederland, it stated that in May 2024, it has updated its exclusion list[24] to include the following companies engaged in the fossil fuels industry: Aker BP, Cheniere Energy, Dominion Energy, Duke Energy, ENEOS, Equinor, ONEOK, Repsol, Santos, TotalEnergies, Woodside Energy. Furthermore, ASR stated that in April it "*launched the ASR Global Impact Fund* [… which] *includes renewable energy companies such as EDP Renovaveis, Orsted, Solar Technologies, and TPI Composites*". The exclusion of these companies from ASR's portfolio means that for 2024, the insurance company will be divesting at least an extra EUR 6 million from fossil fuels companies.

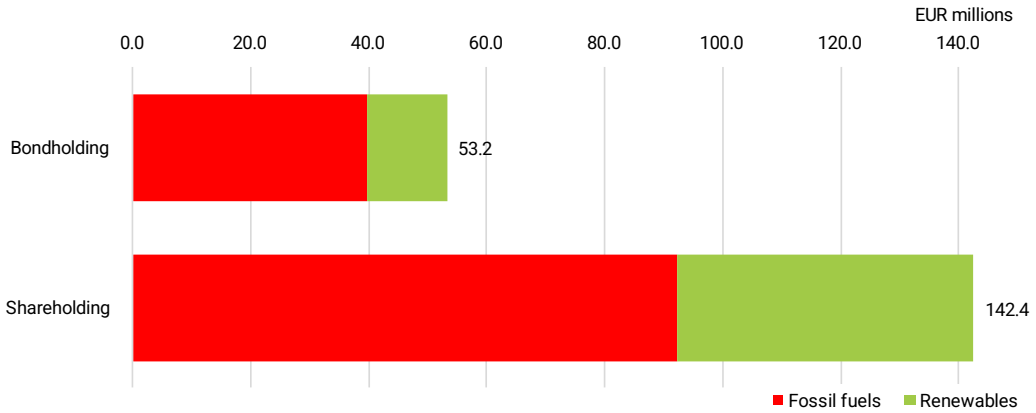
  Note that the results presented in Figure 65 and Figure 67 still include ASR Nederland's investments in the mentioned companies because such investments were held at the end of 2023. Such divestments, and others as a result of the updated exclusion list, shall be reflected in follow up versions of this research.

3.2.5 Athora

In June 2023, Athora's investment management arm, Actiam, was acquired by Cardano, which also includes Zwitserleven. This research did not identify investment data, shares and bondholding, for Athora through the financial databases described in Section 1.4. However, this research accessed the portfolio disclosures published by Cardano on its website. Because of the above, it is not possible to carry out a trend analysis of the data but only a one-time picture of the current investment financing of the insurance company.

In December 2023, Athora, through Cardano, had invested EUR 195.6 million in the selected companies, EUR 142.4 million of which was invested through shareholdings and the other EUR 53.2 million through bond holdings. Out of those EUR 195.6 million, EUR 131.9 million can be attributed to fossil fuels and EUR 63.7 million to renewable energy companies.

Figure 69 Athora's share and bond holdings by energy source (Oct 2024)



In the *Still Undermining Our Future* study, it was found that in the last quarter of 2017, 87% of Athora's shareholdings were attributable to fossil fuels and 13% to renewable energy. The 2021 study, *Fossil fuels versus renewable financing by financial institutions active in the Netherlands*, found that in the fourth quarter of 2020, 30% of Athora's shareholdings were attributable to fossil fuels and 70% to renewable energy.

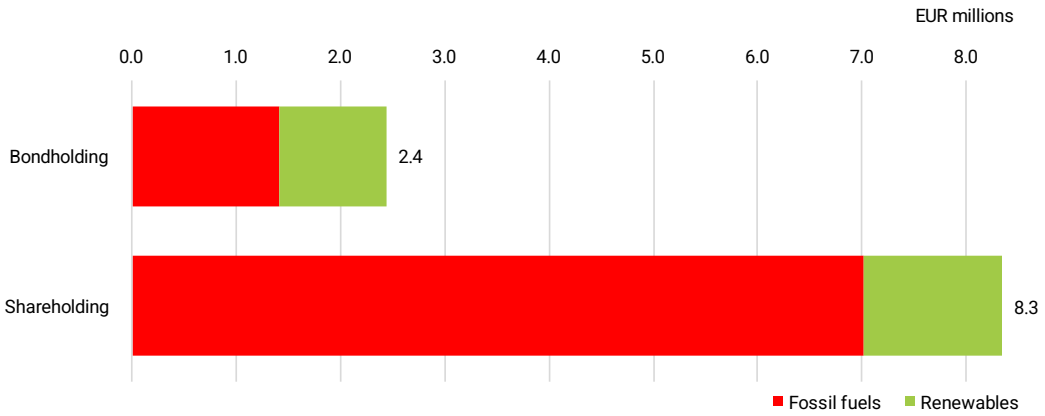
Furthermore, in the *Still Undermining Our Future* study, it was found that at the start of 2018, 24% of Athora's bond holdings of the selected companies were attributable to renewable energy and 76% to fossil fuels. The 2021 study found that the proportions changed to 48% renewable energy and 52% fossil fuels.

3.2.6 CZ Group

This research did not identify investment data, share and bondholding, for CZ Group through the financial databases described in Section 1.4. However, this research reached out to the insurance company for their latest portfolio disclosures, which were received in October. Because of the above, it is not possible to carry out a trend analysis of the data but only a one-time picture of the current investment financing of the insurance company.

In October 2024, CZ Group had invested EUR 10.8 million in the selected companies, EUR 8.3 million of which were invested through shareholdings and the other EUR 2.4 million through bond holdings. Out of those EUR 10.8 million, EUR 8.4 million can be attributed to fossil fuels and EUR 2.4 to renewable energy companies.

Figure 70 CZ Group's share and bond holdings by energy source (Oct 2024)



The 2021 study, *Fossil fuels versus renewable financing*, found that at the final quarter of 2020, CZ Group held 89% of its shareholdings attributable to fossil fuels and 11% to renewable energy. At the same time, it held 91% of its investments in bond holdings attributable to fossil fuels and 9% to renewable energy. In comparison, this year research found that the proportion of shareholdings attributable to fossil fuels dropped five percentage points to 84% and that of bond holdings dropped thirty-three percentage points to 58%.

3.2.7 De Goudse Verzekeringen

This research did not identify investment data, share and bondholding, for De Goudse Verzekeringen. This is because De Goudse Verzekeringen is not covered by the financial databases used in this research. This does not imply that the insurance company is not investing in fossil fuel or renewable energy companies. It means that such financing was not possible to be obtained during the course of the research.

3.2.8 DSW Zorgverzekeraar

This research did not identify investment data, share and bondholding, for DSW Zorgverzekeraar. This is because DSW is not covered by the financial databases used in this research. This does not imply that the insurance company is not investing in fossil fuel or renewable energy companies. It means that such financing was not possible to be obtained during the course of the research.

3.2.9 Klaverblad Verzekeringen

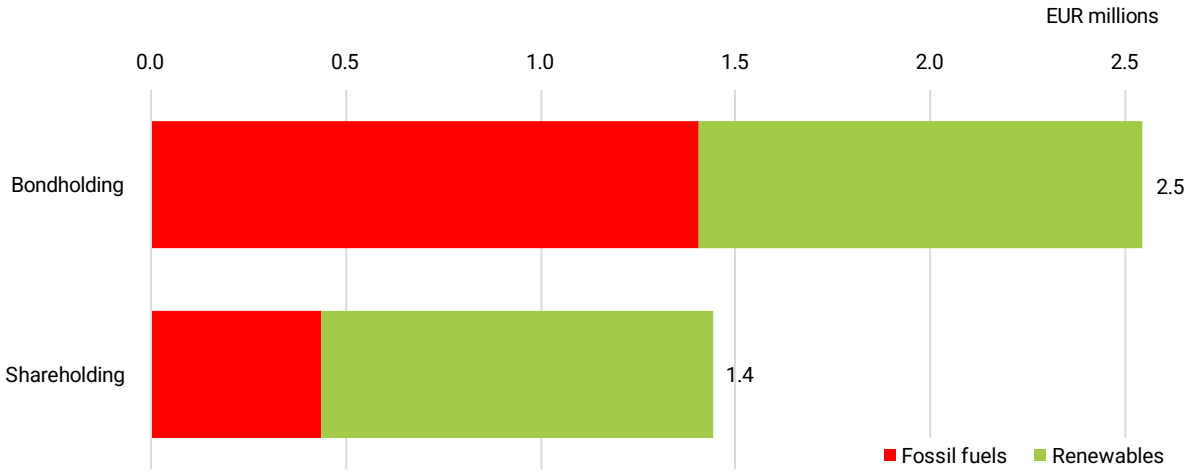
This research did not identify investment data, share and bondholding, for Klaverblad Verzekeringen. This is because Klaverblad Verzekeringen is not covered by the financial databases used in this research. This does not imply that the insurance company is not investing in fossil fuel or renewable energy companies. It means that such financing was not possible to be obtained during the course of the research.

3.2.10 Menzis

This research did not identify investment data, share and bondholding, for Menzis through the financial databases described in Section 1.4. However, this research reached out to the insurance company for their latest portfolio disclosures, which were received in October. Because of the above, it is not possible to carry out a trend analysis of the data but only a one-time picture of the current investment financing of the insurance company.

In October 2024, Menzis had invested EUR 4.0 million in the selected companies, EUR 1.4 million of which were invested through shareholdings and the other EUR 2.5 million through bond holdings. Out of those EUR 4.0 million, EUR 1.8 million can be attributed to fossil fuels and EUR 2.1 to renewable energy companies.

Figure 71 Menzis's share and bond holdings by energy source (Oct 2024)



The 2021 study, *Fossil fuels versus renewable financing*, found that in the final quarter of 2020, Menzis held 89% of its investments in shareholdings were attributable to fossil fuels and 11% to renewable energy. Likewise, 96% of its investments in bond holdings were attributable to fossil fuels and 9% to renewable energy. Based on the available information, this research finds that there is an improvement in the distribution of the investments between fossil fuels and renewables. While in the 2021 study, 89% of Menzis's shareholdings were attributable to fossil fuels, the current study finds that the proportion has fallen to 30%. Likewise, while in 2021's study the proportion of bond holdings attributable to fossil fuels was 96%, in this study the proportion has fallen to 55%.

3.2.11 NN Group

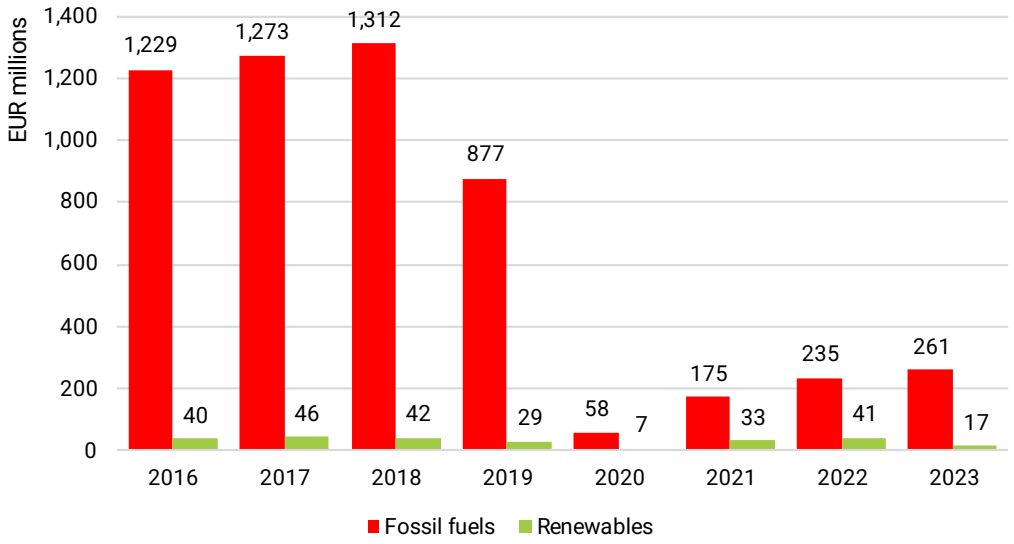
In August 2024, NN Group had invested EUR 145 million in the selected companies, all of which were invested through shareholdings. Out of those EUR 145 million, EUR 95 million can be attributed to fossil fuels and EUR 51 million to renewable energy companies.

