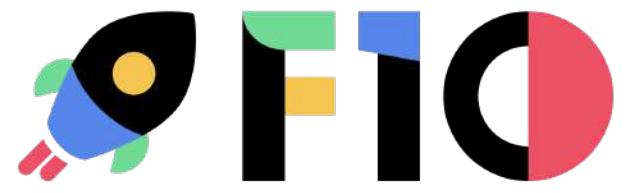




Climate FinTech beyond the hype

Landscape Analysis & Perspectives from
Startups, Financial Institutions, and VCs

2022



Climate FinTech beyond the hype

On the verge of the Climate FinTech revolution



Andreas Iten
Co-Founder and CEO F10

Three years ago, the term “Climate FinTech” or “Green FinTech” was nowhere to be heard. Today, these terms encompass a space which has exploded with activity, including hundreds of startups and dozens of initiatives to support them around the world.

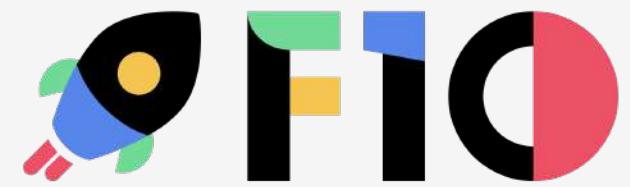
Last year, **F10 launched the first program for Climate FinTechs with a dedicated program track in our flagship incubator at F10 in Zurich** in collaboration with New Energy Nexus. Since then, we've seen a rising number of startups and ever-increasing interest from our corporate partners and investors in the topic, alongside the increasing importance of sustainable finance.

Climate FinTech solutions are digital innovations, applications, and platforms that help institutions and individuals save, spend, and invest in ways that put the planet first. The applications are wide and varied, from credit cards that track the carbon footprint of your purchases, to climate risk data providers helping insurers better underwrite climate risks.

This report features a cross-section of perspectives from Climate FinTech startups, VC investors, and financial institutions around the world working to decarbonize using digital financial technology. We've researched and analyzed a database of ~400 Climate FinTechs, categorized using the recently released Green Fintech Classification by the Green Digital Finance Alliance and found some surprising insights.

We included a closer look into four key markets: Switzerland, Sweden, Spain, and Singapore. Did you know that Switzerland has probably the highest number of Climate FinTechs per capita? Or that Sweden has one of the highest female founder representation? Did you know that Spain has a strong focus on Digital Payment & Account Solutions? And that Singapore has the largest median funding volumes among the four key markets?

A huge thank you to everyone who has contributed to the report and we hope you enjoy the read.



Key Insights

1



Europe has the highest number of Climate FinTechs as a region.

2



North America takes the lead in total funding, way ahead of EMEA, APAC and LATAM.

3



ESG-Data and Analytics Solutions have the most proliferation, followed closely by Digital Investment Solutions.

4



Digital Risk Analysis and Insurtech take the largest slice of the funding pie.

5

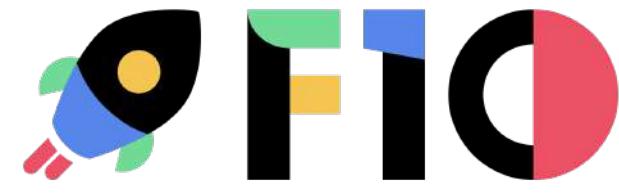


Most Climate FinTechs are still early stage.

6



Climate FinTechs have almost 2x as many female founders than FinTech in general.



Climate FinTech beyond the hype

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Part 1

Introduction

Climate FinTech - or Green FinTech - has quickly picked up momentum over the past few years. In this first section, we dive a little deeper into what Climate FinTech really is, its applications, as well as its growing relevance.

Introduction

What is Climate FinTech?

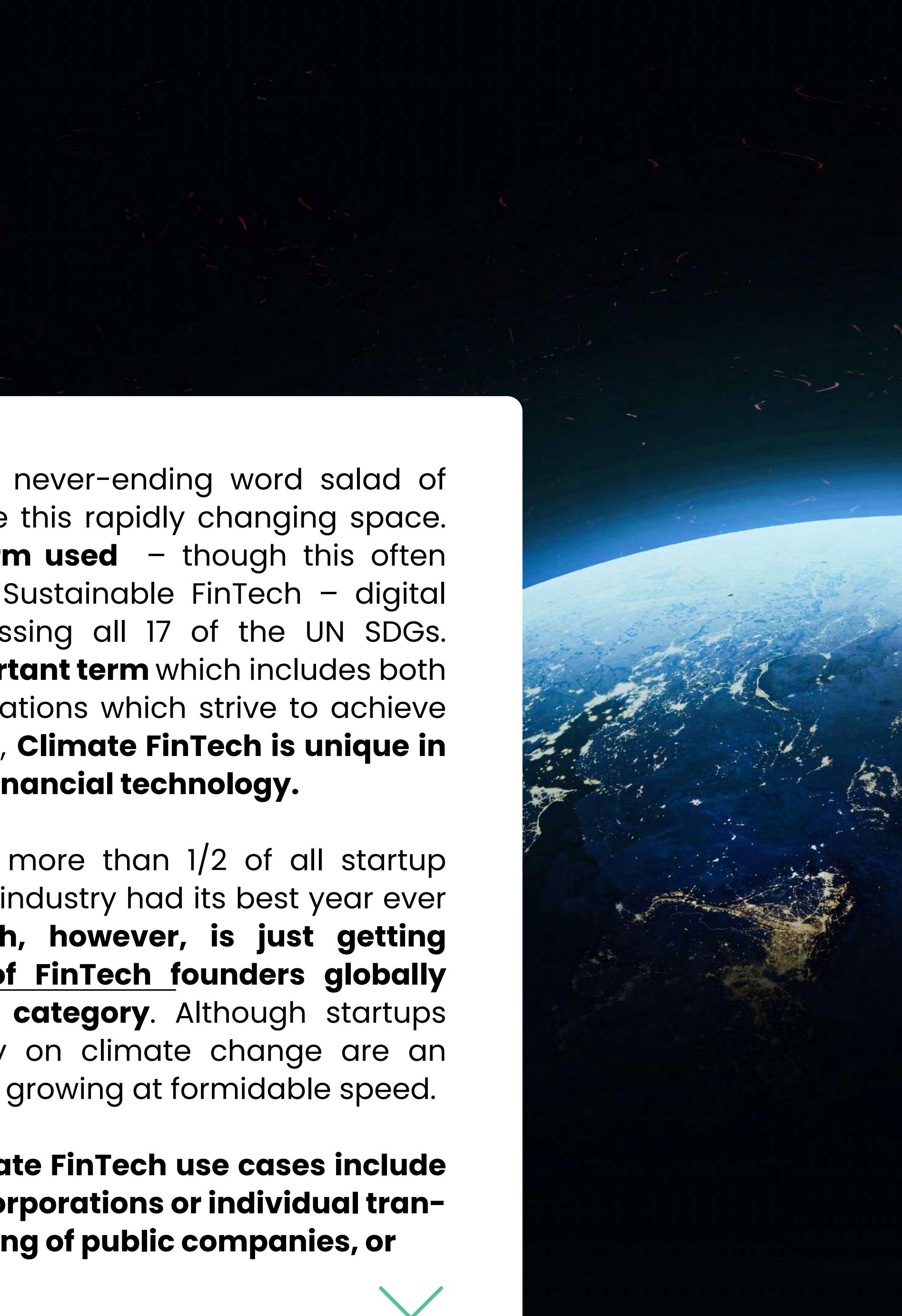
Climate FinTech is digital financial technology that advances decarbonization. These digital innovations, applications, and platforms serve as crucial intermediaries between stakeholders looking to advance decarbonization solutions. Over the last three years, **hundreds of Climate FinTechs have emerged globally**, and many organizations have worked to study the role of these startups to reshape key functions of the financial system to better mitigate the warming of the planet.

While FinTech is about disrupting functions provided by financial services firms, Climate FinTech is about leveraging digital technologies to drive capital and enhanced data analysis to greenhouse gas reducing projects. These technologies can now **help customers be more conscious when shopping, verify carbon credit quality across blockchains, assist asset managers in building 1.5°C-aligned investment portfolios, empower insurance firms to better analyze and avoid weather perils, and help regulators to better measure emissions from the largest corporations.**

Climate FinTech is part of a never-ending word salad of terminology trying to describe this rapidly changing space. **Green FinTech is another term used** – though this often blends into a wider view of Sustainable FinTech – digital financial technologies addressing all 17 of the UN SDGs. **Climate Tech is another important term** which includes both software and hardware innovations which strive to achieve net-zero emissions. Ultimately, **Climate FinTech is unique in its specificity around digital financial technology.**

Today, FinTech accounts for more than 1/2 of all startup investments globally, and the industry had its best year ever in 2021. **Sustainable FinTech, however, is just getting started with less than 8% of FinTech founders globally putting themselves in that category.** Although startups which focus more specifically on climate change are an even smaller subset, they are growing at formidable speed.

More commonly known Climate FinTech use cases include carbon accounting of large corporations or individual transactions, AI-powered ESG rating of public companies, or





transition risk assessments of “stranded assets” according to environmental criteria.

With policies such as the Sustainable Finance Disclosure Regulation (SFDR) taking effect in Europe, and signals that the SEC (in the US) is following suit, the pressure on firms to measure their Scope 1-3 emissions has never been greater. Once measured, firms are tasked to show that they are taking concrete action to abate these emissions. This dynamic is driving unprecedented growth in carbon removal technologies and voluntary carbon markets.

Signals are encouraging, with many Climate FinTechs securing investment, adding customers, and growing their product suites.



Introduction

Types of Climate FinTechs

Many groups have worked to analyze FinTech from a wider sustainability view, including the [**UN Task Force on Digital Financing**](#) and the [**Green Digital Finance Alliance \(GDFA\)**](#), as well as a more focused view on climate, stemming from [**New Energy Nexus**](#) and [**CommerzVentures**](#).

While there are many ways to slice and dice and define this opportunity set, we have decided to apply the recently established [**Green Fintech Classification, created by the Green Digital Finance Alliance**](#). This is in the interest of pushing forward a more peer-reviewed nomenclature which can encompass a wider array of use cases. Using their format also aligns closely with existing FinTech taxonomies used in agenda-setting market assessments. This is to ensure that the FinTechs can easily self-identify with categories that reflect standardized ways of classifying FinTech market segments.

“ The Green Fintech Classification is the base for a common language among key stakeholders of the sustainable finance space, across the globe. It eases orientation by building on already established fintech taxonomies.

Gerrit Sindermann
Green Digital Finance Alliance



Introduction

Types of Climate FinTechs



Swiss Green
Fintech Network

1 Green digital payment and account solutions	2 Green digital investment solutions	3 Digital ESG data and analytics solutions	4 Green digital crowdfunding and syndication platforms	5 Green digital risk analysis and insurtech	6 Green digital deposit and lending solutions	7 Green digital asset solutions	8 Green regtech solutions
<p>Payment and account solutions integrating green features into the payment experience.</p> <p>Use cases:</p> <ul style="list-style-type: none">Automated carbon, plastic or water footprint accounting, based on transaction data.Automated offsetting of green externalities.	<p>Digital platforms that provide automated solutions, algorithm-driven green financial planning and investment services with little to no human supervision.</p> <p>Use cases:</p> <ul style="list-style-type: none">Retail algorithmic trading with a focus on green assets.Automated green investment advice.Automated green portfolio allocation.Risk assessment according to environmental criteria.	<p>Solutions for automated green data collection and analytics for finance, including automated green asset rating and indexing.</p> <p>Use cases:</p> <ul style="list-style-type: none">Credit scoring algorithms that integrate green data in the credit decision.Automated ESG rating of companies & funds.Digital green indexing.	<p>Digital platforms for capital raising from a large number of individuals or from institutional investors to finance new green business ventures or projects.</p> <p>Use cases:</p> <ul style="list-style-type: none">Green equity crowdfunding.Green loan crowdfunding.Green donation crowdfunding.	<p>Solutions that help optimize green insurance products and services as well as solutions to minimize physical climate and nature-related risks.</p> <p>Use cases:</p> <ul style="list-style-type: none">Automated risk evaluation and monitoring toolsDigital green insuranceDynamic pricing and underwriting of green assetsIoT for green asset insurance e.g., real-estate, electric vehicles etc.Smart contracts for green claims handling.	<p>Digital savings solutions used to finance environmentally beneficial projects. Digital loans to finance projects or loans linked to green behaviors.</p> <p>Use cases:</p> <ul style="list-style-type: none">Green digital loans.Green linked or transition loans with automated monitoring.Green digital mortgages.	<p>Tokens and cryptocurrencies with green properties and blockchain capital market infrastructure built for green use cases.</p> <p>Use cases:</p> <ul style="list-style-type: none">Green utility tokens as a reward for lowering carbon emissions.Green asset tokens, e.g. a tokenized carbon credit or biodiversity offset.Green cryptocurrencies designed to be spent on green products only.Green Security Token Offering (STO) issuance platforms, designed to enable green proof of impact reporting, with a green STO framework for the issuance process.	<p>Applications of technology-enabled innovation for regulatory, compliance and reporting requirements implemented by a regulated institution or a financial supervisory authority.</p> <p>Use cases:</p> <ul style="list-style-type: none">Using digital technology to analyse disclosed green and financial data to automatically calculate a green taxonomy alignment percentage of a financial product e.g. a fund.Leveraging Natural Language Processing capabilities of AI to automatically monitor the quality of green banking disclosures.

Introduction

Constantly evolving use cases

Climate FinTech use cases are constantly evolving and changing, as many of the technologies underpinning these companies are on the cutting edge itself. Solutions like Doconomy and Cogo are working with banks to measure environmental transaction and consumer behavior data. New climate financial product innovation is also taking place, such as revenue-based financing for Climate Tech startups offered by Enduring Planet. Exciting discussions are happening across finance, data and government on managing nature related financial risks, biodiversity loss and how best to create “Nature positive markets”. These create revenues by internalizing and securitizing nature’s products, services, and attributes, such as clean water and flood protection, and then matching demand for these attributes with a clear and trustworthy source of supply.

Voluntary carbon markets are a hot topic right now, as promising as they are frustrating, especially use cases involving Web3 and climate car-

bon-based regenerative finance / decentralized finance (ReFi/DeFi).