- **Shareholdings**

  In December 2023, NN Group held EUR 277 million in shares issued by the selected companies. 94% of these investments were attributable to fossil fuels and 6% to renewable energy. This was a slight improvement, at least in terms of fossil fuels financing, compared with the end of 2016 when 97% of its shareholdings were attributable to fossil fuels and 3% to renewable energy.

  As can be seen in Figure 72, this was driven by NN Group's divestment from fossil fuels between 2016 and 2019. While at the end of 2016, NN Group held EUR 1,229 million attributable to fossil fuels, in December 2023 it held only EUR 261 million—that is a reduction of 79%. However also the value of investments attributable to renewable energy decreased by 58% from EUR 40 million to EUR 17 million.

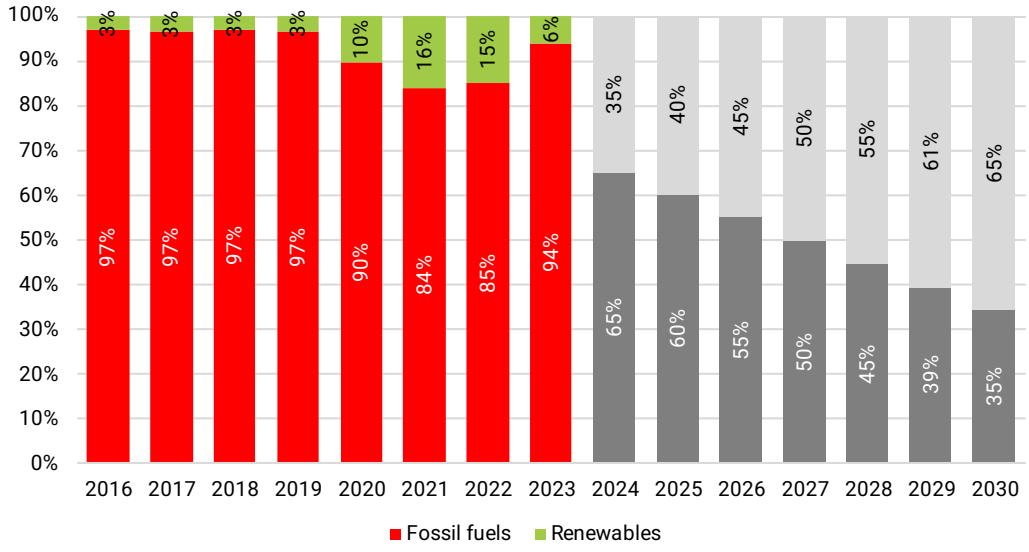
Figure 72 NN Group's shareholdings by energy source (2018—2023, EUR mln)



In terms of proportions of investments per energy source, Figure 73 shows a very gradually declining trend in proportions attributable to fossil fuels. There was a slight dip in 2020—2021 caused by COVID-19, when most fossil fuel companies lost market value, which was then recovered in 2023.

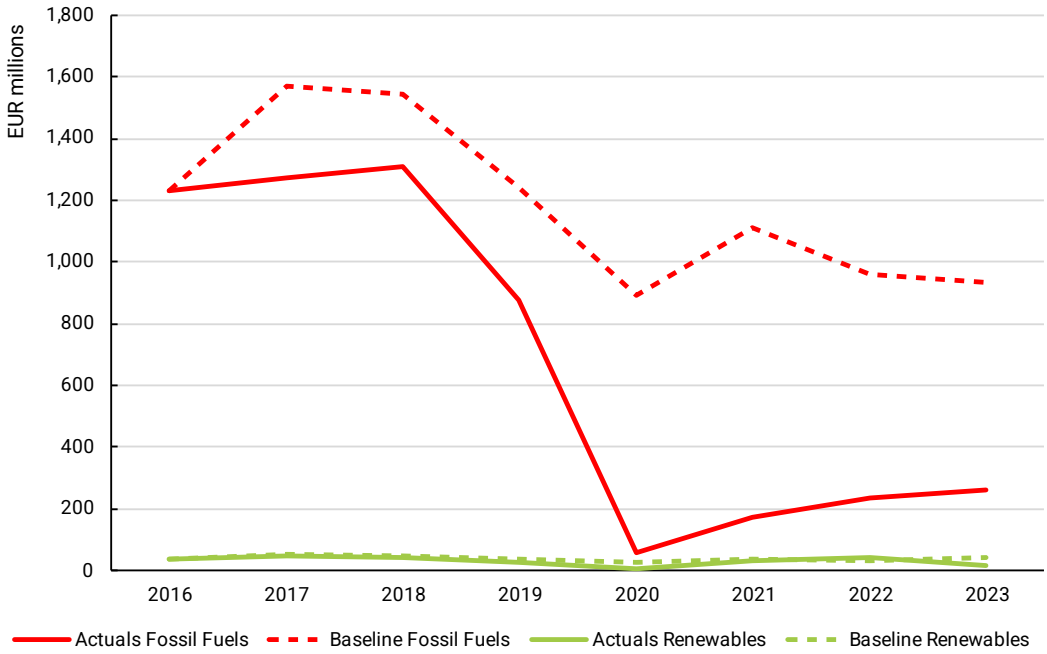
Based on the trend set in motion between 2016—2022, NN Group looks set to achieve the 6:1 ratio of sustainable power supply to fossil fuel financing by 2036. That is six years later than the target year of 2030 needed to meet the NZE 2050 goal.

Figure 73 NN Group's proportions of shareholdings by energy source, (2016—2023, forecast 2024—2030)



A comparison of the actual portfolio developments and the baseline development indicates that NN Group divested from fossil fuels (see Figure 74). This can be seen by the fact that the actual value of its investments in fossil fuels decreased at a much more rapid pace than the baseline value. However, although it is not very clear in the figure, NN Group has not consistently increased its investments in renewable energy. That can be concluded because the actual value and baseline are at very similar levels and none is consistently above the other.

Figure 74 NN Group's shareholdings baseline vs actuals (2016–2023, EUR mln)



At the start of 2018, the *Still Undermining Our Future* study found that 90% of NN Group's shareholdings were attributable to fossil fuels and 10% to renewable energy. The proportions identified in the 2021 study, *Fossil fuels versus renewables* financing, were 56% of shareholdings attributable to fossil fuels and 44% to renewable energy.

- **Bond holdings**

  This research did not identify bondholding data, for NN Group. The *Still Undermining Our Future* study found that at the start of 2018, 94% of NN Group's bond holdings of the selected companies was attributable to fossil fuels and 6% to renewable energy. The 2021 study, *Fossil fuels versus renewables financing*, found that at the end of 2020, the proportions were 79% in fossil fuels and 21% in renewables.

- **Comments by the insurance company**

  In communication with NN Group, it stated that it "*refrains from commenting on the investment portfolio of NN Group or its entities*". The insurance company also stressed that it "*follows local regulations related to the pension solutions and related investment decision making, which is important to take into account when reflecting upon the overview* [of this research]". Furthermore, NN Group points to its Annual report, Climate action plan and Active ownership report where the insurance company presents its roadmap and commitments to a low carbon economy.

  This research's findings corroborate such statements. Figure 72 and Figure 74 show a consistent decline in investments in fossil fuel companies.

3.2.12 ONVZ Zorgverzekering

This research did not identify investment data, share and bondholding, for ONVZ Zorgverzekering. This is because ONVZ is not covered by the financial databases used in this research. This does not imply that the insurance company is not investing in fossil fuel or renewable energy companies. It means that such financing was not possible to be obtained during the course of the research.

3.2.13 Unive

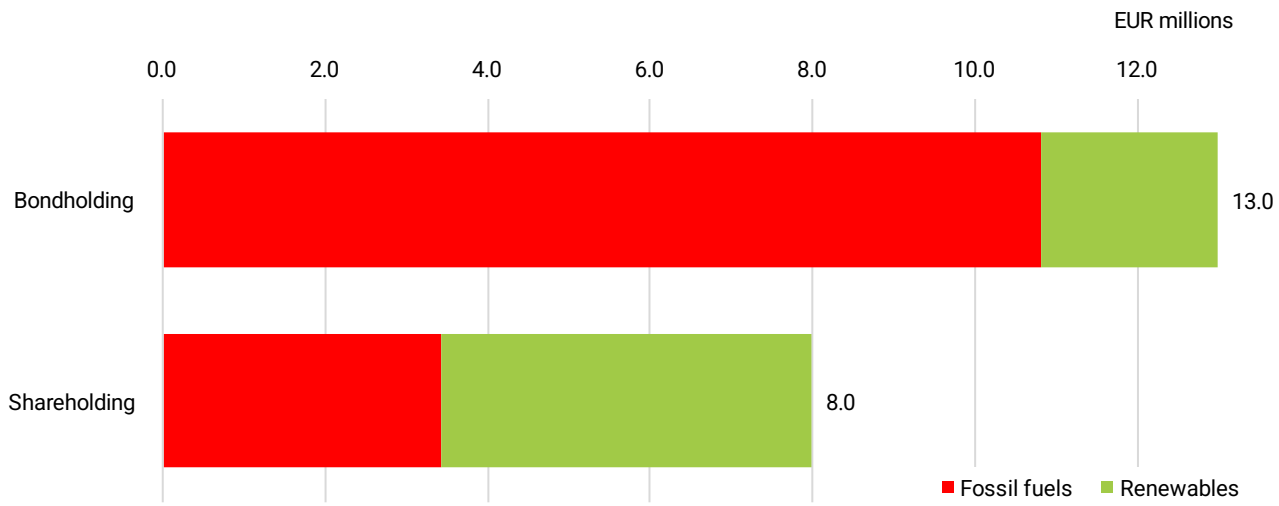
This research did not identify investment data, share and bondholding, for Unive. This is because Unive is not covered by the financial databases used in this research. This does not imply that the insurance company is not investing in fossil fuel or renewable energy companies. It means that such financing was not possible to be obtained during the course of the research.

3.2.14 VGZ

This research did not identify investment data, share and bondholding, for VGZ through the financial databases described in Section 1.4. However, this research reached out to the insurance company for their latest portfolio disclosure, which were received in October 2024. Because of the above, it is not possible to carry out a trend analysis of the data but only a one-time picture of the current investment financing of the insurance company.

In June 2024, VGZ had invested EUR 21.0 million in the companies in scope, EUR 8.0 million of which were invested through shareholdings and the other EUR 13.0 million through bond holdings. Out of those EUR 21.0 million, EUR 14.2 million can be attributed to fossil fuels and EUR 6.7 to renewable energy companies.

Figure 75 VGZ's share and bond holdings by energy source (Jun 2024)



The 2021 study, *Fossil fuel versus renewables financing*, found that VGZ held 94% of its investments in shareholdings attributable to fossil fuels and 6% to renewable energy. Likewise, 82% of its investments in bond holdings were attributable to fossil fuels and 18% to renewable energy. Based on the available information, this research finds that there is an improvement in the distribution of the investments between fossil fuels and renewables. While in the 2021 study, 94% of VGZ's shareholdings were attributable to fossil fuels, the current study finds that the proportion has fallen to 43%. Similarly, while in 2021's study the proportion of bond holdings attributable to fossil fuels was 82%, in this study the proportion has increased slightly to 83%.

3.2.15 ZLM Verzekeringen

This research did not identify investment data, share and bondholding, for ZLM Verzekeringen. This is because ZLM is not covered by the financial databases used in this research. This does not imply that the insurance company is not investing in fossil fuel or renewable energy companies. It means that such financing was not possible to be obtained during the course of the research.

3.2.16 Zorg en Zekerheid

This research did not identify investment data, share and bondholding, for Zorg en Zekerheid. This is because Zorg en Zekerheid is not covered by the financial databases used in this research. This does not imply that the insurance company is not investing in fossil fuel or renewable energy companies. It means that such financing was not possible to be obtained during the course of the research.

4

Pension funds

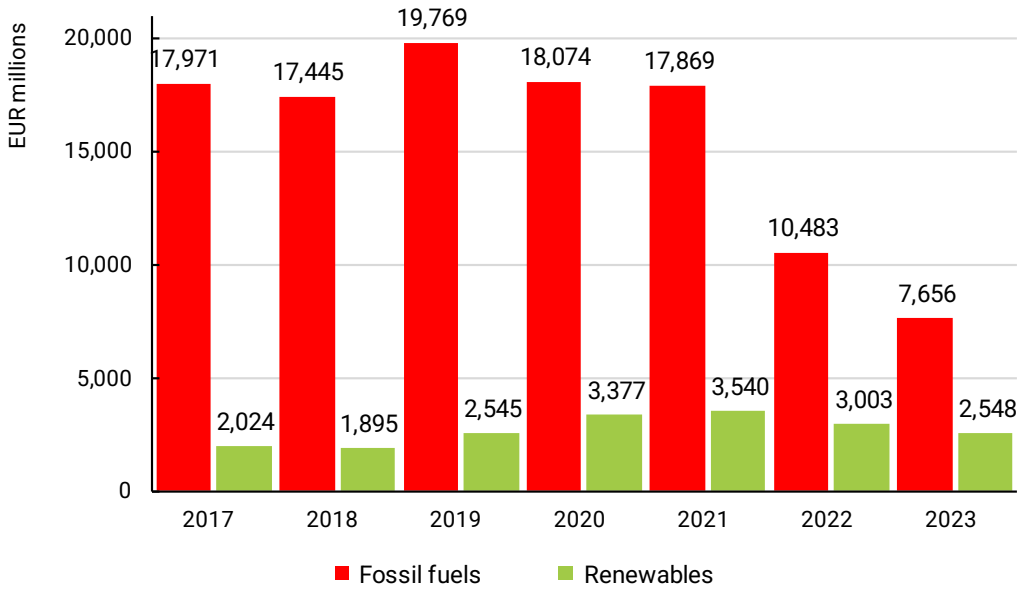
At the end of 2023, Dutch pension funds held investments with a value of EUR 10.2 billion in the selected energy companies: EUR 5.3 billion in shares and EUR 4.9 billion in bonds. This chapter analyses the energy sector investments of the nine pension funds for which data were available. An assessment is made which proportion of their investments in energy shares and bonds is attributable to fossil fuels and which proportion to renewable energy.

4.1 General findings

At the end of 2023, nine Dutch pension funds held a combined EUR 10.2 billion in bonds and shares of the selected companies. This was down to EUR 9.8 billion from EUR 20.0 billion at the end of 2017. At that time, 90% of the investments were attributable to fossil fuels and 10% to renewable energy. By the end of 2023, 75% of the investments in the selected companies (with a value of EUR 7.7 billion) were attributable to fossil fuels and 25% (EUR 2.5 billion) to renewable energy. Due to a lack of data transparency, no analysis could be made of the investments of BPL Pensioen and Pensioenfonds Vervoer between 2017 – 2021 and 2017 – 2022, respectively.

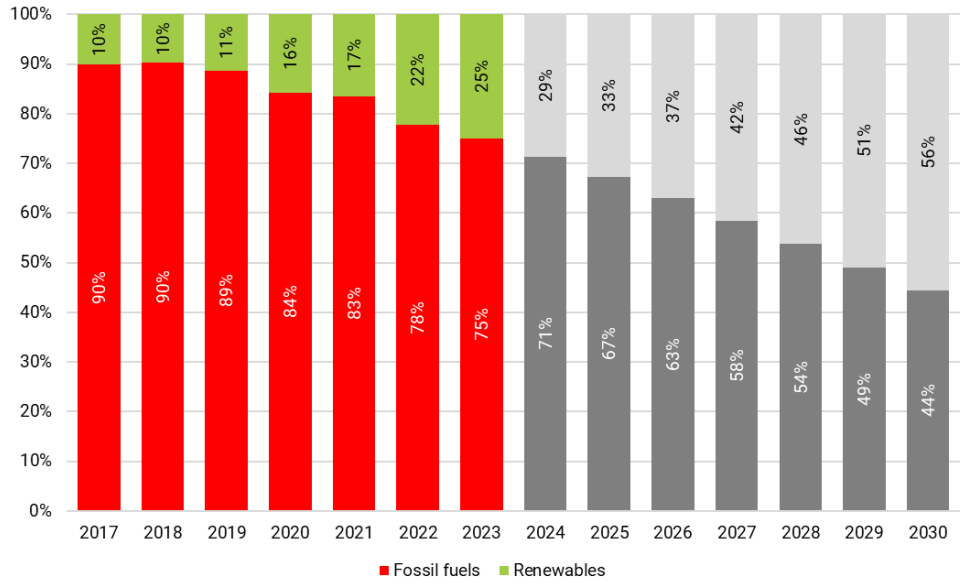
Figure 76 shows that the change in the composition of the pension fund investments between 2017 and 2021 was driven mainly by an increase in value of investments in renewable energy, while the value of investments attributable to fossil fuels remained relatively stable. Since then, the change in composition of the pension fund investments was driven mainly by a reduction in the investments attributable to fossil fuels while the investments attributable to renewable energy decreased slightly.

Figure 76 Pension funds' investments by energy source (2017—2023, EUR mln)



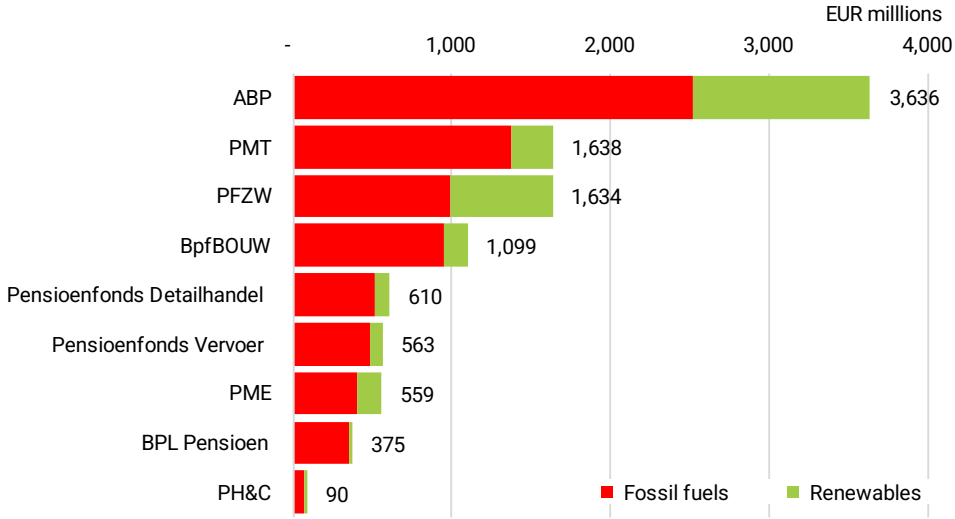
To align with a Net Zero Emissions (NZE) 2050 scenario, financial institutions must achieve a 6:1 ratio of sustainable power supply to fossil fuel financing by 2030—equivalent to 14% fossil fuel and 86% renewable energy financing. However, as shown in Figure 77, Dutch pension funds are currently not on track to meet the 2030 NZE target. The data indicates that, at their current trajectory, Dutch pension funds will only reach the 6:1 ratio by 2039 — nine years too late (see section 1.8 on forecasting methodology).

Figure 77 Pension funds' proportions of investments by energy source, (2016—2023, forecast 2024—2030)



Comparing each pension fund independently, Figure 78 shows that in 2023 ABP was the largest investor in the selected companies. It held EUR 3.6 billion in bonds and shares at the end of the fourth quarter 2023. It was followed by PMT and PFZW with EUR 1.6 billion, each.

Figure 78 Total pension funds' investments by energy source (Dec 2023, EUR mln)



As can be seen in Figure 78, all pension funds are still investing the largest majority of their energy sector investments in fossil fuels. However, Figure 79 shows that all pension funds, except for Pensioenfonds Detailhandel, increased the proportion of investments attributable to renewable energy. Among its peers, PFZW and ABP ranks best with 39% and 31% share, respectively, of investments in renewable energy.

Figure 79 Pension funds' proportions of investments by energy source (2017—2023)

Notice that Figure 79 does not include BPL Pensioen and Pensioenfonds Vervoer since this research only identified investment financing for these pension funds for 2022 and 2023. As a consequence, it is not possible to analyse the evolution of investment financing for these pension funds.

Furthermore, note that the figures for individual funds might differ from the figures published by the pension funds themselves on their investments in the fossil fuels sector, as these figures might cover more companies and count the full investment in each company. We only count the proportions of the investments which are directly attributable to fossil fuels and to renewable energy. The proportions of investments in these companies which are used for other energy sources, for electricity transportation and for non-energy activities are not taken into account.

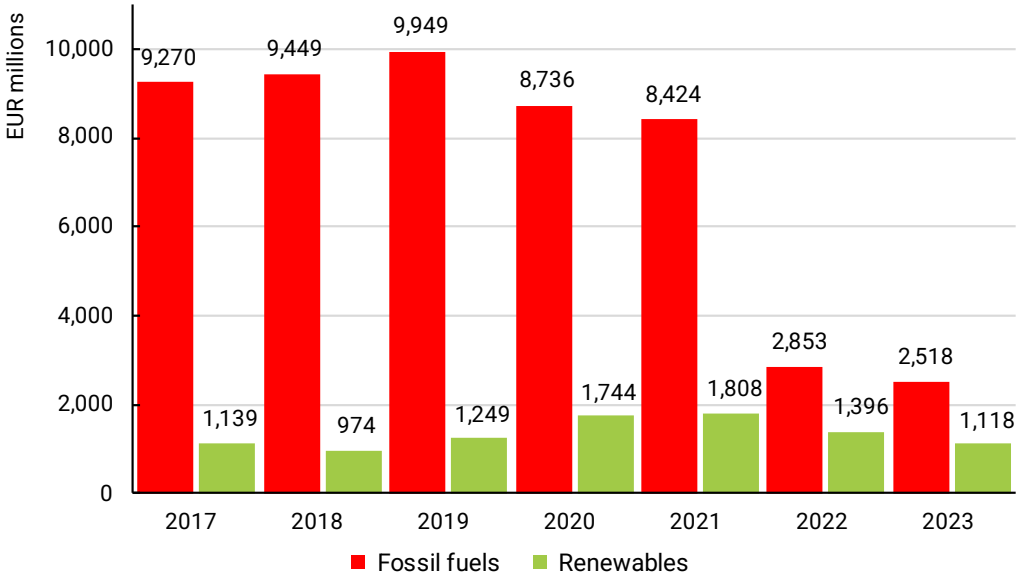
4.2 Findings per pension fund

4.2.1 Algemeen Burgerlijk Pensioenfonds (ABP)

By the end of 2023, ABP held bonds and shares of the selected companies worth EUR 3.6 billion. Of these investments, 69% were attributable to fossil fuels and 31% to renewable energy. This is an improvement from 2017, when 89% of its energy sector investments were attributable to fossil fuels and 11% to renewable energy.