Blockchain architecture does promise to solve some of the core issues which infamously plague carbon offsets – the need for verification, traceability, transparency – all elements which help to assess the quality (or lack thereof) and additionality of underlying carbon offsets. Initiatives to improve Digital Monitoring, Reporting and Verification (MRV) are now paired with increased prioritization of permanent removal credits over avoidance credits, and critiquing of antiquated zombie projects – ultimately all signs that although imperfect, problem-solving can happen in the industry at a rapid pace.

We expect that new Climate FinTech solutions and technologies will continue to emerge on an almost daily basis.

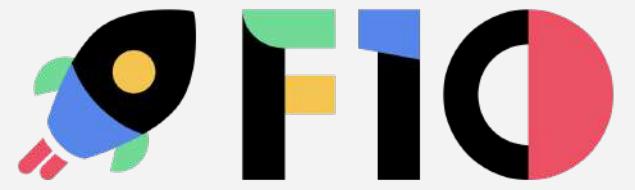
Recent developments & funding

- › **Watershed**, a carbon accounting firm for corporates closed a \$70m round led by Sequoia
- › French carbon management platform **Sweep** has raised a \$73m Series B round
- › Green Neobank **Aspiration** closes \$315 million ahead of imminent SPAC
- › **CommerzVentures** closes €300m to invest in Climate Fintech
- › **Carbon Collective** closes \$2.2m seed round for climate investing

Part 2

Mapping Climate FinTech

For this report, we have collected and analyzed the data of over 400 Climate FinTech startups globally.



Climate FinTech beyond the hype

Mapping Climate FinTech

Disclaimer

The database of ~400 Climate FinTech companies used in this analysis does not represent a complete list of all Climate FinTech globally, though it does represent one of the larger databases of this kind to date. Not all companies have funding data available. Therefore, funding analysis is based on a reduced sub-set of companies in the database. All information is based on publicly available information, though F10 and its partners do not guarantee their accuracy. The application of the Green Fintech Classification is subjective and may be subject to changes. There are some instances where significant outliers were removed to maintain consistency of data. Feedback is welcomed, and the database will continue to evolve over time alongside changing taxonomies and the ever-increasing number of Climate FinTech companies.

We have assembled and updated a database of more than 400 Climate FinTech companies from around the world.

This database was enriched by our collaborative data partners, CommerzVentures and New Energy Nexus. In addition, the Climate FinTechs included in the database have been categorized largely using the peer-reviewed Green Fintech Classification.

This chapter provides global mapping and learnings, as well as specific country-level insights for four key markets: Switzerland, Sweden, Spain, and Singapore.



[Click here for a list of Climate FinTechs included in the analysis.](#) If you know a Climate FinTech that is missing in our database, please drop us a note [here](#).

Introduction

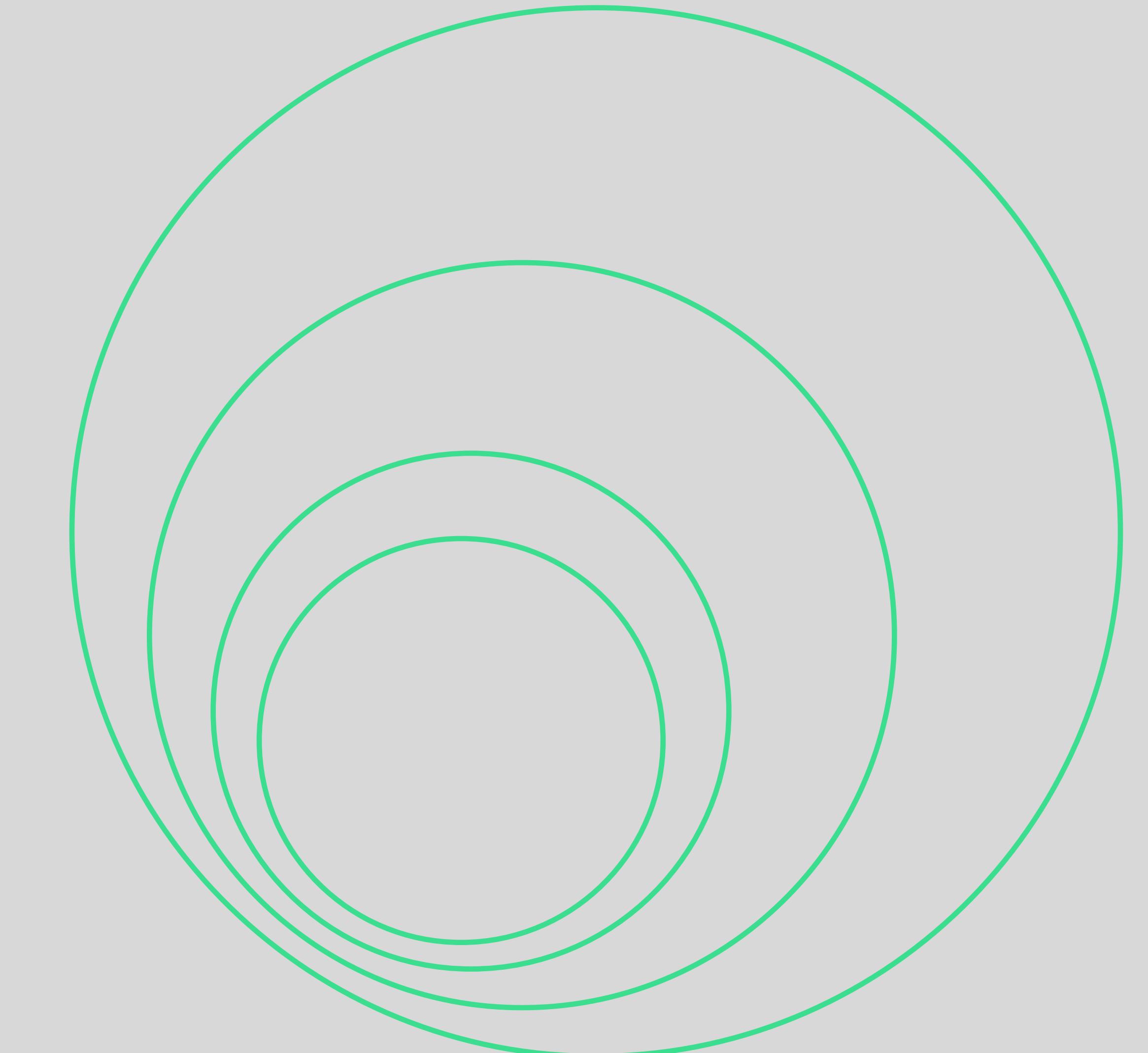
Climate FinTech Investment

VC investment in Climate Tech is surging, **growing nearly 100% from 2020 to 2021 to over \$40b in capital deployed, now accounting for an astonishing 14% of all Venture Capital.**

While Climate FinTech still represents a small slice of this investment pie with an estimated €1.4b funded in 2021, and an estimated €2.7b funded cumulatively over the years (based on disclosed funding for the Climate FinTechs included in our database), Climate FinTech has outsized importance because these enabling technologies help to mobilize capital and synthesize data for financial decision-making; key pieces which can address the enormous investment delta needed to deploy other hard-tech climate solutions.

Furthermore, Climate FinTech investment grew by one of the highest **CAGR in 2021 among Climate Tech subsectors last year**, unsurprising given the capital-efficient scalable nature inherent to financial services-oriented B2B SaaS solutions.

Such an exponential growth trajectory warrants the attention of investors, startups, and corporates alike.



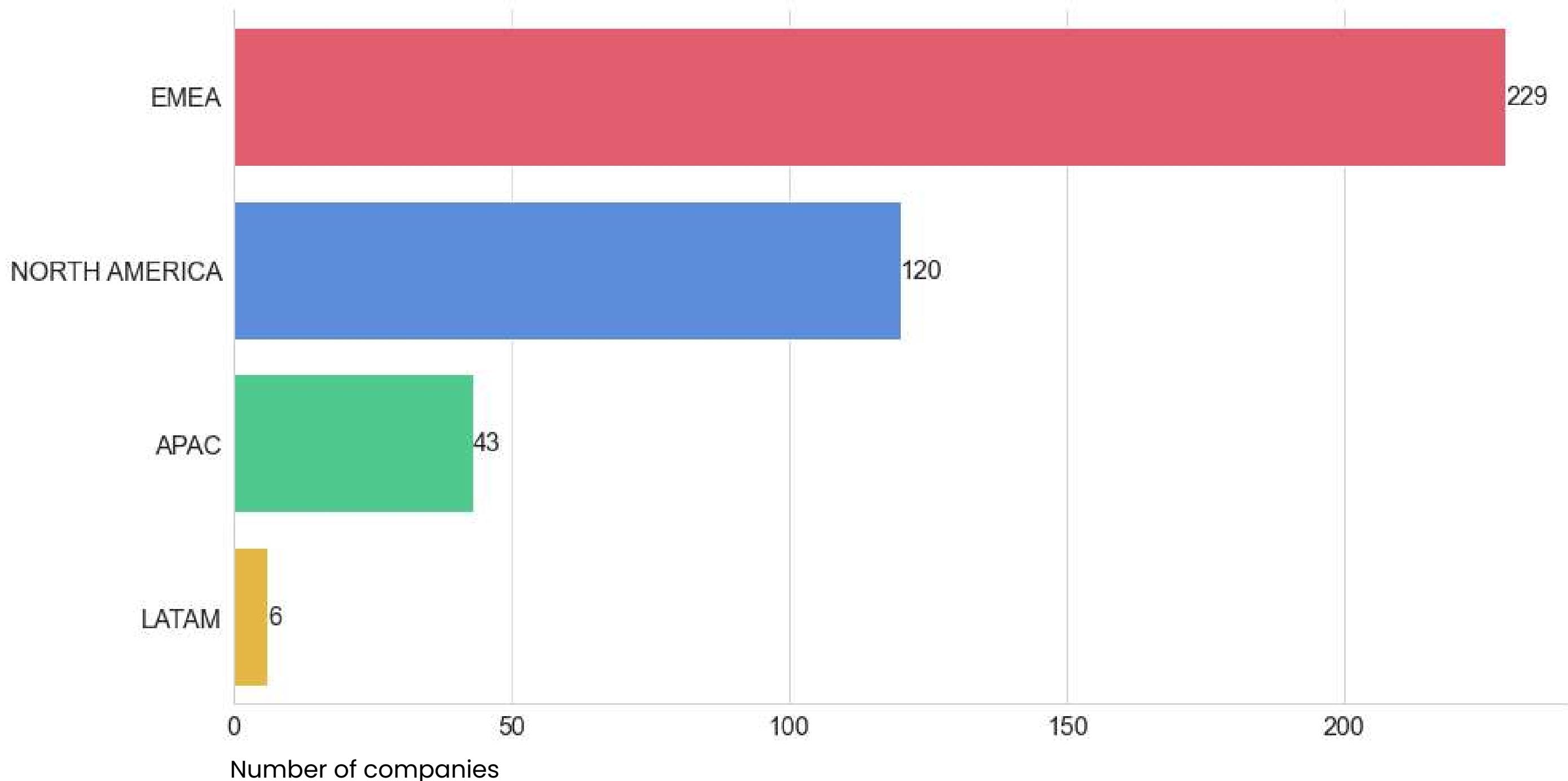
Insight #1

Europe leads regionally, but the US hosts the most Climate FinTechs by country

While the United States unsurprisingly has the largest volume of Climate FinTechs than any single country (108), **EMEA as a whole, and Europe specifically, still takes the cake from a regional volume perspective, hosting more than 200 companies.**

This is a byproduct of the more progressive top-down European climate finance policy-making, including the European Green Deal, and the implementation of SFDR, which mandate climate disclosures by companies this year – ultimately driving a wave of ESG analytics and carbon measuring solutions.

Graph 1: Regional numbers of Climate FinTechs



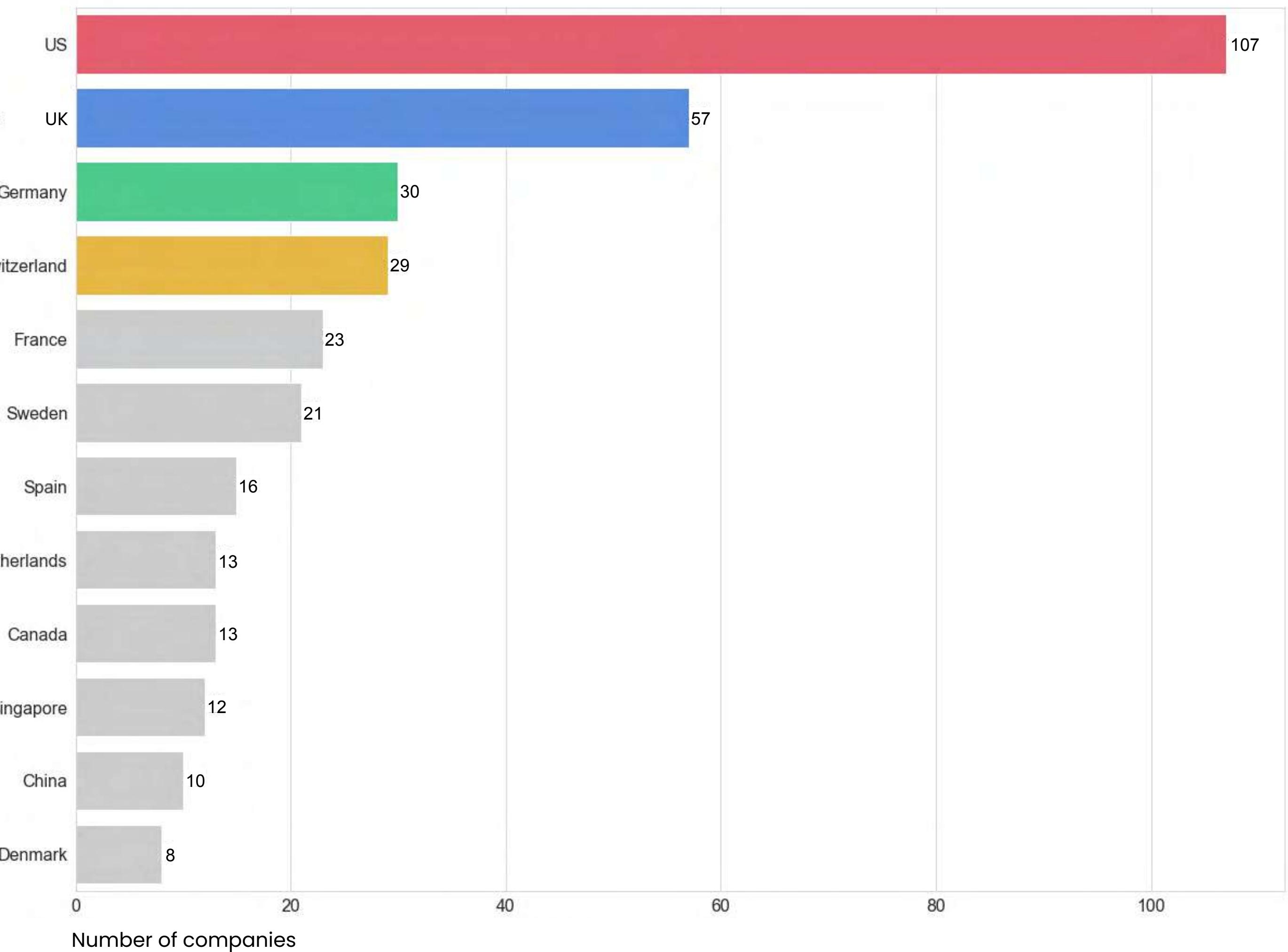
Insight #1 – continued

Europe leads regionally, but the US hosts the most Climate FinTechs by country

While the US is home to a powerful entrepreneurial engine and leads the country ranking, Climate FinTech solutions have received far less support from policymaking in Washington DC.