As can be seen from Figure 80, this change in composition is driven in large part by the 72% decrease in investments attributable to fossil fuels from EUR 9.3 billion at the start of 2017 to EUR 2.5 billion at the end of 2023. There was also an increase of 59% of investments attributable to renewable energy between 2018 and 2021 which was consequently reduced to its initial levels of EUR 1.1 billion. Unfortunately, the observed divestment from fossil fuels has not translated into more investments in renewables.

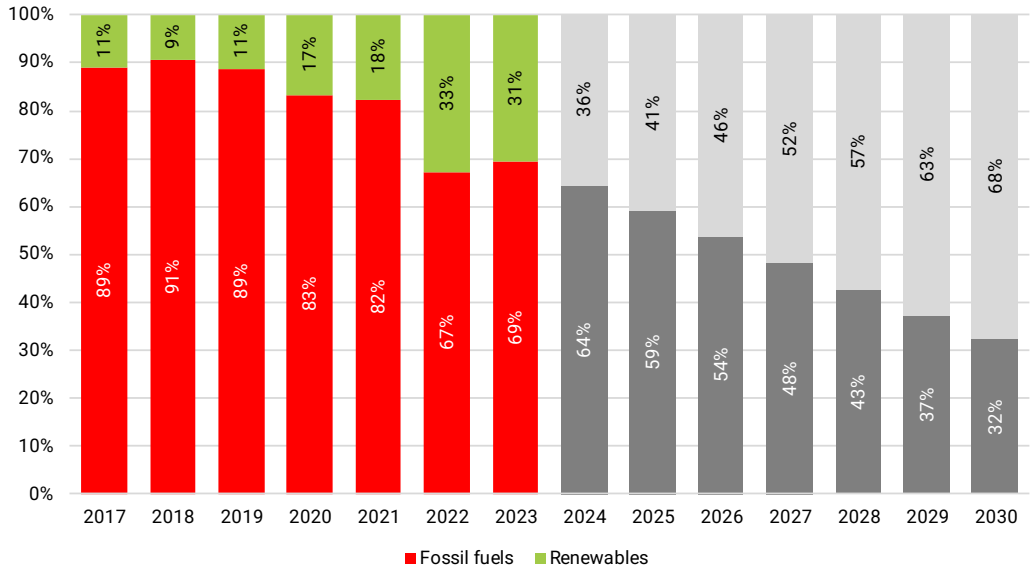
Figure 80 ABP's investments by energy source (2017—2023, EUR mln)



In terms of proportions of investments per energy source, Figure 81 shows a gradually declining trend in proportions attributable to fossil fuels. There was a drop in 2020–2021 caused by COVID-19 when many fossil fuel companies lost market value. This recovered by 2022.

As can be seen in Figure 81, the financing proportions are not on track to meet the 6:1 ratio of sustainable power supply to fossil fuel financing by 2030. Currently, the trend indicates that ABP's energy sector investments will achieve the 6:1 ratio by 2035, 5 years behind schedule.

Figure 81 ABP's proportions of investments by energy source, (2016—2023, forecast 2024—2030)



b

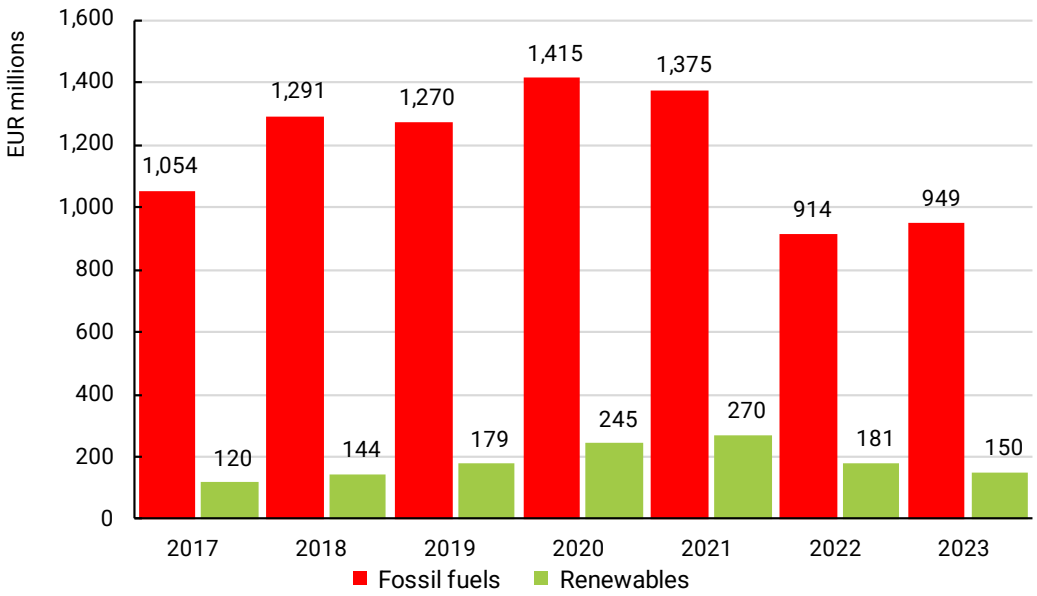
- **Comments by the pension fund**

  In communication with ABP, it stated that it has "*decided to divest most of* [its] *exposure in producers of fossil energy*".[25] That position is corroborated by this research findings. As seen in Figure 80, ABP divested considerably from fossil fuel companies in 2021. Nonetheless, there is still room for improvement since such divestments have not translated into financing of renewable energy companies.

4.2.2 Bedrijfstakpensioenfonds voor de Bouwnijverheid (BpfBOUW)

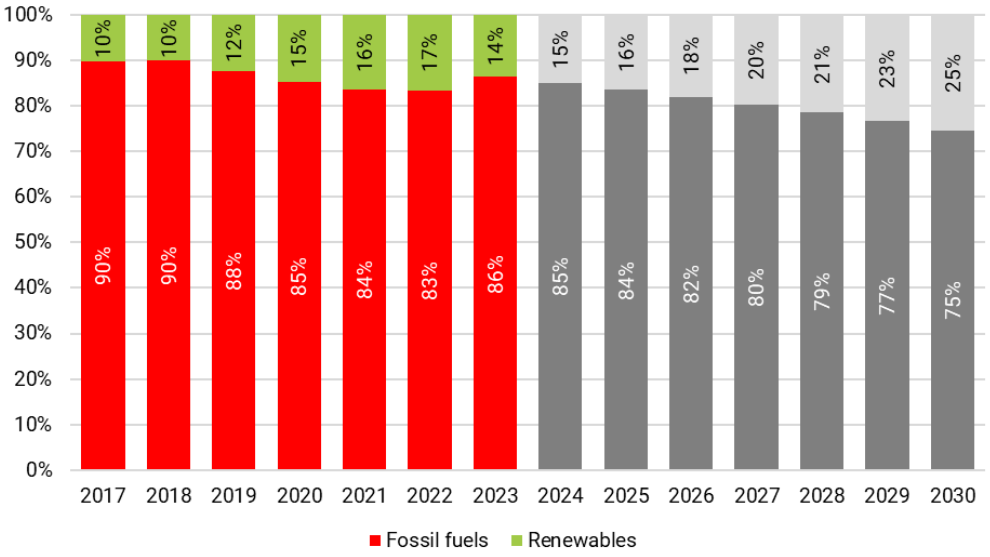
BpfBOUW held EUR 1.1 billion in bonds and shares issued by the selected companies at the end of the fourth quarter of 2023. Of these investments, 86% were attributable to fossil fuels and 14% to renewable energy. This was a slight improvement from 2017 when 90% of its investments in the selected companies were attributable to fossil fuels and 10% to renewable energy. This was due to a slight decrease of 10% in the value of investments attributable to fossil fuels which was compounded by an increase of 25% in the value of investments in renewable energy. As seen in Figure 82, the value of investments attributable to fossil fuels increased from EUR 1.1 billion in 2017 to EUR 1.4 billion in 2020 to then decrease to EUR 0.9 billion at the end of 2023, while the value of investments in renewables went from EUR 0.12 billion in 2016 to EUR 0.27 billion in 2021 to then decrease slightly to EUR 0.15 million in 2023.

Figure 82 BpfBOUW's investments by energy source (2017—2023, EUR mln)



In terms of proportions of investments per energy source, Figure 83 shows a gradually declining trend in proportions attributable to fossil fuels. However, the financing proportions are far from being on track to meet the 6:1 ratio of sustainable power supply to fossil fuel financing by 2030. The current trajectory of BpfBOUW's energy sector investment sets it on track to meet the 6:1 ratio by 2057. This is due in large part to the slow decline in fossil fuel investments (-3% per year).

Figure 83 BpfBOUW's proportions of investments by energy source, (2016—2023, forecast 2024—2030)



- **Comments by the pension fund**

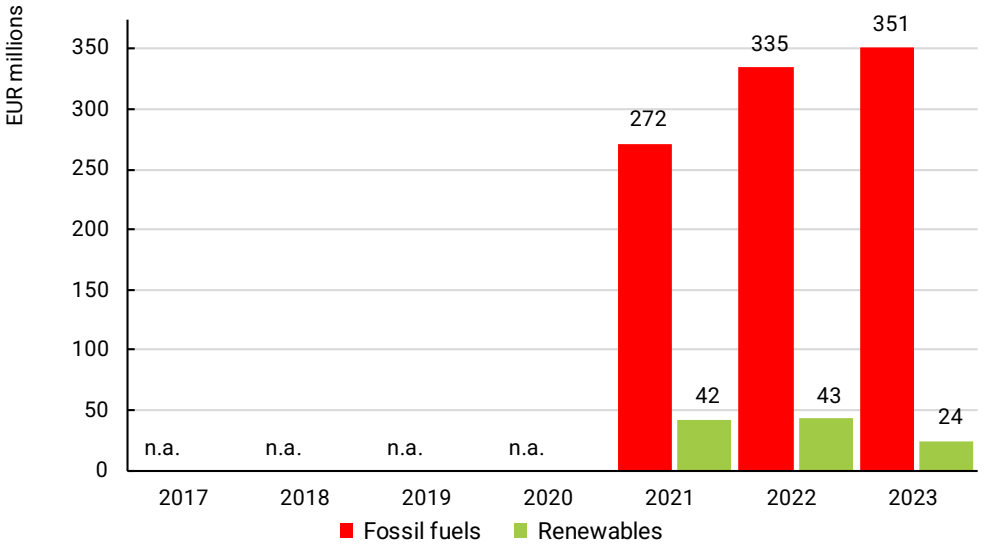
  This study reached out to BpfBOUW for comments about the research findings, but no response was received.

4.2.3 BPL Pensioen

This research did not identify investment financing for BPL before 2020. That is due to BPL's lack of disclosure of the value of its investments. Up to 2020, BPL only disclose the names of investees but not the investment values or percentages.