The US is followed by UK, Germany, and Switzerland, with **Switzerland leading the way with the most Climate FinTech activity per capita.**

Graph 2: Top countries by number of Climate FinTechs



Insight #2

North America leads in total funding, ahead of EMEA, APAC and LATAM

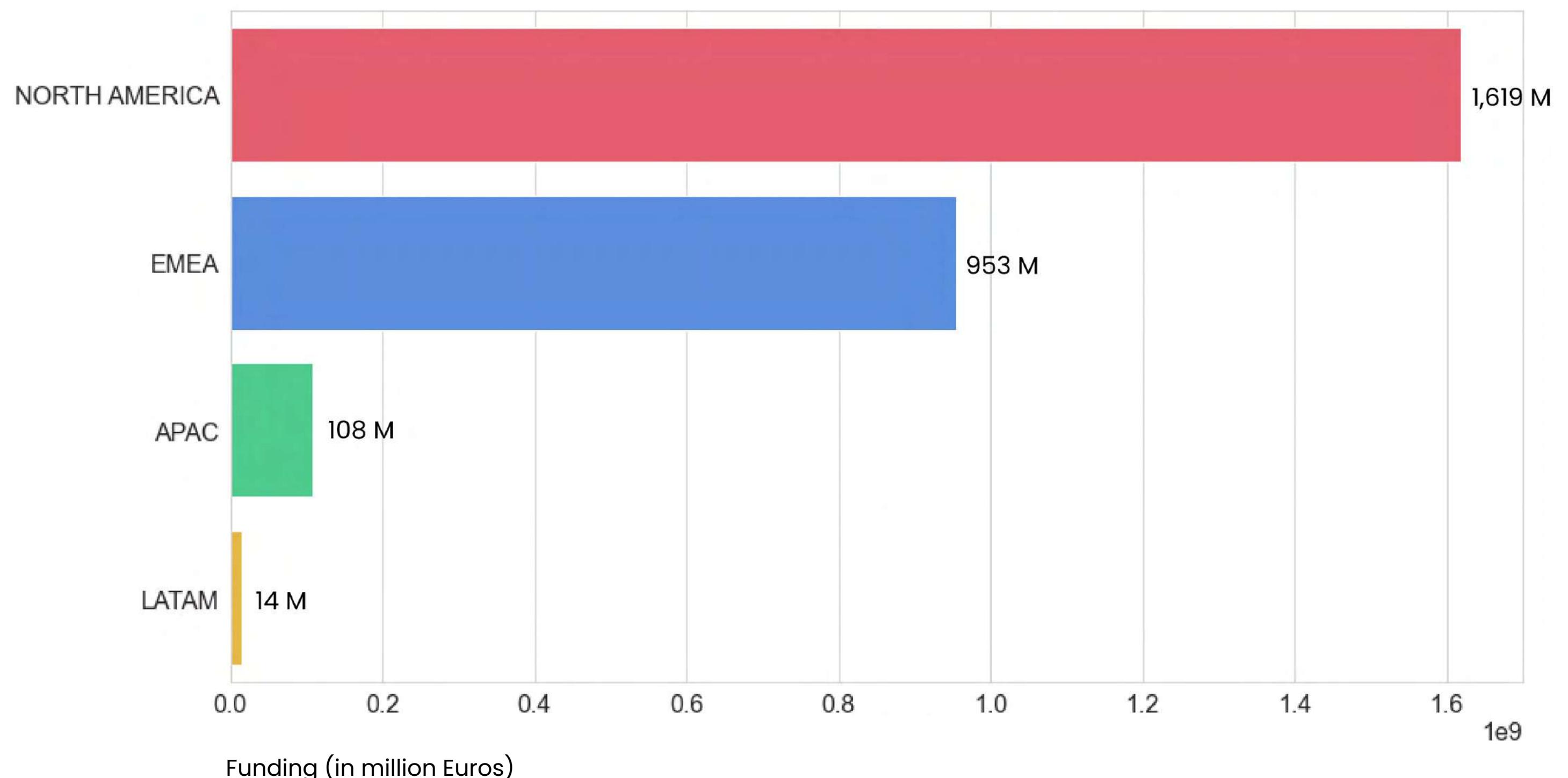
While average funding in North America approaches EUR 20m, Europe lags behind at around EUR 8m.

We believe this gap can be attributed to a number of factors. Firstly, many companies in our database do not have funding data disclosed, especially a number of high profile M&A transactions in Europe which could materially impact these figures. In addition, there have been a number of outsized recent US funding rounds (see Aspiration) which have skewed the North America average. In reality, we think the average capital invested in Climate FinTech between the two regions is closer than appears.

While real funding volumes for APAC and LATAM are most probably higher – it is an indication that Climate FinTech stands at its very early stages in these regions, with fewer large funding rounds and more early-stage startups with undisclosed funding.

Graph 3: Total funding per region*

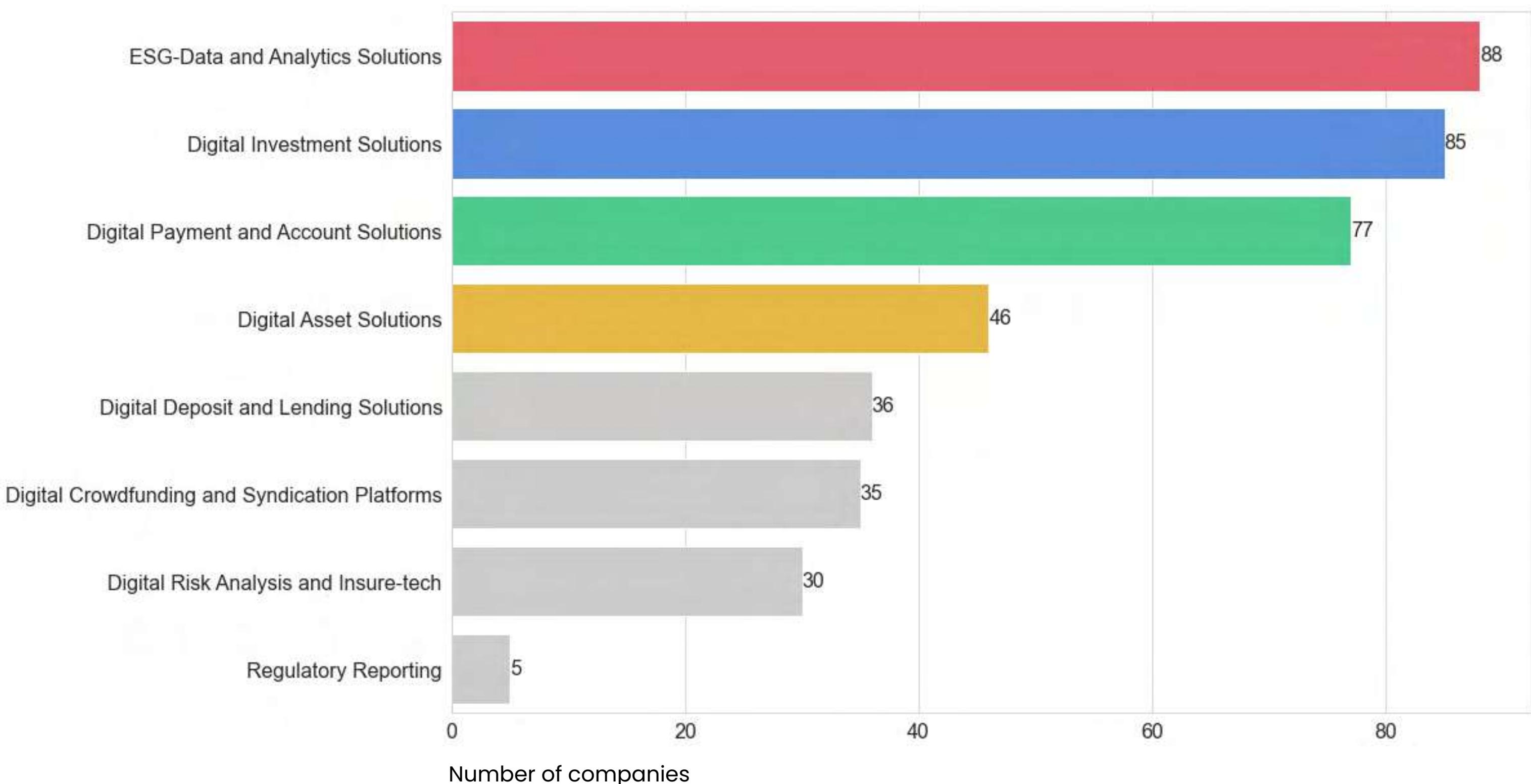
*funding data is only available for ~60% of our database



Insight #3

ESG-Data and Analytics Solutions have the most proliferation, followed closely by Digital Investment Solutions

Graph 4: Number of Climate FinTechs according to Category



When looking at activity levels by category, **ESG-Data and Analytics Solutions** have the most proliferation, followed closely by Digital Investment Solutions. These two categories in some ways are complementary to one another, and are **fueled by both the increasing pursuit by corporates to measure their emissions activity, and for investors to allocate capital to more sustainable fund options.**

Insight #4

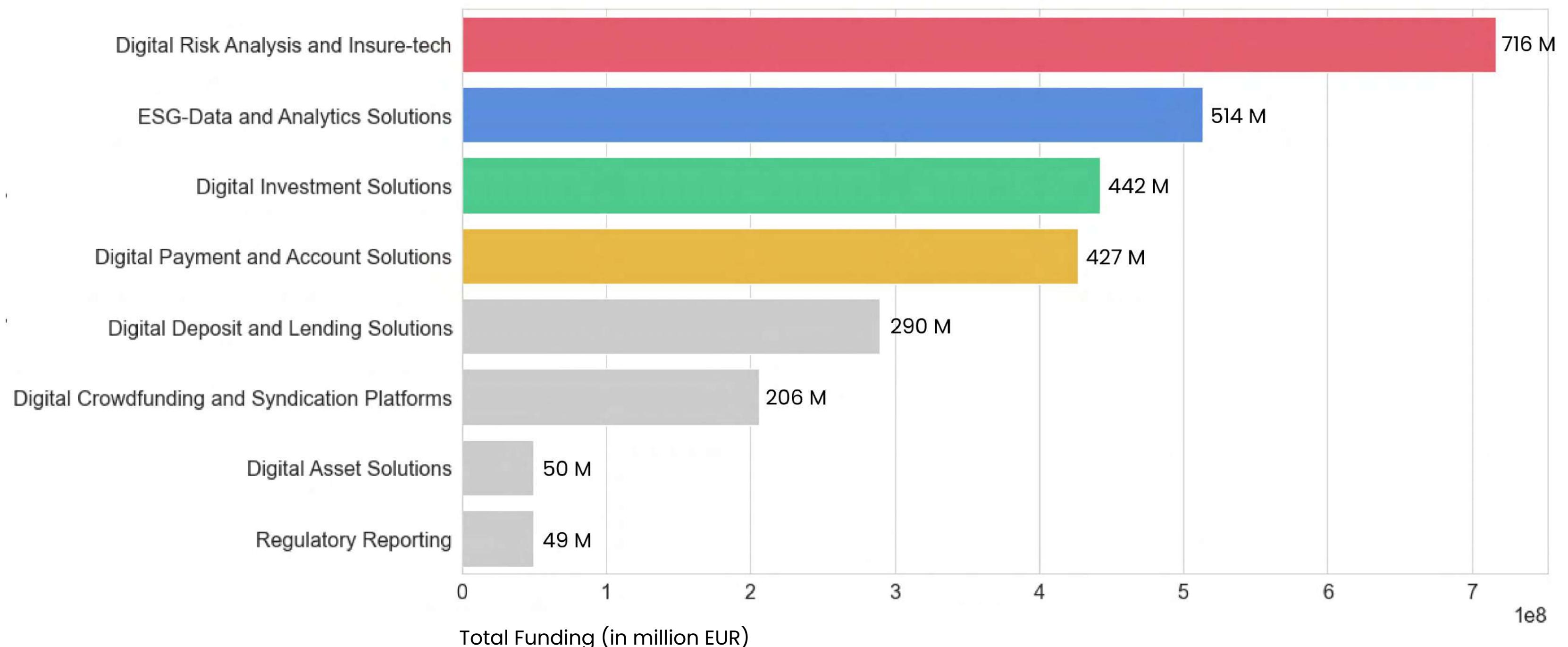
Digital Risk Analysis and Insurtech take the largest slice of the funding pie

When looking at funding, it's notable that while ranking 4th in the number of active companies, **Digital Risk Analysis and Insuretech has seen the most funding.** This can be attributed to this sectors' strong M&A activity with financial institutions and insurance behemoths aiming to mitigate climate risk, driving elevated valuations compared to the number of companies which focus on these technologies.

While **Digital Asset Solutions** are the 4th most common category, funding levels are still low - as this area is still in its very early stages.

Graph 5: Total Funding of Climate FinTechs per Category

*funding data is only available for ~60% of our database



Insight #5

Most Climate FinTechs are still early-stage

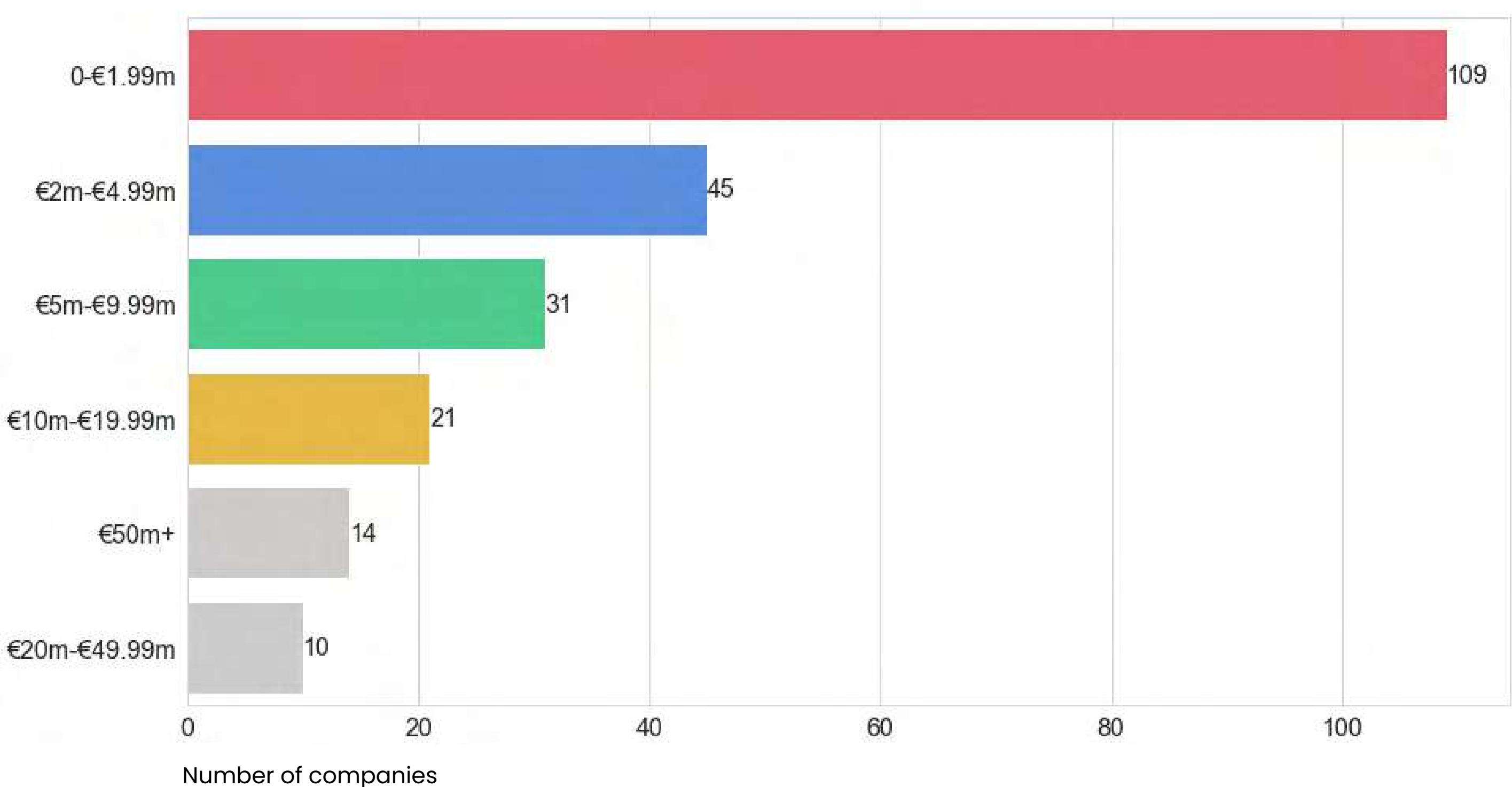
The majority of Climate FinTech funding remains Early Stage, focused on Seed and Series A investment activity. This is unsurprising as Climate FinTech is still a new space, with a mean founding date in 2017.

However, since data collected by New Energy Nexus in 2020, it is noteworthy that the distribution of this investment activity has shifted towards larger investment rounds.

In addition, according to [CommerzVentures](#) research, **B2B startups raised almost 6x more funding in 2021 than B2C startups.**

Graph 6: Number of Climate FinTechs according to total funding raised*

*funding data is only available for ~60% of our database



Insight #6

Climate FinTechs have almost 2x as many female founders than general FinTech

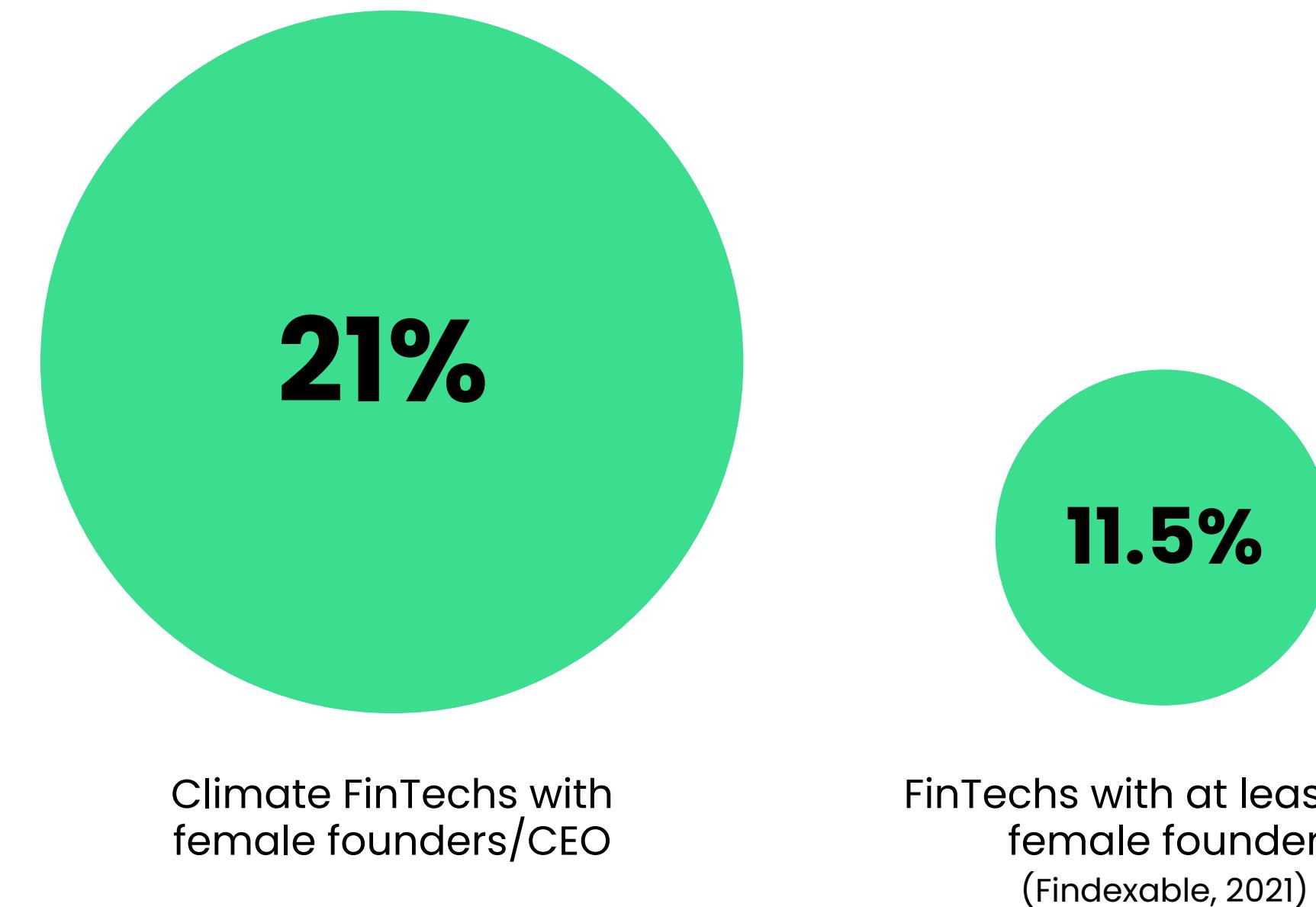
Graph 7: Percentage of Climate FinTechs with at least one female founder

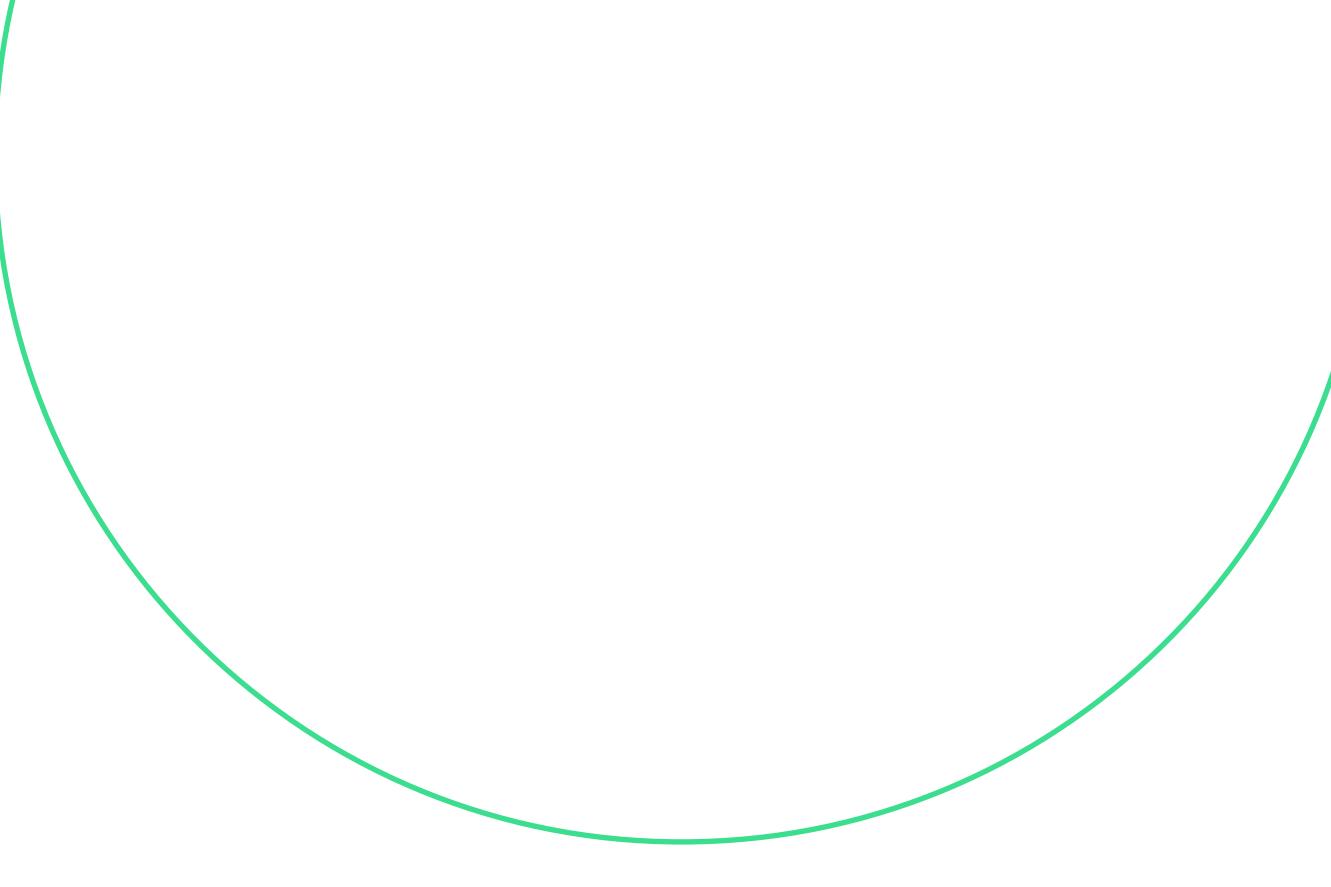
We have identified 20.8% of startups with at least one female founder or CEO.

While this percentage may seem low, the fact is that this number represents almost 2x the percentage of FinTechs with female founders in general, reported at 11.5% by [Findexable](#) in 2021.

While this number gives us an indication that the Climate FinTech space is more gender diverse than FinTech in general, there is still significant room for improvement.

Sweden takes a leading role with close to 40% of female founders.

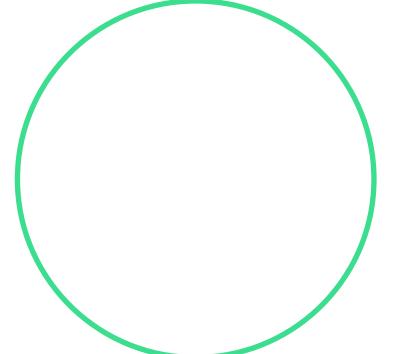
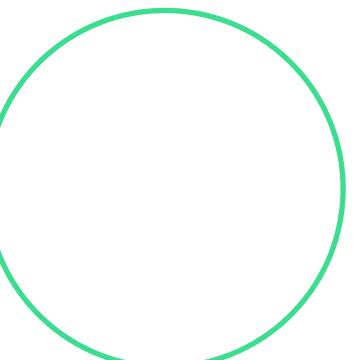
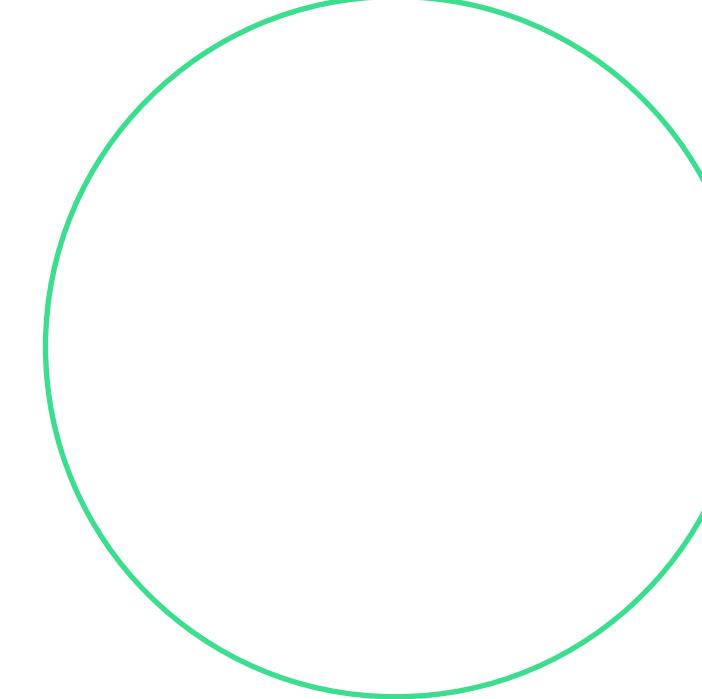




Part 2

Mapping Climate FinTechs

Switzerland. Spain. Singapore. Sweden.