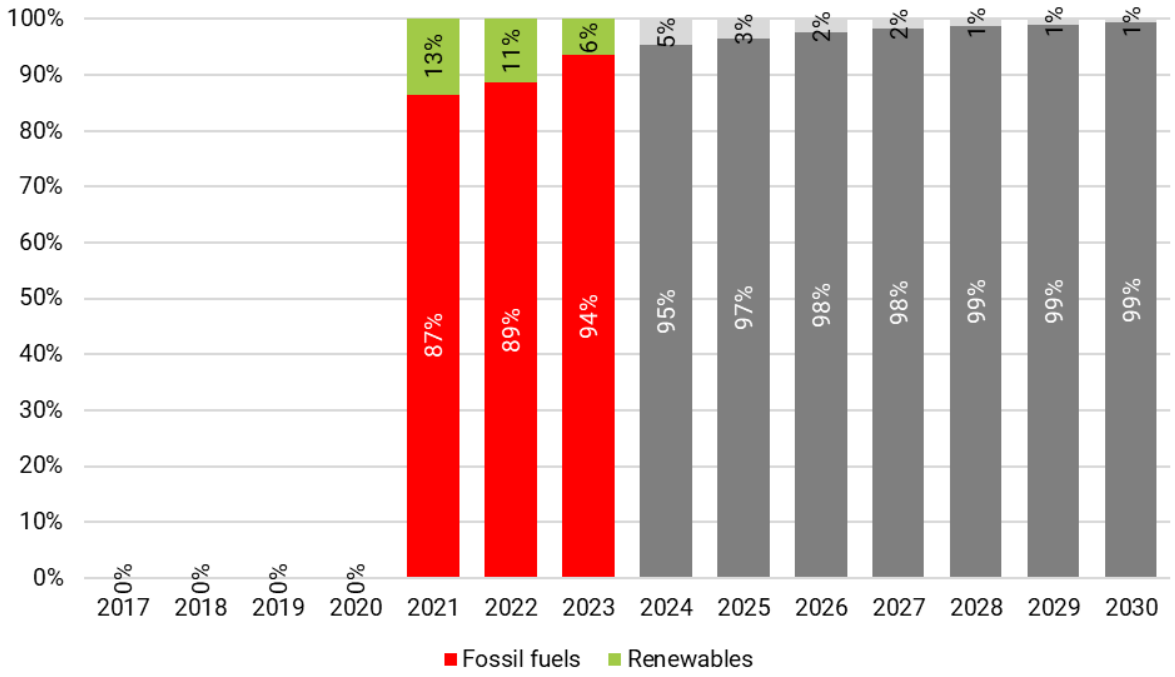
Based on the available information, it can be seen in Figure 84 that BPL increased its investments in fossil fuels by 29% while, at the same time, decreased the value of its investments in renewable energy by 43%. While in 2021, BPL investments attributable to fossil fuels and renewable energy were EUR 272 million and EUR 42 million, respectively; in 2023 the value of investments were EUR 351 million and EUR 24 million.

Figure 84 BPL's investments by energy source (2021—2023, EUR mln)



In terms of proportions of investments per energy source, Figure 85 shows that, contrary to the need to mitigate climate change, BPL Pensioen is gradually increasing the proportions of energy investments attributable to fossil fuels. The current trajectory puts BPL Pensioen on track to have 0% renewable energy investments by 2031.

Figure 85 BPL's proportions of investments by energy source, (2021—2023, forecast 2024—2030)



- **Comments by the pension fund**

  This study reached out to BPL Pensioen for comments about the research findings, but no response was received.

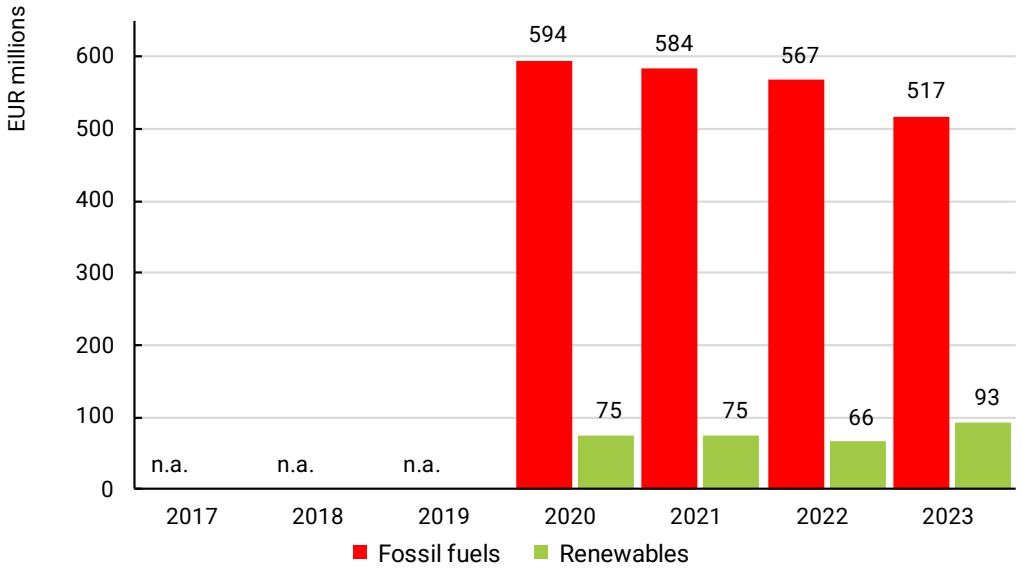
4.2.4 Pensioenfonds Detailhandel

Pensioenfonds Detailhandel only recently started publishing detailed portfolio disclosures. Therefore, this research only analysis the pension fund investments between 2020 and 2023.

At the end of the fourth quarter of 2020, Pensioenfonds Detailhandel held EUR 669 million in bonds and shares of the selected companies, while in 2023 the value of investments attributable to fossil fuels and renewable energy companies have decreased to EUR 610 million. In relative terms, at the end of 2020, Pensioenfonds Detailhandel had 89% of its portfolio in fossil fuel companies and 11% in renewable energy companies. At the end of 2023, the proportion of investments attributable to fossil fuels decreased to 85% and that of renewable energy increased to 15%.

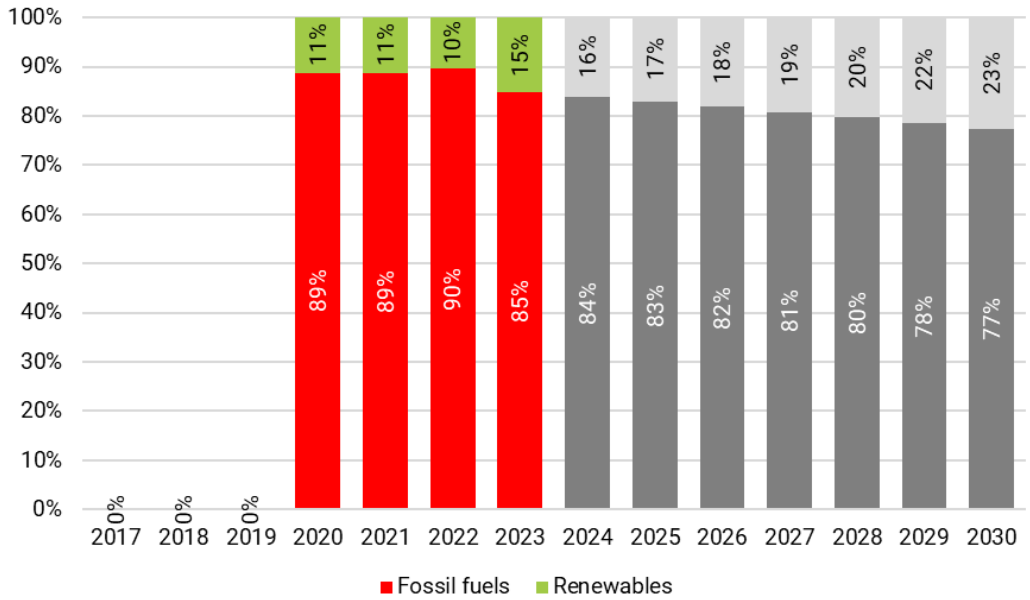
As Figure 86 shows, the main driver of the change in proportions between fossil fuels and renewable energy was the 13% decrease in investments attributable to fossil fuels and the 24% increase in investments attributable to renewable energy companies.

Figure 86 Pensioenfonds Detailhandel's investments by energy source (2020—2023, EUR mln)



In terms of proportions of investments per energy source, Figure 87 shows a declining trend in proportions attributable to fossil fuels. Nevertheless, the financing proportions are far from being on track to meet the 6:1 ratio of sustainable power supply to fossil fuel financing by 2030. The estimated trend sets Pensioenfonds Detailhandel on track to meet the 6:1 ratio by 2073.This is due in large part to the slow decline in fossil fuel investments (-4% per year), and marginal increase in renewable energy investments (3% per year).

Figure 87 Pensioenfonds Detailhandel's proportions of investments by energy source, (2020—2023, forecast 2024—2030)



- **Comments by the pension fund**

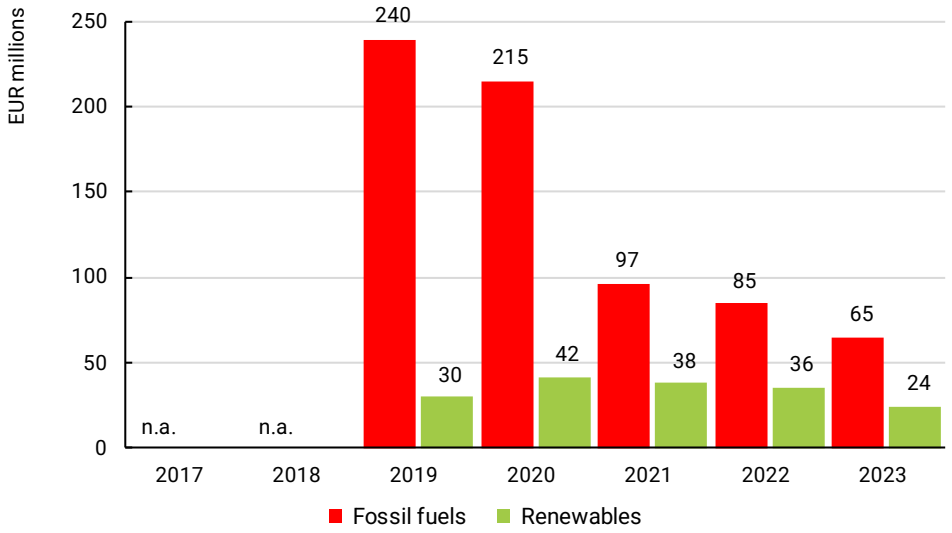
  This study reached out to Pensioenfonds Detailhandel for comments about the research findings, but no response was received.

4.2.5 Pensioenfonds Horeca en Catering (PH&C)

In the final quarter of 2023, PH&C held bonds and shares issued by the selected companies worth EUR 89 million. As shown in Figure 88, three quarters of these investments were attributable to fossil fuels and one quarter to renewable energy. This was an improvement from previous years when 89% of PH&C's energy sector investments were attributable to fossil fuels and 11% to renewable energy.

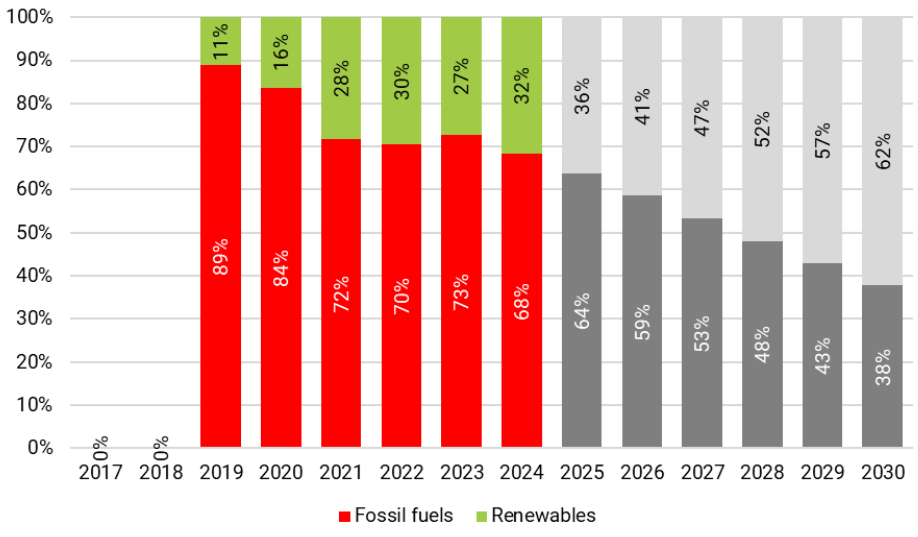
The change in portfolio composition was driven by a 73% decrease in value of investments attributable to fossil fuels from EUR 240 million at the end of 2019 to EUR 65 million at the end of 2023. At the same time the value of investments attributable to renewable energy increased from EUR 30 million to EUR 42 million in 2020, to then decrease to EUR 24 million in 2023.