Climate FinTech in Switzerland

Switzerland is an important gateway for capital flows and wealth management, home to ecologically-minded consumers, and numerous cutting-edge technology research institutions.

As a byproduct of this environment, many Climate Fintechs have found traction from within Switzerland, and a supportive ecosystem has emerged spanning private industry, academia, and the highest levels of government.

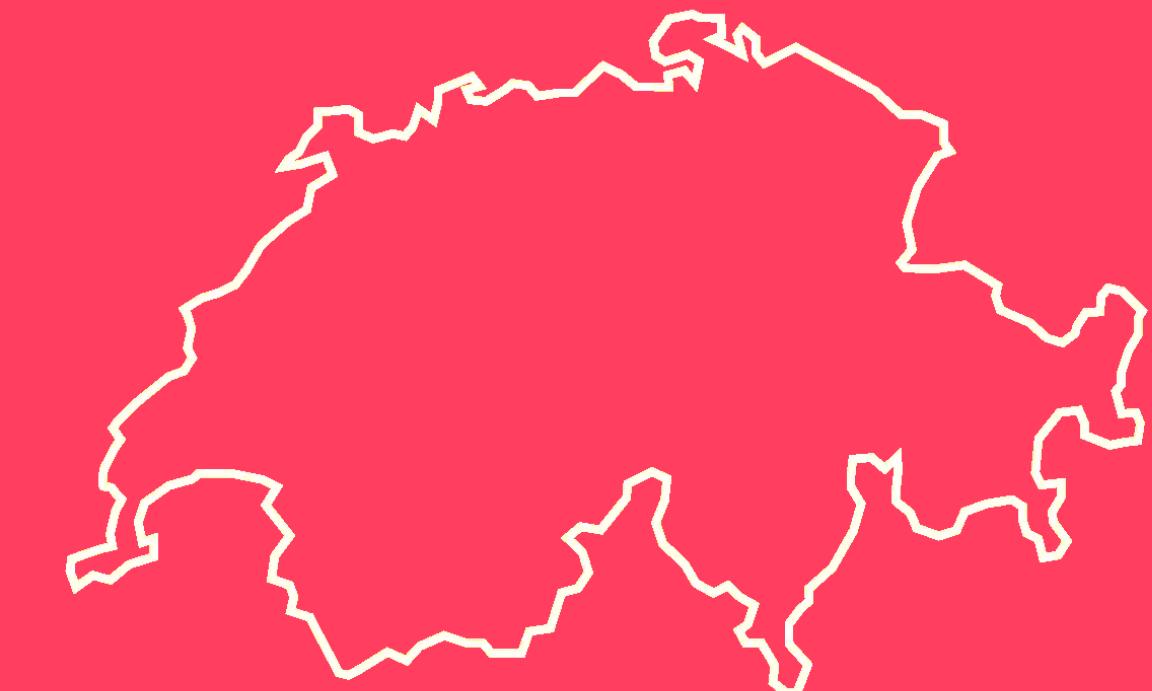
The Green Fintech Network was set up in November 2020 with the assistance of the State Secretariat for International Finance **SIF**, who then went on to publish their **Green Fintech Action Plan in 2021**. This coalition of key stakeholders has helped to promote the importance of Green/Climate FinTech adoption and support, with further efforts provided by Swiss Sustainable Finance and the Swiss FinTech Innovation Lab.

With the prevalence of private banking and wealth management in Switzerland, it is consistent that "Green Digital Investment Solutions" is the most active category in the country. The country is also known for its active crypto community based in Zug, with "Digital Asset Solutions" coming in as the second most active category.

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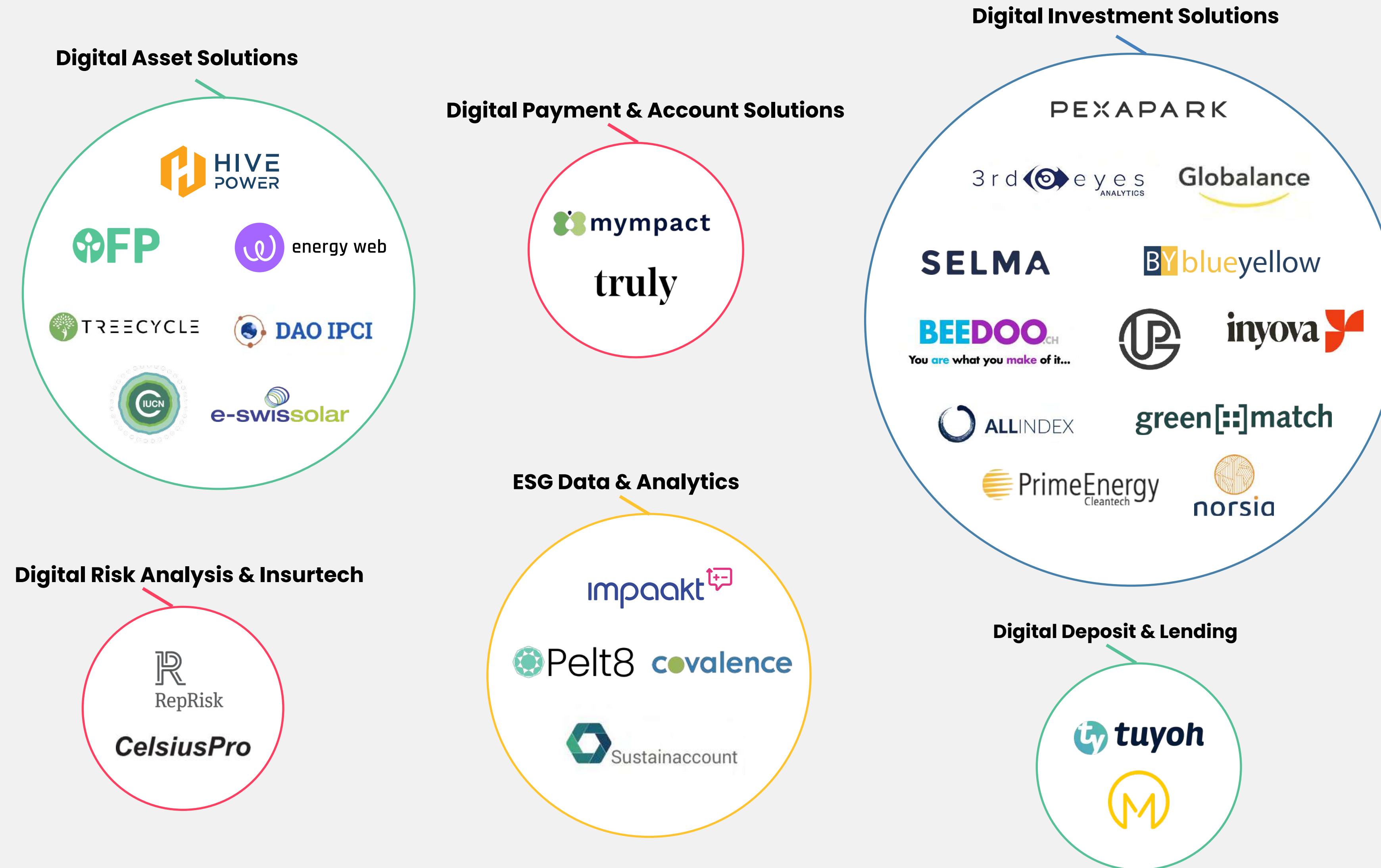
Switzerland has a thriving Climate FinTech ecosystem, with one of the highest, **if not the highest, number of Climate FinTechs per capita**.

It is telling that we see a strong focus on Digital Investment and Digital Asset Solutions - a clear collaboration with the overall Fin-Tech market in Switzerland.



Marc Hauser
Head F10 Europe

Mapping Swiss Climate Fintechs



29+

Climate Fintechs

~3.5

Climate Fintechs per million inhabitants

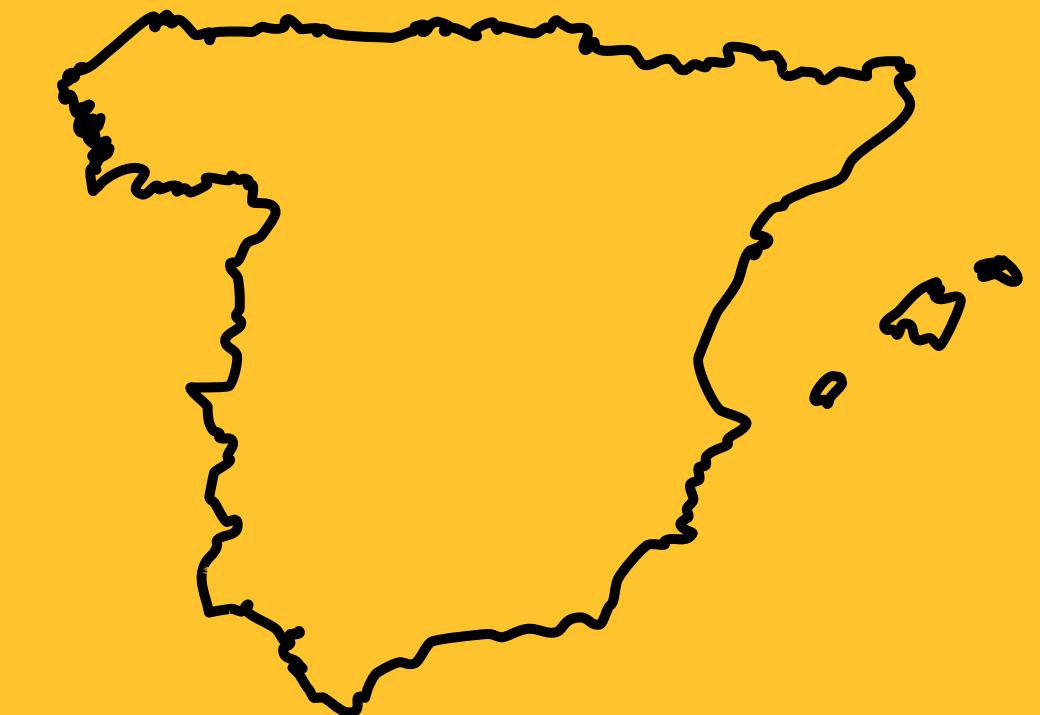
38m+

in total funding (EUR)

~20%

Female (Co-)Founders

Climate FinTech in Spain



Although Climate FinTechs are still somewhat nascent in Spain, there are encouraging top-down government initiatives and innovation centers which have created a foundation for huge potential growth of this sector in the country.

FINRESP, the Spanish Centre for Responsible and Sustainable Finance, launched in 2020 to address the challenges of the Spanish business community (especially SMEs) in their effort to become more sustainable and contribute to the Paris Agreement goals.

In addition, **Spain was the first country where an established incumbent bank issued a blockchain powered green bond using proprietary Distributed Ledger Technology (DLT) technology.** Spain will soon issue sovereign green bonds, so further integration of green securities and DLT is an avenue for Spain to increase green bond issuance as a financing vehicle to support obligations as part of the Climate Act.

It's also noteworthy that Spain is home to more than 650 FinTech startups and 330 PropTech startups, indicative that there are market forces already in place which could support more Climate FinTechs.

“

We see many exciting Climate FinTechs in Spain, some of them already well established in the market, such as Climatetrade. Climate FinTech was also heralded at the 2022 South Summit in Madrid, inspiring Spanish entrepreneurs and investors to double down on this emerging space.

Looking at investment activity, Spanish Climate FinTechs see comparatively low funding. This is a newly emerging space though, and **with the new EU regulations coming into force, we believe that we'll see many larger funding rounds in the future.**



Engy Youssef
Head F10 Spain

Mapping Spanish Climate Fintechs



16+
Climate Fintechs

~0.3
Climate Fintechs per million inhabitants

17m+
in total funding (EUR)

~20%
Female (Co-)Founders

Climate FinTech in Singapore

Singapore has taken massive efforts to further sustainable finance in the last few years, including a unique centralized focus on Climate FinTech ecosystem support.

In 2020, the Monetary Authority of Singapore (MAS) launched Project Greenprint, a collection of initiatives aimed to harness technology and data to enable a more transparent, trusted and efficient ESG ecosystem. This includes a Common Disclosure Portal and blockchain-based ESG Registry to maintain certifications and qualified metrics, providing financial institutions, corporates, and regulatory authorities with a single point of access.

In 2021 MAS ran the Global FinTech Hackcelerator, gathering dozens of Climate FinTech startups from other accelerator programs around the world to tackle sustainable finance issues. Sopnendu Mohanty, Chief FinTech Officer, MAS said, “Technology is a key enabler for the financial industry to meet the challenges of green transition and achieving net-zero emissions. Project Greenprint provides foundational digital infrastructure that aggregates new and existing ESG data from ground-up across multiple sectoral platforms and solutions to facilitate trusted ESG data flows between the financial sector and the real economy – both within Singapore and globally.”

“

Climate FinTech remains a nascent space in Southeast Asia, though the ecosystem is rapidly evolving. That said, also due to the incredibly strong government support, we are expecting exciting innovative solutions to address the gaps identified.

Although the number of Climate FinTechs in Singapore is lower than in other highly active FinTech markets, such as Switzerland, the UK, or the US – **the investment activity is high – with more than EUR 66M total funding attracted** by the companies included in our database.



Jonas Thuerig
Head F10 Asia

Mapping Singapore Climate Fintechs

Digital Asset Solutions



AirCarbon Exchange

Digital Payment & Account Solutions



Digital Investment Solutions



POSITIVE ENERGY LTD.
simplifying renewable energy finance



Digital Deposit & Lending



ESG Data & Analytics



13+

Climate Fintechs

~2.3

Climate Fintechs per million inhabitants

66m+

in total funding (EUR)

~15%

Female (Co-)Founders

Climate FinTech in Sweden

In Sweden and the neighboring Nordic countries, sustainability has for decades been instilled in the entire society. **Sweden was the first country in the world to pass an environmental protection act in 1967, and in 1972, Sweden hosted the first UN conference on the global environment, considered to be COP1.** Today, the Swedish government has set ambitious goals, including going fossil-free by 2045.

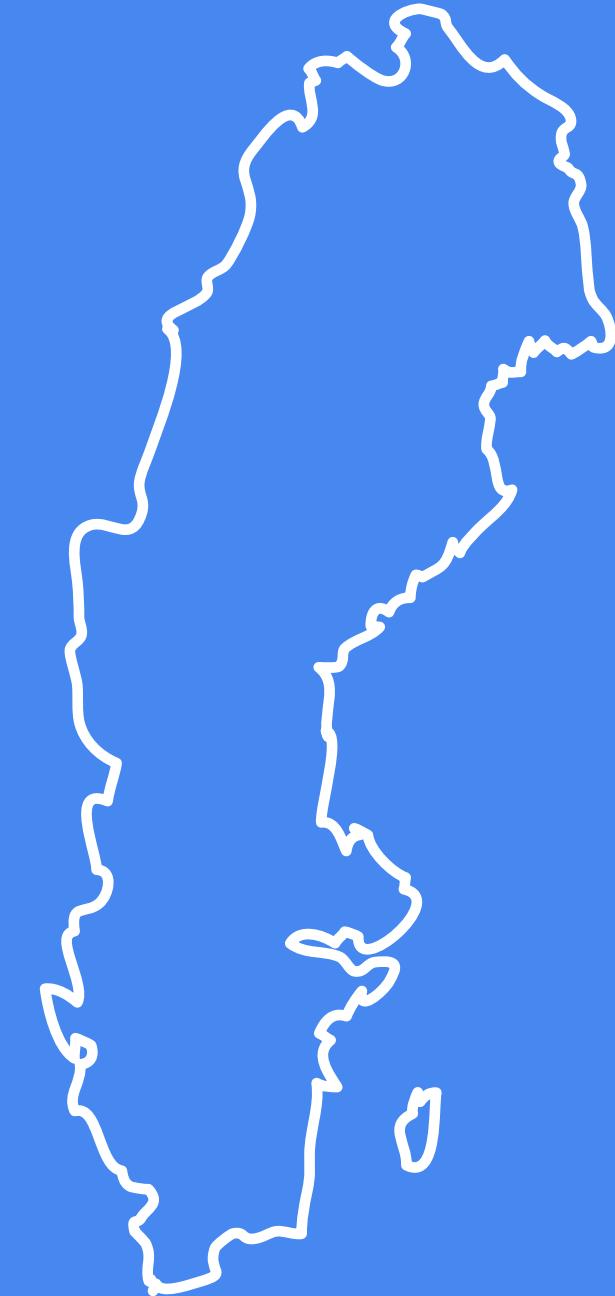
Within tech, Sweden has come to be a strong innovation country with a thriving startup ecosystem. FinTech especially has developed strongly with exponential growth, utilizing the high digitalization rate, tech savvy population, early implementation of a nationwide digital ID, and mobile payment systems.

In global rankings, Sweden is ranked second in the UN Sustainable Development Report and the Global Innovation Index, and topped the Global Sustainable Competitiveness Index. This “green model” of integrating business and sustainability, together with an innovative and vibrant tech startup ecosystem, paves the way for Climate FinTech. Recently, the growing VC capital invested into FinTech, and into impact startups, has further accelerated a number of Climate FinTech startups.

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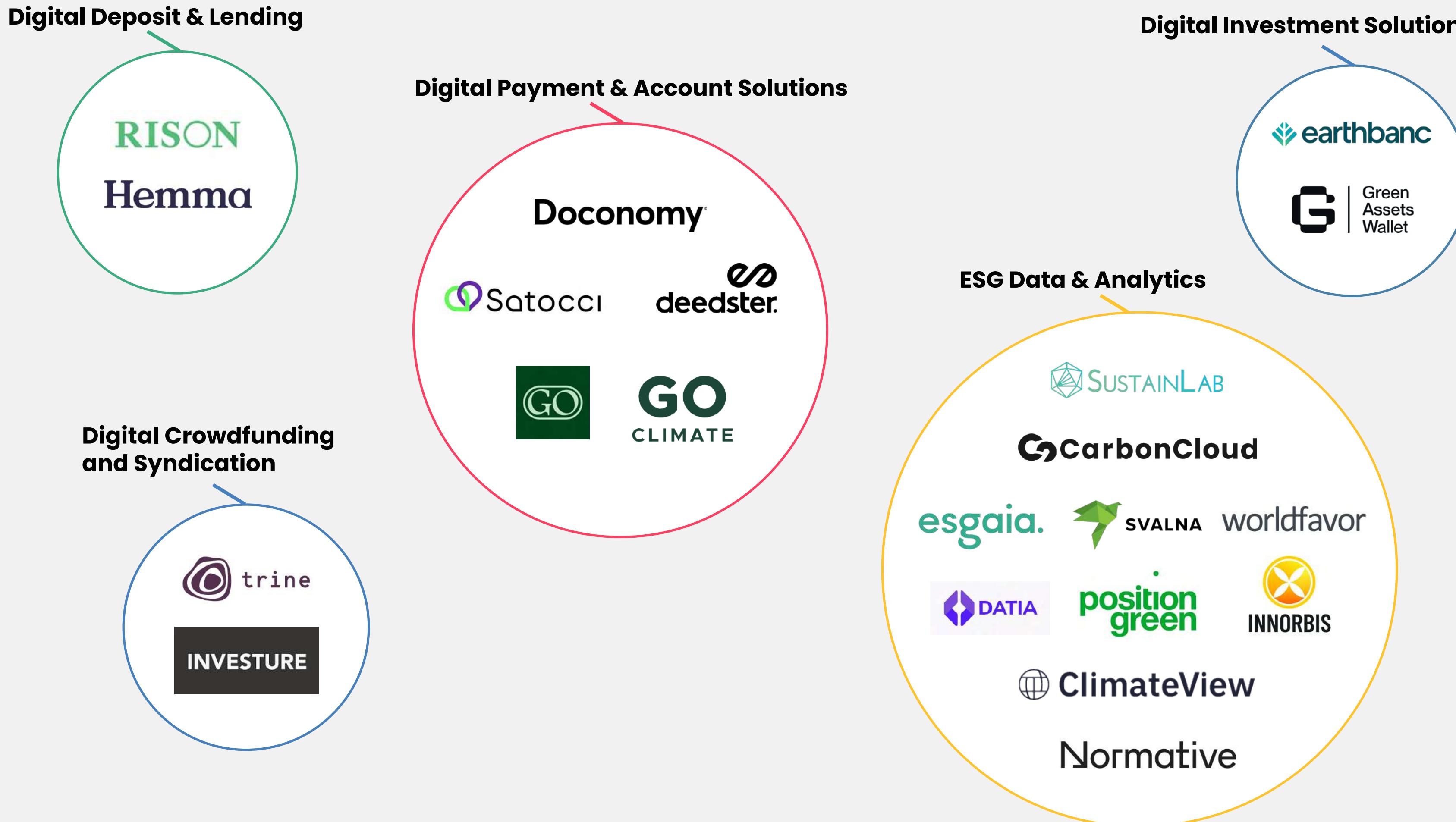
Sweden has the perfect environment to become the home of the next Climate FinTech unicorn and counts the highest female founder rate in our database with 38%

The interest to engage with Climate FinTechs is very strong. With digital payments having been used for many years in society, pioneering solutions have been developed for CO2 calculations, and other impact data, based on financial transactions.



Anders Norlin
Head F10 Nordics/Baltics

Mapping Swedish Climate Fintechs



21+

Climate Fintechs

~2

Climate Fintechs per million inhabitants

58m+

in total funding (EUR)

~38%

Female (Co-)Founders

Part 3

Perspectives on Climate FinTech

Interviews with startup founders, financial institutions and investors on the relevance, and potential, of Climate FinTech.

Part 3

Startup Perspectives

Doconomy[®]

 **mympact**

 **CLIMATE
TRADE**

 **Toucan**

 **Green
Got**

 **GREENARC**

 **inyova**

Enriching every financial transaction with environmental data

Interview with **Tee Pruitt**, Head of Financial Services at Doconomy

Doconomy was founded in 2018 and is an impact-tech company investing in new measures to help tackle climate change.

Our Åland Index Solutions product enriches every financial transaction with environmental data, including CO2e, liters H2O and the social cost of CO2 and H2O, accounting for the true cost of consumption.

“

Find a problem and go after solving it. The climate fintech evolution is just beginning and there are a range of problems that creative entrepreneurs can tackle to make climate and financial impact.

The 2030 Calculator can be used by any product brand or manufacturer to quickly calculate the carbon footprint of their products, based on the emissions created from manufacturing and transport up until the point of sale.

We offer easy connection to our APIs for automated, real-

time impact calculations and have a set of Impact Management Tools/SDKs to help build an engaging experience. Our Impact Dashboard is a Management and Reporting Tool that enables business intelligence, client insight, and ESG risk evaluation and reporting.

What excites you the most about Climate Fin-Tech adoption?

Climate and financial technology are colliding at a time where both sectors have seen massive growth and increased demand from customers, employees, corporations, and investors for climate action and accountability across financial services.



Take control over your personal sustainability

Interview with **Christian Sutter**, Co-Founder & CEO at mympact

mympact is an app that allows everyone to take control over their personal sustainability by tracking their carbon footprint, incentivising more conscious decision-making and offsetting remaining emissions automatically.

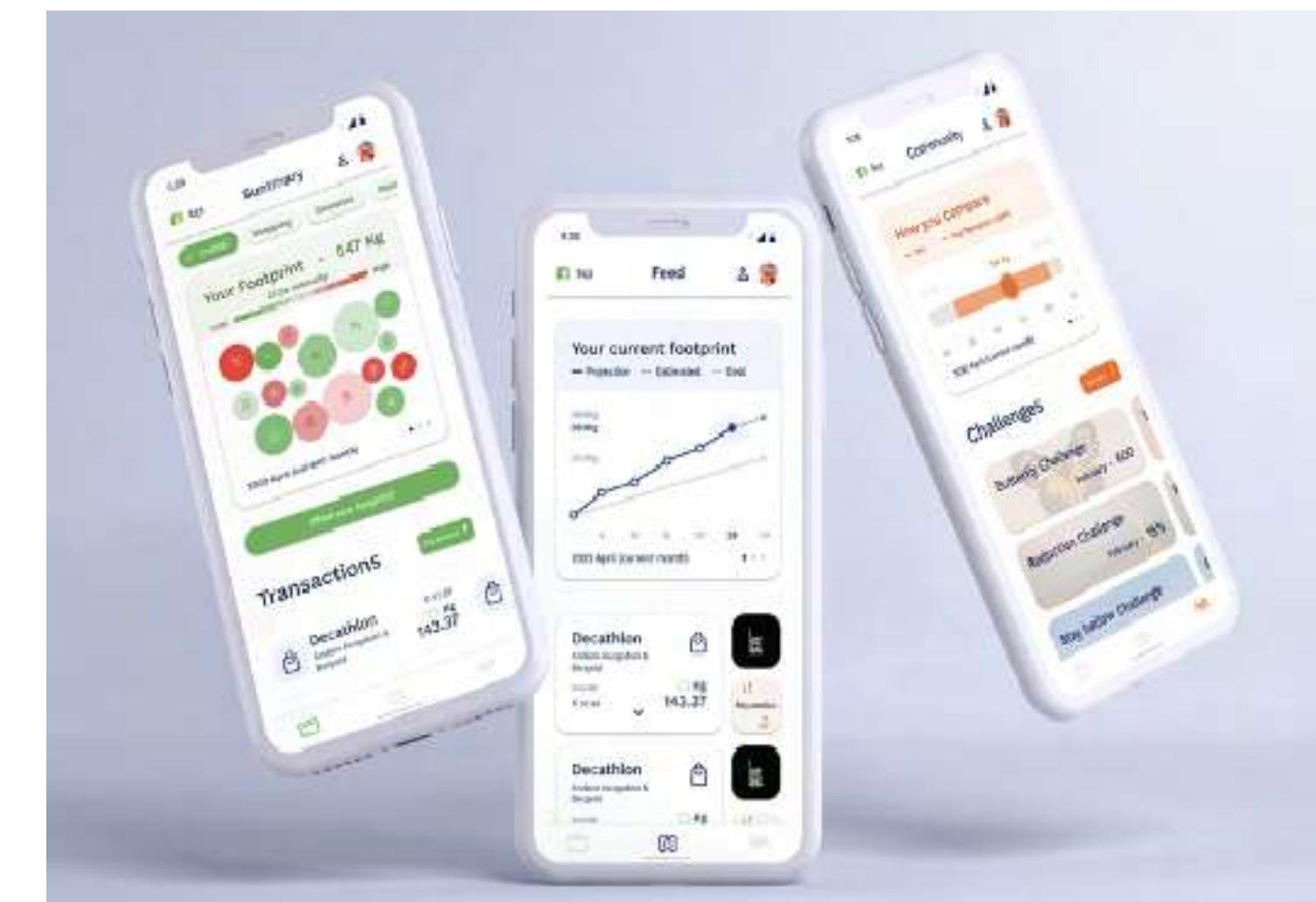
At the core, we combine open banking to access user's transaction data and a carbon accounting API to calculate the CO2 footprint of every purchase. We take that data and build an engaging platform that provides users with personalized content on sustainable living, a marketplace with sustainable alternatives across all life areas, integrated carbon offsets and an inspiring community.