Figure 88 PH&C's investments by energy source (2019—2023, EUR mln)



In terms of proportions of investments per energy source, Figure 89 shows a clearly declining trend in proportions attributable to fossil fuels. However, the financing proportions are not yet on track to meet the 6:1 ratio of sustainable power supply to fossil fuel financing by 2030. The current trajectory sets PH&C on track to meet the 6:1 ratio by 2037, seven years behind schedule.

Figure 89 PH&C's proportions of investments by energy source, (2019—2023, forecast 2024—2030)



- **Comments by the pension fund**

  On 2 September 2021, Pensioenfonds Horeca & Catering announced it had divested from companies obtaining more than 50% of their turnover from fossil fuel production.[26] Furthermore, in communication with PH&C, the pension fund stated that since December 2023 it has made some changes to its investment policy to stop investing in small capitalization companies. As a consequence, PH&C has divested from 33 of the companies included in this research.

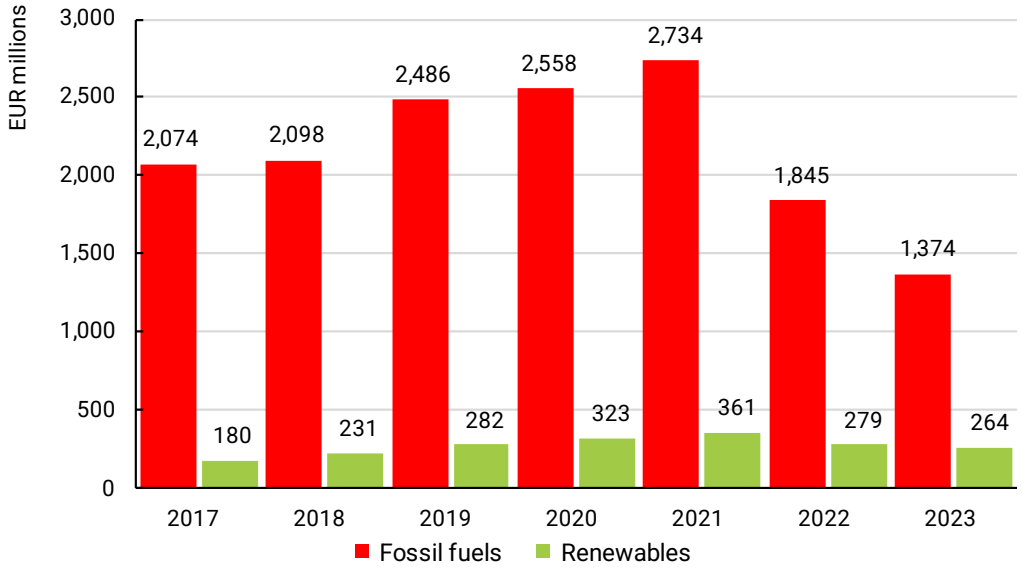
  The results presented in Figure 88 corroborate the statement about the divestments since 2021. The statement about the further divestments to take place from December 2023 onwards is not yet reflected in this research because PH&C still held such investments in December 2023 which is within the time scope of the research.

4.2.6 Pensioenfonds Metaal en Techniek (PMT)

In the final quarter of 2023, PMT held EUR 1.6 billion in bonds and shares issued by the selected companies. Of these investments, 84% were attributable to fossil fuels and 16% to renewable energy. In absolute terms, this is an improvement when compared to the higher figures observed in 2017 and 2021. Also, in relative terms, PMT has consistently decreased its investments attributable to fossil fuels and has increased its investments in renewable energy companies: While in 2017, the proportion of investments attributable to fossil fuels and renewable energy companies was 92% and 8%, respectively; in 2023 it was 84% and 16%.

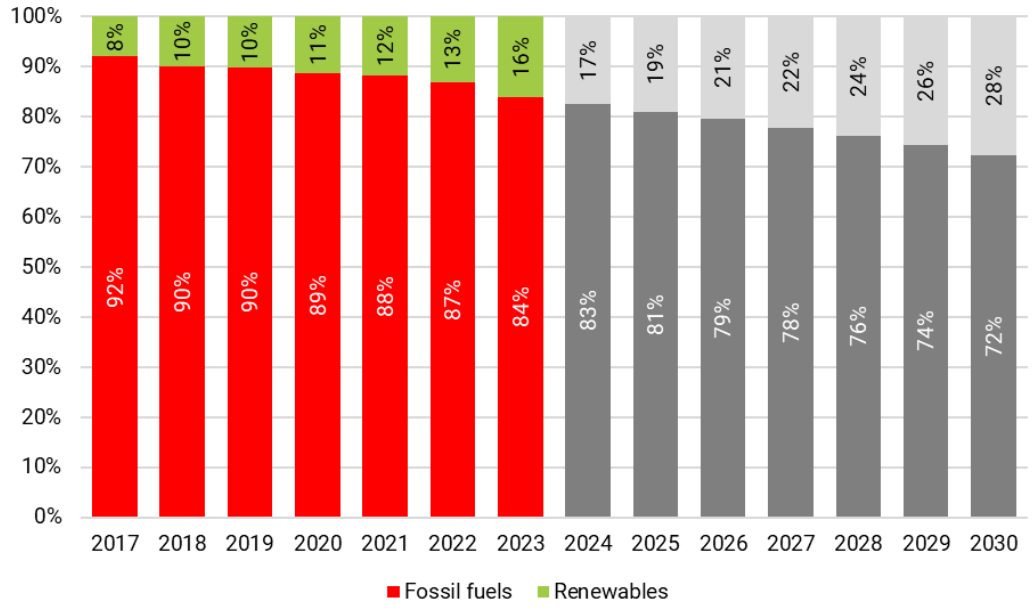
Figure 90 shows that this decline is mainly driven by a 34% decline in the value of investments attributable to fossil fuels, from EUR 2.1 billion at the end of 2017 to EUR 1.4 billion at the end of 2023. In the same period the value of investments attributable to renewable energy increased 47% from EUR 180 million to EUR 264 million.

Figure 90 PMT's investments by energy source (2017—2023, EUR mln)



In terms of proportions of investments per energy source, Figure 91 shows a declining trend in proportions attributable to fossil fuels. Nevertheless, the financing proportions are not on track to meet the 6:1 ratio of sustainable power supply to fossil fuel financing by 2030. If PMT's energy portfolio continues to evolve according to the current trend, it is on track to meet the 6:1 ratio by 2058, 28 years too late. This is driven in large part by the slow decrease in fossil fuels investments (-3% per year) and the marginal increase in renewable energy investments (7% per year).

Figure 91 PMT's proportions of investments by energy source, (2017—2023, forecast 2024—2030)



- **Comments by the pension fund**

  In communication with PMT, the pension fund confirms that "*PMT was invested in all companies identified by Profundo as of 31-12-2023*". Furthermore, the pension fund states that it no longer has investments, as of 31-07-2024, in the following 19 companies:[vi] Aboitiz Equity, Ventures Inc, Barrick Gold Corp, Comision Federal de Electricidad, ContourGlobal Power Holdings SA, CSX Corp, Daqo New Energy Corp, Enagas SA, Eskom Holdings SOC Ltd, Fortis Inc/Canada, GoodWe Technologies Co Ltd, Jardine Cycle & Carriage Ltd, MVM Energetika Zrt, Mytilineos SA, Pertamina Persero PT, Perusahaan Perseroan Persero PT Perusahaan Listrik Negara, Petroleos Mexicanos, Sempra, Titan Wind Energy Suzhou Co Ltd, Transnet SOC Ltd.

  Notice that the divestments mentioned by PMT are not yet reflected in the results presented in Figure 90 since they were made after the time scope of the research, December 2023. Such divestments shall be reflected in follow up research of the present study.

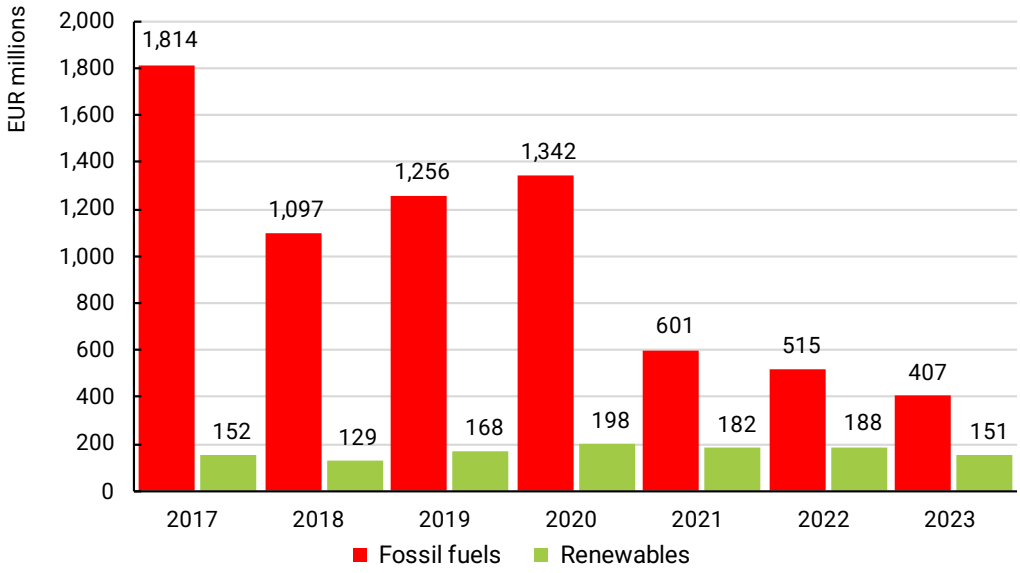
4.2.7 Pensioenfonds van de Metalelektro (PME)

In the fourth quarter of 2023, PME held EUR 559 million in bonds and shares issued by the selected companies. Of these investments, 73% were attributable to fossil fuels and 27% to renewable energy. This was an improvement from 2017 when 92% of PME's investments in the selected companies were attributable to fossil fuels and 8% to renewable energy.

Figure 92 shows that such improvement in the ratios between the investments in fossil fuels and renewable energy companies was mainly due to a 78% decrease in investments attributable to fossil fuels from EUR 1.8 billion at the end of 2017 to EUR 0.4 billion at the end of 2023. The value of investments in renewable energy, however, remained relatively stable fluctuating between EUR 152 million in 2017, EUR 198 million in 2020 and EUR 151 million in 2023.