In the early days of mympact, we were quick to launch our first landing page to test interest and feedback from the market. We only shared it in a couple of private groups and were overwhelmed with over 200 sign-ups within less than a week. Two weeks later, we were approached by two top-tier VCs from Berlin and talked to them with barely a pitch deck, let alone a thought-through business plan. Goes without saying

that we were pretty lost. Yet, we have come a long way since then, and the build-measure-learn mentality has stuck with us. As a climate fintech, we have the unique opportunity to create a solution that integrates into people's daily lives and helps them to manage their personal impact and take seamless climate action. It is really exciting to see that we can play an important role in people's journey towards a more sustainable life.

What advice do you have for other founders?

Just do it! Think about the impact that you want to create and try to measure it as early as possible. This will allow you to take informed decisions to maximize both the economic and environmental potential of your business.



Blockchain-based climate marketplace

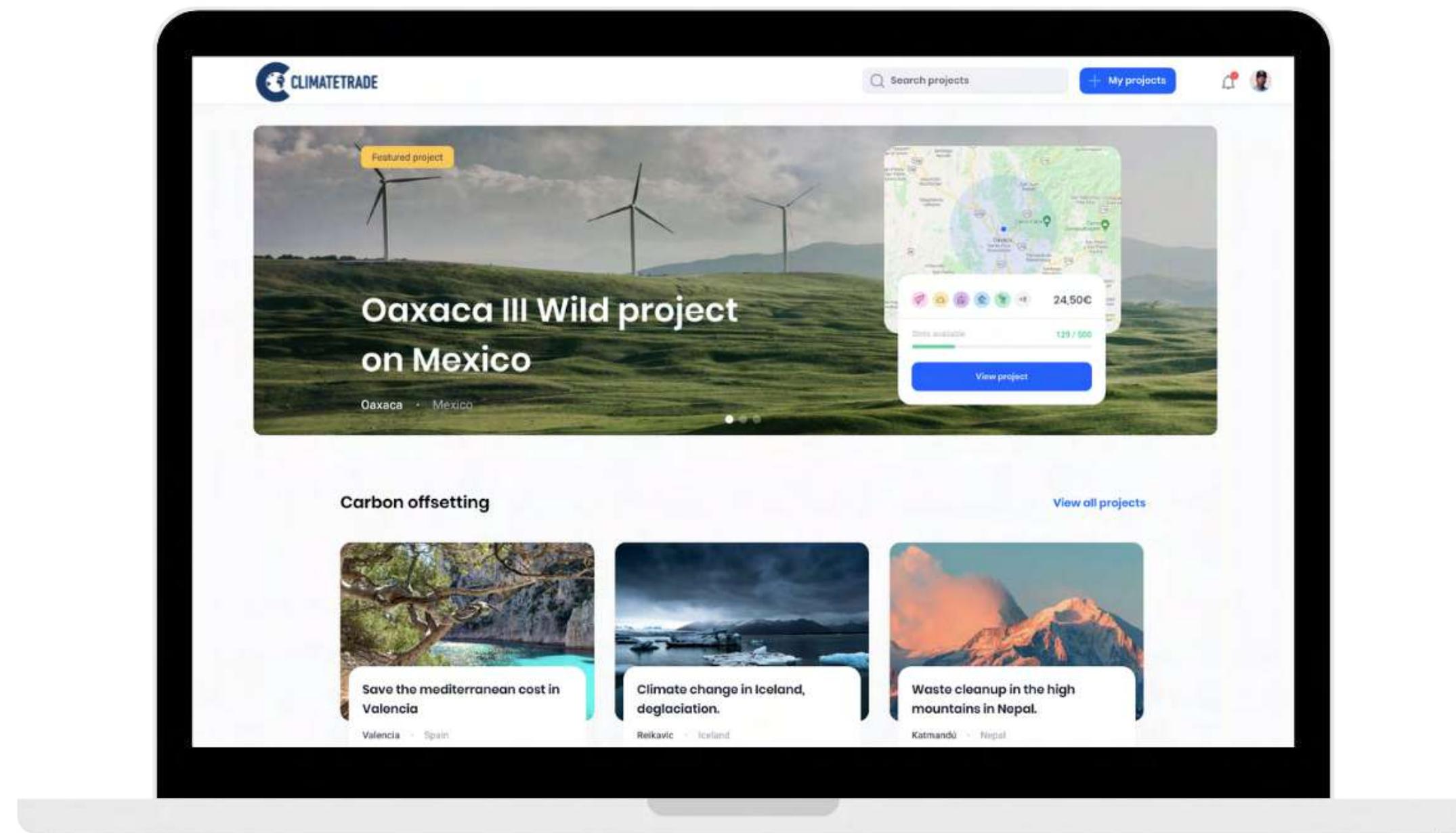
Interview with **Francisco Benedito**, CEO & Co-Founder at ClimateTrade

ClimateTrade uses blockchain technology to make carbon offsetting transactions transparent and traceable.

On the one hand, the developers of climate mitigation projects place their carbon credits for sale on our platform, and on the other, companies that need to offset their carbon footprint come to ClimateTrade to buy those credits. When a transaction happens on our marketplace, it automatically generates a blockchain key, making all data immutable and ensuring that the money actually goes to the chosen project. We then issue a nominative certificate for the buyer with information about the projects their purchase has supported. ClimateTrade makes carbon markets more efficient and transparent.

“ This is a complicated sector: you need to have a good background or good professionals in the team that can complement the entrepreneur's vision.

What excites me about climate fintech adoption is the possibility of democratizing climate action – the possibility of helping projects around the world that can be disruptive for solving this problem that we are all suffering from. We can provide finance to all the projects around the world that work to decarbonize, eliminate waste, plastics, etc.



Take control over your personal sustainability

Interview with **Julian Sommer**, Co-Founder and Chairman/CFO at Toucan Protocol

Toucan builds web 3.0 infrastructure towards a Regenerative Finance System (#ReFi) starting out by bringing carbon credits from the Voluntary Market on chain as NFTs, that then get pooled into fungible Carbon Reference Tokens and are being traded on exchanges.

These fungible carbon assets / tokens can be used in different new use cases, like 'Carbon as Collateral/Treasury Asset for Carbon-backed Currencies', built into Lending Protocols or other Yield-generating mechanisms, or for the traditional use case of offsetting/matching negative emissions with positive carbon impacts.

“ Trust your instincts, gut feelings and convictions and follow them. That doesn't mean you have it all right from the start, but following them can get you started in the right direction. Then be honest with yourself and others about what is clear/proven etc. and what is not. Don't be afraid to change on the way.

These off-take pathways for carbon tokens also make it possible to design new carbon project financing solutions that leverage web 3.0 building blocks, which is what Toucan is targeting in the next phase of development.

I am excited that at the intersection of where we sit - Web2/Web3, Climate/Carbon and the traditional Climate/Sustainable Finance side of the legacy system - we see convergence in a number of ways and are keen to embed important units of accounts, like Carbon, into the Economic & Financial System, which can only be done on a tech basis today.

The screenshot displays the Toucan Protocol dashboard with several sections:

- Overview:** Shows statistics: Total Carbon Bridged (TCO2) 21,890,200, Total Carbon Supply 19,277,054, TVL in Sushi Pools → \$49,978,302, and Total Carbon Retired (TCO2e) 94,905. A button labeled "Initiate Bridging" is visible.
- My Carbon Assets:** A table titled "Open TCO2 Batches" showing three entries:
 - #1702: Balance 0, Project Name Unassigned, Status Initialized, with "Continue" and "⋮" buttons.
 - #1839: Balance 4,200.00, Project Name VCS-8902-2019, Status Pending, with "⋮" button.
 - #471: Balance 1,200.00, Project Name Katingan Mentaya Project 2017 - REDD+, Status Approved, with "Convert" and "⋮" buttons.
- Toucan CO2 Tokens (TCO2):** A table showing two tokens:
 - 1,203.00 TCO2 VCS-8902-2018, Project Name Bull Run Project 2018 - REDD+, with "Retire" and "⋮" buttons.
 - 6,723.00 TCO2 GS-8902-2018, Project Name Katingan Mentaya Project 2017 - REDD+, with "Retire" and "⋮" buttons.
- Carbon Pool Tokens:** A table showing two tokens:
 - 100.00 BCT 19,277,054 TCO2 Base Carbon Pool, Price \$ 3.56 On Sushiswap →, with "Deposit" and "Redeem TCO2" buttons.
 - 50.00 NCT 1,950,211 TCO2 Nature Based Carbon Pool, Price \$ 7.52 On Sushiswap →, with "Deposit" and "Redeem TCO2" buttons.

At the bottom left, there are links to "Docs", "Github", and "Discord". At the bottom center, there are "Legal · Privacy · More" links.

Pay, get paid, and track CO2 and biodiversity impact

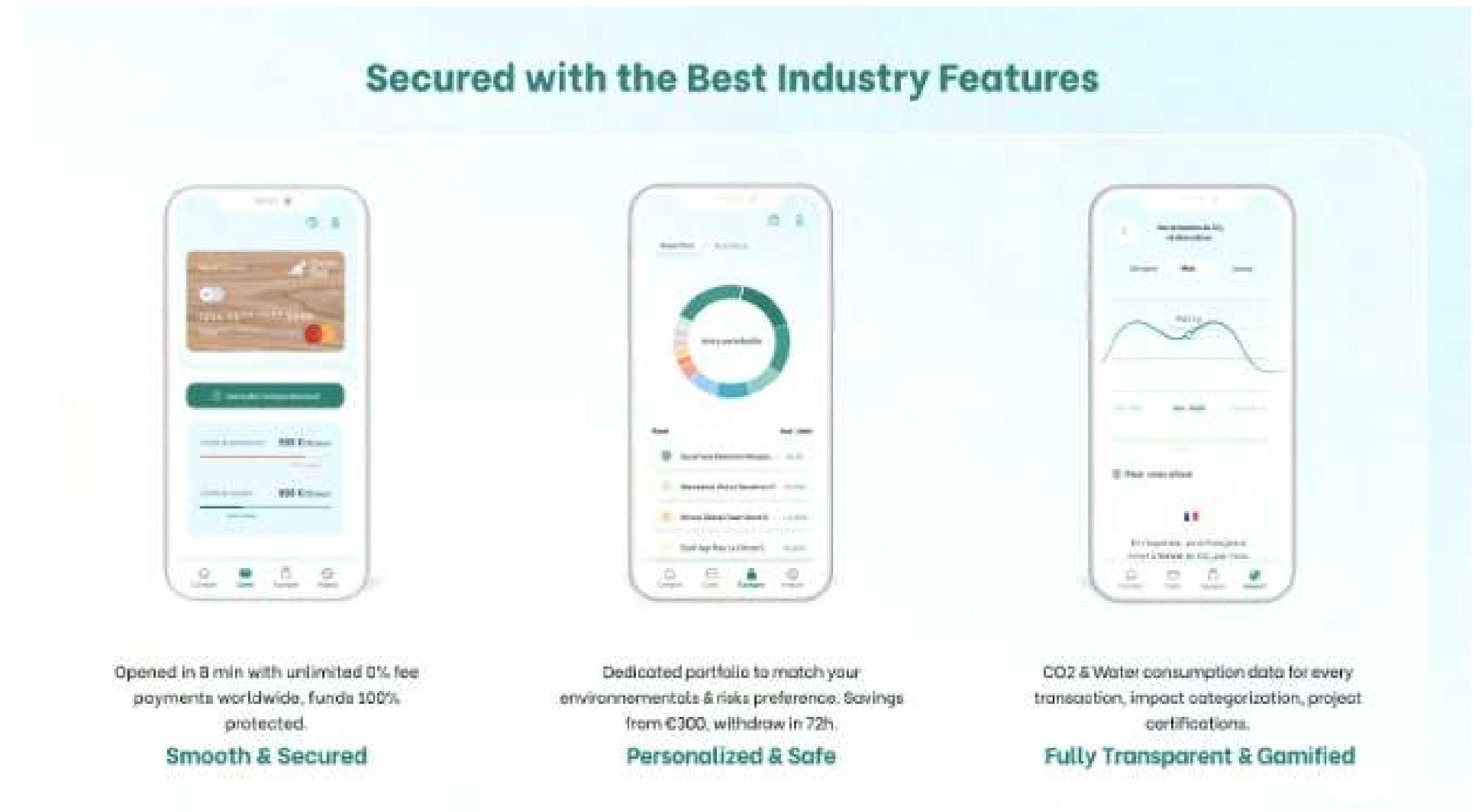
Interview with **Maud Caillaux**, Co-Founder and President at Green Got

Green Got offers a technology that enables our users to pay, get paid and track in real time the CO2 and biodiversity impact of their expenses.

Thanks to different APIs, we have created a current account and a savings account that automatically invest the funds in green projects and green companies, and track the impact live, with 100% transparency.

At the beginning VCs were skeptical about us: “the added value of your neobank is only being “green” that is not enough”. They were forgetting an entire generation who is keen to save the planet through every solution possible. Now we have 20 people in the team, 25k card orders, 100k people in the community, with 0€ spent in communication. I guess French people are really interested. We will be open for all the Eurozone soon.

What excites me most about climate fintech adoption is the fact that we use finance, the most powerful tool, to fight climate change.



The image shows three mobile phone screens side-by-side, each displaying a different feature of the Green Got app:

- Smooth & Secured:** Shows a virtual card with a wood-grain texture and a digital wallet interface.
- Personalized & Safe:** Shows a circular progress bar with segments labeled "Finance", "Impact", and "Safety". Below it is a list of investment options.
- Fully Transparent & Gamified:** Shows a line graph with a green line, a bar chart, and a small green fox icon.

Secured with the Best Industry Features

Opened in 8 min with unlimited 0% fee payments worldwide, funds 100% protected.
Smooth & Secured

Dedicated portfolio to match your environmental & risks preference. Savings from €300, withdraw in 72h.
Personalized & Safe

CO2 & Water consumption data for every transaction, impact categorization, project certifications.
Fully Transparent & Gamified

AI driven impact investment

Interview with **Rony J Palathinkal**, Co-Founder at GreenArc

GreenArc is an AI driven impact investment fintech helping to close the UN SDG financing gap.

To increase the flow of institutional capital towards social and environmental investments, we have developed an impact management SaaS product and an industry first impact measurement API offering impact measurement and reporting for private debt & loan portfolios. Our solution leverages the use of technology and data, combined with the contextual nature of sustainability, to drive more robust impact analysis and maximise future impact.