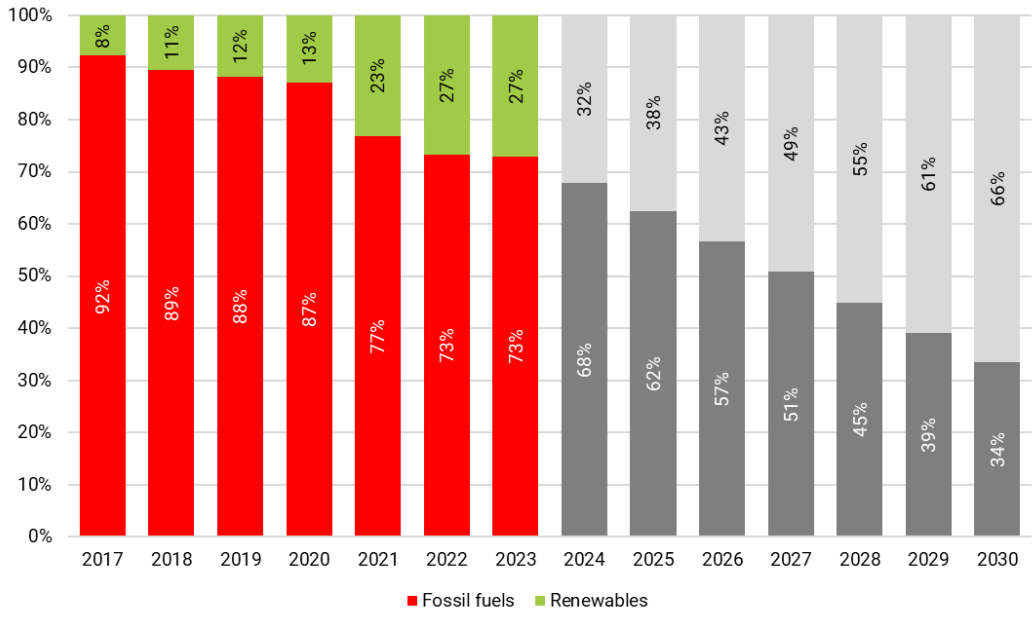
[vi] The communication received from PMT mentioned 21 companies instead of 19. The difference is due to two repeated companies: Perusahaan Perseroan Persero PT Perusahaan Listrik Negara and Petroleos Mexicanos.

Figure 92 PME's investments by energy source (2017—2023, EUR mln)



In terms of proportions of investments per energy source, Figure 91 shows a steadily declining trend in proportions attributable to fossil fuels starting from 2017. However, this trend needs to accelerate in order to be on track to meet the 6:1 ratio of sustainable power supply to fossil fuel financing by 2030. The current trajectory puts PME on track to meet the 6:1 ratio by 2035, five years behind schedule. A more pronounced increase in renewable energy investments above the current 4% increase per year is crucial.

Figure 93 PME's proportions of investments by energy source, (2017—2023, forecast 2024—2030)



- **Comments by the pension fund**

  On 3 September 2021, PME announced it had sold all its interests in fossil oil and gas companies.[27] Furthermore, the pension fund stated that by 29 December 2023, it has no active position in fourteen companies identified by this research: B Grimm Power PCL, Comisión Federal de Electricidad, Dominion Energy Inc, Dow Chemical Co/The, Manila Electric Co, Mineral Resources Ltd, Ming Yang Smart Energy Group Ltd, Origin Energy Finance Ltd, Osaka Gas Co Ltd, POSCO Holdings Inc, Public Power Corp SA, RWE Ag, Tokyo Gas Co Ltd, Virginia Electric and Power Co. Since the underlying information presented in Figure 92 was retrieved from PME's website on 3 January 2024, no corrections are made regarding the divestments of such companies. According to PME's portfolio disclosures obtained in its website, the pension fund has such investments as of 31 December 2023.

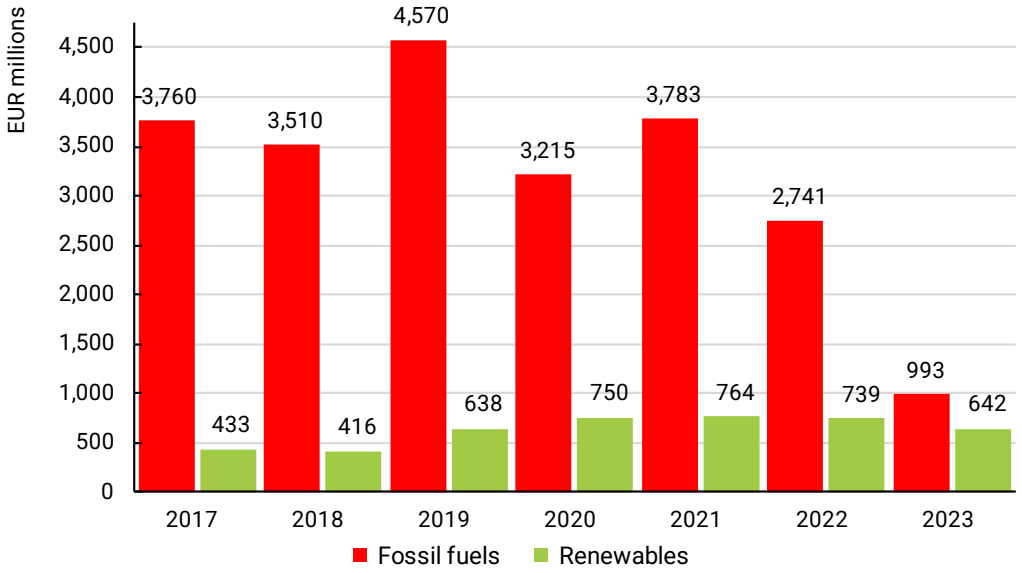
  In addition, PME also stated that it had further divested, as of 31 July 2024, from an additional ten companies: Aboitiz Equity Ventures Inc, Alliant Energy Corp, Enagas SA, Entergy Corp, Fortis Inc/Canada, GoodWe Technologies Co Ltd, Mytilineos SA, Pinnacle West Capital Corp, Titan Wind Energy Suzhou Co Ltd, Transnet SOC Ltd. Such divestments are not covered by the time scope of this research. However, it shall be reflected in follow up studies.

4.2.8 Pensioenfonds Zorg en Welzijn (PFZW)

On 31 December 2023, PFZW held EUR 1.6 billion in bonds and shares issued by the selected companies. Of these investments, 61% were attributable to fossil fuels and 39% to renewable energy companies. This was an improvement from 2017 when 90% of PFZW's investments in the selected companies were attributable to fossil fuels and 10% to renewable energy.

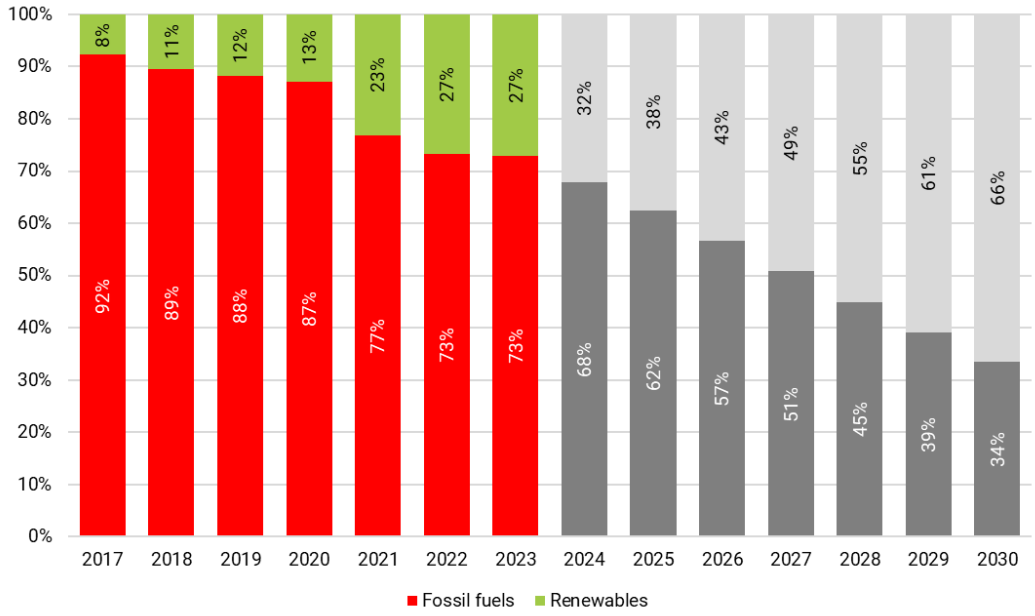
Figure 94 shows that this change in composition was driven by two factors: On the one hand, there was a 74% decrease in the value of investments attributable to fossil fuels from EUR 3.8 billion at the end of 2017 to EUR 1.0 billion at the end of 2023. On the other hand, there was a 48% increase in the value of investments attributable to renewable energy from EUR 433 million at the end of 2017 to EUR 642 million at the end of 2023.

Figure 94 PFZW's investments by energy source (2017—2023, EUR mln)



In terms of proportions of investments per energy source, Figure 95Figure 91 shows a strongly declining trend in proportions attributable to fossil fuels starting from 2017. However, this trend needs to accelerate slightly to be on track to meet the 6:1 ratio of sustainable power supply to fossil fuel financing by 2030. Currently, PFZW is on track to meet the 6:1 ratio by 2034, four years behind schedule.

Figure 95 PFZW's proportions of investments by energy source, (2017—2023, forecast 2024—2030)



- **Comments by the pension fund**

  This study reached out to PFZW for comments about the research findings, but no response was received.

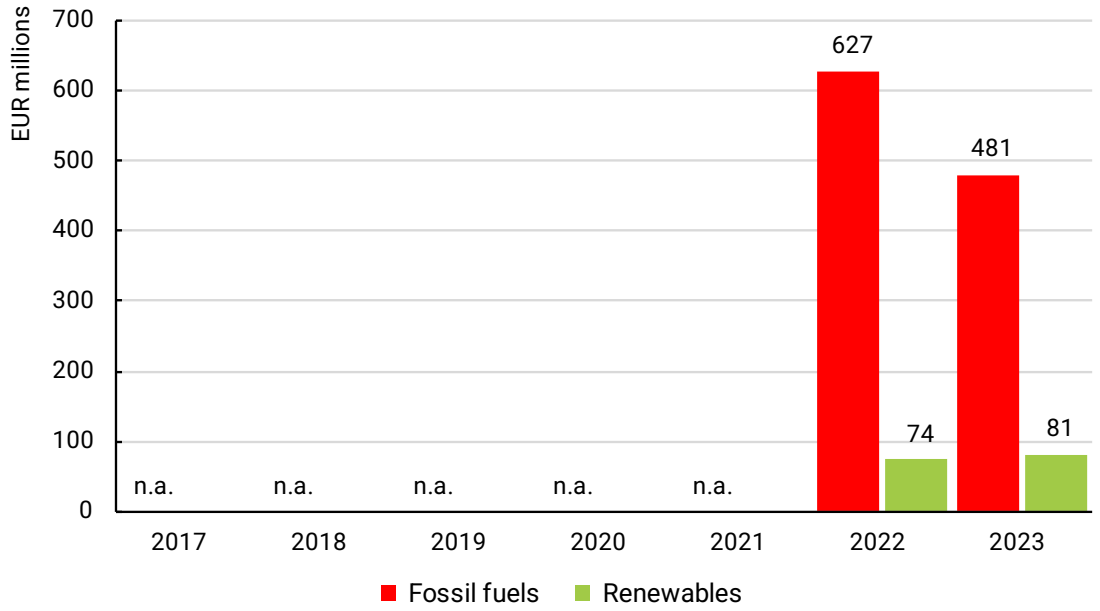
4.2.9 Pensioenfonds Vervoer

Pensioenfonds Vervoer only recently started publishing detailed portfolio disclosures. Therefore, this research only analysis the pension fund investments between 2022 and 2023.

At the end of the fourth quarter of 2022, Pensioenfonds Vervoer held EUR 702 million in bonds and shares of the selected companies, while in 2023 the value of investments attributable to fossil fuels and renewable energy companies have decreased to EUR 563 million. In relative terms, at the end of 2022, Pensioenfonds Vervoer had 89% of its portfolio in fossil fuel companies and 11% in renewable energy companies. One year later, at the end of 2023, the proportion of investments attributable to fossil fuels has decreased to 86% and that of renewable energy has increased to 14%.

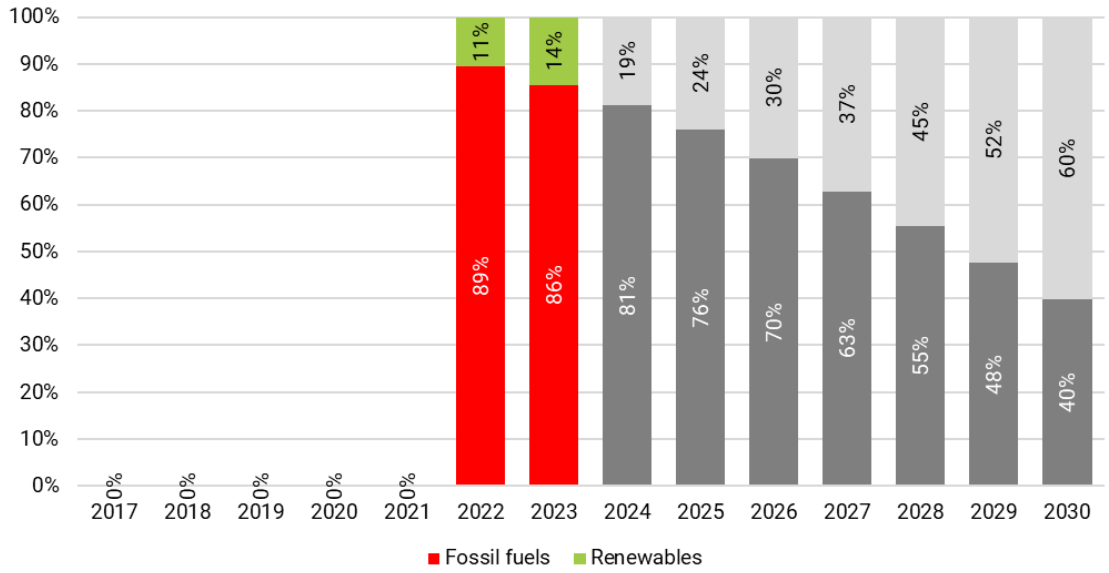
As Figure 96 shows, the main driver of the change in proportions between fossil fuels and renewable energy was the 23% decrease in investments attributable to fossil fuels and complemented by the 9% increase in investments attributable to renewable energy companies.

Figure 96 Pensioenfonds Vervoer's investments by energy source (2022—2023, EUR mln)



In terms of proportions of investments per energy source, Figure 97 shows a declining trend in proportions attributable to fossil fuels in the two years for which there is data, also setting the future trajectory. The financing proportions currently are not yet on track to meet the 6:1 ratio of sustainable power supply financing to fossil fuel financing by 2030. If Pensioenfonds Vervoer's energy portfolio continues to evolve according to the current trend, it is set to meet the 6:1 ratio by 2035, five years behind schedule.

Figure 97 Pensioenfonds Vervoer's proportions of investments by energy source, (2022—2023, forecast 2024—2030)



5

Conclusions and recommendations

This chapter draws conclusions from the findings in this study and makes some recommendations

5.1 Conclusions

Based on the findings on fossil fuel and renewable energy investments and financing, the following conclusions are drawn:

The energy sector activities of most financial institutions active in the Netherlands are not yet aligned with the Paris Climate Agreement goals. Based on an analysis of credit and investment financing provided to more than a thousand companies engaged fossil fuels and renewable energy activities during the period 2016–August 2023, this research concludes that most credit and investment financing are still predominantly attributable to fossil fuels. Only Rabobank, Menzis and Achmea directed most of their energy sector credit and investment financing to renewable energy companies. On the positive side, De Volksbank and Triodos did not provide credit and investment financing to fossil fuel activities.

All financial institutions that invest in both fossil fuels and renewable energy are a long way from a ratio of 6:1 for renewable energy to fossil fuels investments which they need to reach by 2030. This research findings reveal a current investment financing ratio of 0.3:1 for pension funds; 0.1:1 for insurance companies and 0.2:1 for banks. For every Euro invested in fossil fuels, only 30 cents (pension funds), 10 cents (insurance companies) or 20 cents (banks) are invested in renewable energy. For credit financing by banks, this is slightly better: 0.4:1, meaning 40 cents to renewables for every euro spent in fossil fuels.

Dutch banks provided EUR 64.8 billion in loans and underwriting services to the selected energy companies in the 2016–2023 period. Still 79% of these credits (EUR 51.2 billion) were attributable to fossil fuels and 21% (EUR 13.6 billion) to renewable energy. In particular, two banks provided credits predominantly to fossil fuels.

ING Group provided EUR 39.0 billion in loans and underwriting services, of which EUR 31.8 billion (82%) went to fossil fuels. ABN Amro provided EUR 18.2 billion of which 90% (EUR 16.4 billion) to fossil fuels. Furthermore, Rabobank provided EUR 7.0 billion to the energy sector of which only 41% (EUR 2.9 billion) to fossil fuels. Triodos and De Volksbank provided credit financing exclusively to renewable energy companies.

Between 2016—2023, Dutch banks went from providing EUR 6.3 billion (79% to fossils and 21% to renewables) in 2016 to provide EUR 13.1 billion in 2019 (91% to fossils and 9% to renewables), an increase of 108% in financing. Since then, there has been a declining trend, especially in fossil fuels financing, to end 2023 with a total financing of EUR 7.5 billion (69% fossils and 39% renewables).

The asset management divisions of Dutch banks invested a total amount of EUR 1.7 billion in the energy sector in mid-2024. Of this amount, EUR 1.4 billion (83%) was attributable to fossil fuels and EUR 0.3 billion (17%) was attributable to renewable energy. Triodos and De Volksbank are investing exclusively in renewable energy, while ABN Amro has increased its renewable energy share to 41% of all energy investments. Van Lanschot Kempen (with a 16% invested in renewables) and ING Group (3%) lag far behind.

By August 2024, eight insurance companies, out of sixteen studied, operating in the Netherlands (Allianz, Athora, ASR Nederland, NN Group, Achmea, VGZ, CZ Group and Menzis) held EUR 14.6 billion of shares and bonds issued by the selected energy companies. Of these investments, 88% were attributable to fossil fuels and only 12% to renewable energy.

Most of the eight insurance companies still invest predominantly in fossil fuels. The only two investing predominantly in renewables are Achmea and Menzis, which energy sector portfolios are 66% (EUR 62 million) and 54% (EUR 2.1 million) attributable to renewable energy, respectively. On the other hand, the largest investor in fossil fuels is Allianz, which has invested EUR 12.3 billion (88%) in fossil fuels and only 12% (EUR 1.7 billion) in renewable energy.

For the other eight insurance companies considered in the study, this research did not identify investment data, share and bond holdings, in the databases used in the research. This does not imply that the insurance companies are not investing in fossil fuels and renewable energy companies. It means that such financing was not possible to be obtained during the course of the research.

At the end of 2023, nine Dutch pension funds held EUR 10.2 billion of shares and bonds issued by a selection of energy companies. Of these investments, 75% (with a value of EUR 7.7 billion) were attributable to fossil fuels and 25% (EUR 2.5 billion) to renewable energy. The largest investors in fossil fuels are ABP (with EUR 2.5 billion in investments) and PMT (EUR 1.4 billion).

According to the results, all pension funds are still investing the largest majority of their energy investments in fossil fuels. The best ranking pension funds are ABP and PFZW with a 31% and 39% share of their investments in renewable energy, respectively. The last in the rank are BpfBOUW, Detailhandel and PMT with 86%, 85% and 84% of their energy investments attributable to fossil fuels.

5.2 Recommendations

During the past couple of years, financial institutions in the Netherlands have announced several voluntary commitments to address the climate crisis, like the Spitsbergen Ambition 2018—2020 and the financial sector commitment to the 2019 Dutch Climate Agreement. Despite those voluntary commitments, the energy sector activities of most financial institutions active in the Netherlands remain unaligned with the Paris Climate Agreement goals. The consequences of climate change severely affect human rights globally. Therefore, preventing dangerous climate change is a human rights obligation.

At the European level, new legislation has emerged in recent years to promote responsible business conduct. This includes the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD). Both directives require large companies to develop and report on a detailed climate transition plan "*to ensure, through best efforts, that the business model and strategy of the company are compatible with the transition to a sustainable economy and with the limiting of global warming to 1.5 °C in line with Paris Agreement and the objective of achieving climate neutrality*" (Art. 15.1, CSDDD).[28]

The above requirement offers the opportunity to financial institutions to make their activities and portfolios “climate-proof” by aligning them with a pathway limiting global temperature rise to 1.5°C with low or no temperature overshoot. However, both directives do not cover all financial institutions researched in this report. The CSRD is limited to larger, listed financial institutions, while the CSDDD has excluded the financial sector for now from due diligence obligations related to its financings and investments (financial institutions are included in the requirement to make a climate transition plan). If financial institutions will be brought under the scope of the CSDDD as well, which will be evaluated in the spring of 2026, it would make financial institutions more transparent and accountable.

Therefore, the Dutch Fair Finance Guide (Eerlijke Geldwijzer) recommends to the Dutch government that:

1. As part of the implementation of the CSRD and the CSDDD in Dutch law, oblige all major financial institutions (based on their balance sheet total or assets under management) to adopt and implement a plan to reduce their financed greenhouse gas emissions in line with the target of limiting global temperature rise to 1.5°C. This plan should apply to all financing and investment activities and include intermediate and measurable absolute reduction targets. In addition, these targets should represent a fair share of necessary global reductions, in other words, they take the common but differentiated responsibilities of actors in the global North and global South into account. Progress towards such targets should be reported on an annual basis.

2. Advocate for the inclusion of the financial sector in the CSDDD and for the expansion of the scope of the CSRD to cover all major financial institutions (based on their balance sheet total or assets under management), which would mandate all financial institutions to develop a climate transition plan.

Additionally, the Dutch Fair Finance Guide (Eerlijke Geldwijzer) makes the following recommendations to financial institutions operating in the Netherlands:

1. All pension funds as well as several insurance companies and banks should reduce their fossil fuel credit and investment financing and increase their renewable energy credit financing and investments to align with a 1.5°C-consistent pathway. This portfolio shift can be achieved by stimulating energy companies through engagement, voting or otherwise to stop investing in fossil fuels and to invest more in renewable energy. Financial institutions can also choose to move their money to other energy companies which focus on renewable energy.
2. In line with the conclusions of UNEP and IEA, all financial institutions should not just look at shifting more credit financing and investments to renewable energy, but they should explicitly aim to rapidly reduce their fossil fuel credits and investments. Some banks and insurance companies are following this path already, but most financial institutions operating in the Netherlands continue to keep their fossil fuel investments at a much higher proportion than their investments in renewables.
3. All financial institutions should demand from clients involved in fossil fuels that they develop a rapid phase out plan (and cease financing if they don’t). Besides financial institutions should also halt all financing of

    - new extraction of coal, oil and gas
    - coal-fired electricity generation
    - extraction of tar sands
    - oil and gas drilling in the Arctic (both onshore and offshore)
    - the expansion of any infrastructure which can lead to a long-lasting lock-in of fossil fuel-based energy production.

4. All financial institutions should fully disclose their financing and investment portfolios, allowing stakeholders - including governments, accountants, civil society organisations and researchers - to monitor their financings and investments and hold them accountable. At present, most banks and insurance companies, as well as several pension funds are still not disclosing fully their investment portfolios.
5. Pension funds and insurance companies should also pay more attention to the transitions of their bondholding portfolios, of which the renewable energy proportion is often relatively smaller than that of their equity portfolios. With the growth of the green bond market this should be a relatively easy task.

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EerlijkeGeldwijzer

The Eerlijke Geldwijzer (Fair Finance Guide Netherlands) is a coalition of the following organisations:

Amnesty International

Milieudefensie

Oxfam Novib

PAX

World Animal Protection