When we started 2022, we had a clear mandate of expanding our impact analytics solution roll out within Southeast Asia and opportunistically within Asia. The US was not in the pipeline for at least 18 more months. But in February we got a rare opportunity where a large US Sovereign wealth fund, who is an LP of our US based investor, reached out and inquired about our solution with the intent of measuring their portfolio's impact. Within a month, this led to a pilot as well as a pipeline of 4 other potential engagements with government, private and development finance institutions.

The moral of the story for us as a startup is: have a plan but be agile enough to redo the plan as new opportunities arise.

What advice do you have for other founders?

Take advantage of private markets to speed up capital raise. A number of angel investors are actively looking for deals – joining a reputed network will help speed up the capital raise process especially Pre Series A.



Invest your money sustainably – have positive impact

Interview with **Tillmann Lang**, Co-founder & CEO at Inyova

Inyova is an easy-to-use solution for consumers to invest their money sustainably, and to have real positive impact.

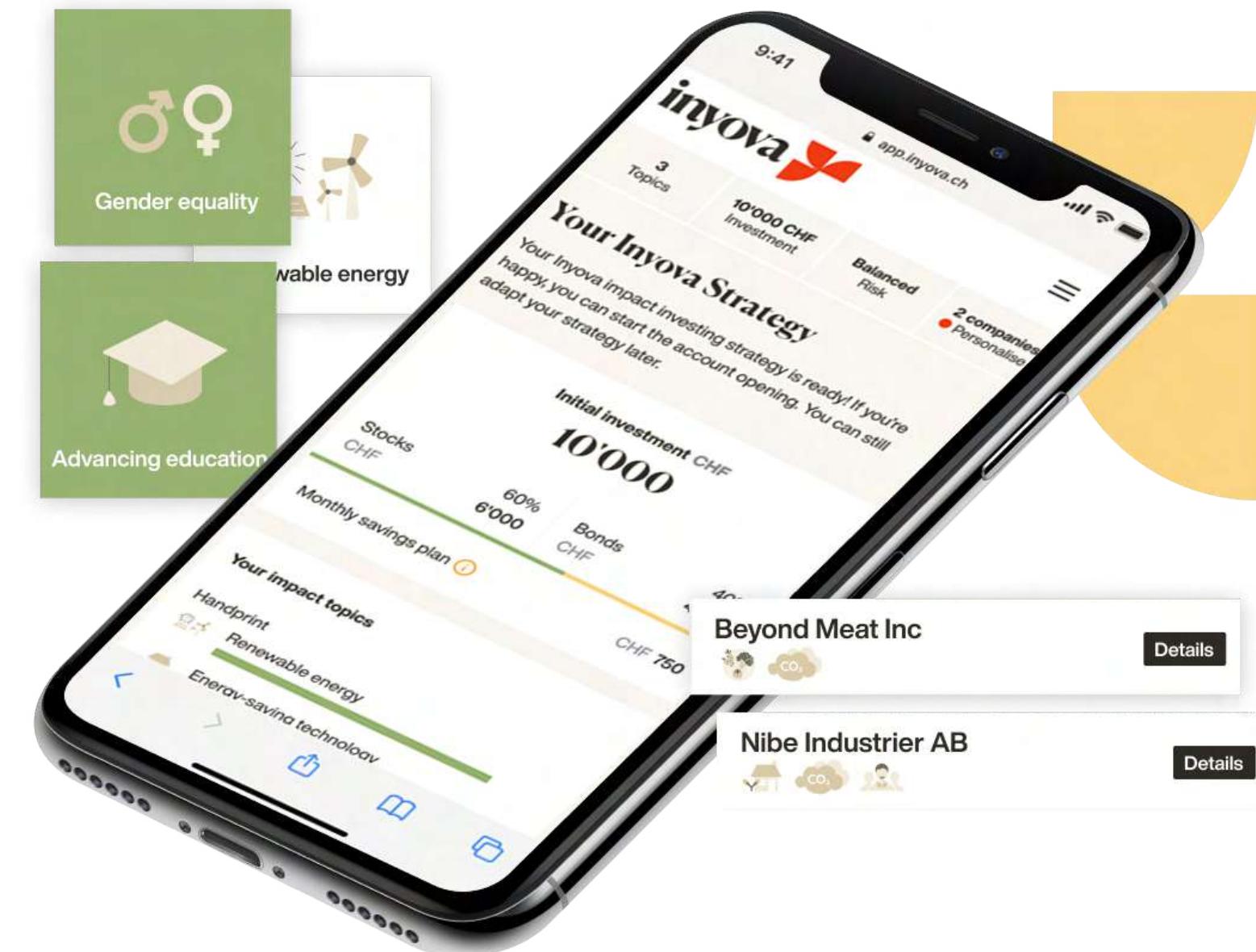
This means customers can choose what is important to them (think circular economy, gender equality) and our algorithm generates personalized portfolios for them with 30-40 individual stocks. The portfolios are always risk optimized and, depending on the investor, include Green Bonds, along with the stocks through which capital is directed to green projects. Inyova actually has developed two apps: the first one is the app that customers see, an easy, fun and personalized investing app where customers can track their portfolio performance and see the positive impact of their companies. The second one is a highly sophisticated portfolio management app which allows a small investment team to manage and trade thousands of individual stock portfolios.

Finance is crucial to address problems like the climate crisis. In our current system of capitalism, changing and improving the financial system to better serve people and the planet is one of the biggest levers we have.

Currently, the action, including Fintech, is not only insufficient but in parts harmful (eg. greenwashing initiatives or energy-effects of crypto, etc). However, Fintech can also play a big role by bringing new and exciting ideas to the table and pushing the players in the existing system to do better.

What advice do you have for other founders?

Don't be afraid to step on some toes! When you want to make changes to the established financial system you will inevitably cause some stir. Make sure you have a great team behind you and reach out to established founders for guidance when you're stuck.



Part 3

Financial institutions creating impact

Julius Bär



Financial institutions creating impact

The shifting demands of private wealth owners

Interview with Yvonne Suter, Head of Sustainability at Julius Baer



Yvonne Suter
Head of Sustainability
Julius Baer

How has wealth management changed in the recent past?

We are seeing quite a substantial shift. For a long time, investors focused chiefly on properly managing risk and returns and making money. But more recently, the demand for solutions that address major global challenges such as climate change and wealth inequality has risen significantly. Julius Baer's 2021 Family Barometer survey revealed that environmental, social and governance (ESG) factors and impact investing were the most-cited topics of importance in the past five years. And market data show that there are more opportunities than ever in the sustainability space.

Private investors, worth USD 42 trillion worldwide, are at the vanguard of a turning tide and can set important signals. They play an increasingly important role in the market for sustainable investing, now worth around USD 35 trillion and replete with opportunities for anyone looking to achieve positive change through the use of their capital.

Julius Bär

How do you approach this opportunity?

It is our conviction that, as a wealth manager, we can play an important role in helping our clients make a contribution to solving some of the world's most critical challenges. We hence offer a sustainability ecosystem that is centered on curated solutions but goes beyond them. In addition to the core offering, this means providing clients with access to thought leadership, peer networking – including through our new Sustainability Circle client community –, and transparent investment portfolio reporting based on a robust ESG investment rating methodology.

How do clients invest if they want to make sure their wealth is managed responsibly?

Broadly speaking, approaches to managing wealth responsibly range from the exclusion of ESG laggards and the identification of ESG leaders to impact investment, which seeks to make a measurable positive impact on society or the environment, and philanthropic giving.





Another crucial factor in the shift towards a more sustainable and equitable world is innovation, new ideas and start-up entrepreneurship.

How does Julius Baer engage on open innovation and entrepreneurship?

Julius Baer supports various programmes that focus on driving innovation and finding new ways to make the economy and our day-to-day life more sustainable. Our collaboration with F10 is one example of this. Others would be the EY Entrepreneur Of The Year 2021 UK, the SEIF Tech for Impact Awards, and collaborations in green technology, a field that is particularly well positioned to address the increasing demand from investors interested in having a positive social or environmental impact.

Julius Baer's purpose is to create value beyond wealth. The bank's sustainability strategy reflects this, and as we put it into practice, we want to empower all our stakeholders – from clients to employees and beyond – to create a positive impact.

Learn more about sustainability at Julius Baer.

“

A crucial factor in the shift towards a more sustainable and equitable world is innovation, new ideas and start-up entrepreneurship.



Financial institutions creating impact

Generali Switzerland and HITS on a mission to sustainability



Climate change, migration, social upheaval, dwindling resources – our society is facing major challenges. The issues of tomorrow require us to identify innovative solutions with a sustainable impact, today. Generali Switzerland is showing what a sustainable insurance business looks like and what role the House of Insurtech Switzerland is playing as an enabler for innovation.

Insurance entails responsibility. This responsibility is not limited to the here and now – it also covers future generations. As a result, Generali Switzerland is not only focusing on its responsibility as a company: this insurance company is also taking on its responsibility towards society and the environment.

Sustainable products – what customers expect today

Sustainability can be integrated into a company's product range and is increasingly something customers demand. For example, BearingPoint's 2021

Sustainable Insurance Sentiment Barometer shows that more than 80 percent of the people surveyed in Switzerland expect insurance companies to promote sustainable behaviour with their products. Consequently, Generali Switzerland is working on solutions that not only protect its customers, but also encourage them to act in an environmentally conscious and responsible manner. For example, customers who drive environmentally friendly vehicles receive discounts on their car and motorbike insurance, while in the area of pensions, customers can invest sustainably with the company's "Tomorrow Invest" investment plan. This allows them to invest in future-oriented key industries and certified companies that are demonstrably committed to a better world.

Sustainable investments – ESG factors as the key

As an institutional investor, the Generali Group has a direct impact on the protection of the environment and human rights. Generali is aware of its responsi-



bilities in this regard. It has signed the [United Nations Principles for Responsible Investment](#) and is one of the founders of the Net Zero Asset Owner Alliance ([“NZAOA”](#)). In addition, the company introduced Responsible Investment Guidelines in order to better control environmental, social and governance (“ESG”) risks in its investment processes. Investment in sustainable real estate is also central to Generali Switzerland, and ESG criteria are a key factor in this, too.

House of Insurtech Switzerland – space for sustainable innovation

Start-ups drive fresh ideas and progress. That is why the House of Insurtech Switzerland (HITS) Corp-Up Studio plays an important role at Generali Switzerland as an enabler for sustainable innovation. HITS is an open innovation lab that brings together companies from the insurance industry and start-ups to jointly develop innovative services. Around 15 start-ups are working on the solutions of tomorrow at its innovation garage in Adliswil. They include Capacity Zurich, a talent and start-up incubator for people with a refugee or migrant background. Generali Switzerland supports Capacity as part of its “The Human Safety Net” initiative, which aims to promote the potential of disadvantaged people, and in turn, give them the chance of a better life.

Recently, HITS signed a proof-of-concept partnership with the start-up Neuroprofiler to examine customer’ risk profiles and their interest in sustainable investment products using behavioural finance insights, gamification and specific profiling on ESG. This will enable Generali Switzerland to recommend sustainable investment products, such as “Tomorrow Invest”, in accordance with the customer’s impact appetite. These interdisciplinary partnerships give rise to novel concepts and insurance-relevant solutions.

Learn more about sustainability at Generali Switzerland here.

“

The corp-up studio “House of Insurtech Switzerland” plays an important role at Generali Switzerland as an enabler for sustainable innovation. At House of Insurtech, insurance companies and start-ups come together to jointly develop future-oriented services.

Financial institutions creating impact

Overcoming the New Data Challenges of the EU ESG Regulations



Interview with Janine Hofer-Wittwer, CFA, Financial Information, SIX



Janine Hofer-Wittwer, CFA
Senior Product Manager
Financial Information, SIX

The ESG revolution in the world of finance has been swift but is coming under considerable pressure. The commitments that have been made by governments and organizations, including at last year's COP26, to ensure private money is efficiently targeted to the companies and projects that can achieve the UN's sustainability goals, are now a reality for companies and financial market participants.

With the demand for ESG investments growing at a rapid pace and the requirements of ESG regulations continuing to evolve, new challenges have emerged in 2022 for financial institutions with regard to the sourcing of high-quality ESG data to enable sustainable investment decisions and fulfil their disclosure obligations. It is important that market participants don't lose sight of the ESG regulatory requirements they need to adhere to. In particular, in the area of product suitability.

The upcoming Sustainable Finance Disclosure Regulation (SFDR) implementation is firmly on the radar of market participants, with many firms coming to grips with their preparation for the disclosure requirements under these new regulations.

Also, the proposed revisions to the current MiFID II suitability guidelines, to reflect the upcoming EU MiFID II ESG changes, should bring considerations about ESG regulations and suitability to the top of the agenda for financial institutions, as the implementation of the regulatory update is due in August of this year, leaving little time to get prepared.

As with disclosure, key to compliance will be the use and integration of non-financial ESG data into firms' workflows. The complex nature of that data, however, means that many market participants will experience challenges in gathering, processing and reporting the information that regulators expect.





Much of the data needed to comply with the suitability requirements under the MiFID II update is the same as that housed already for SFDR and the Taxonomy, but it needs to be presented in a different way.

Overcoming these new data challenges, will result in more than compliance capabilities to financial institutions. **Greater transparency into the ESG performance of companies, financial instruments such as equities and bonds and financial products like funds will enable investors and asset owners to identify the huge opportunities offered by a market that is estimated to account for a third of all assets in the coming decade.**

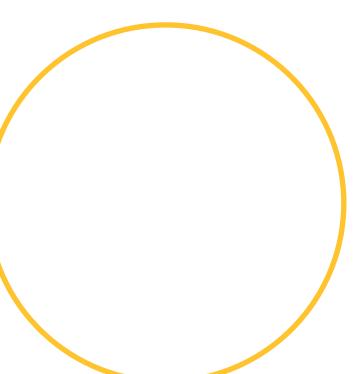
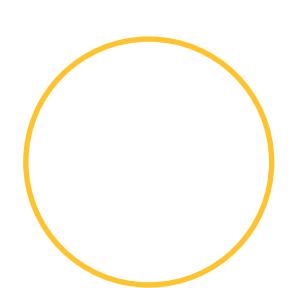
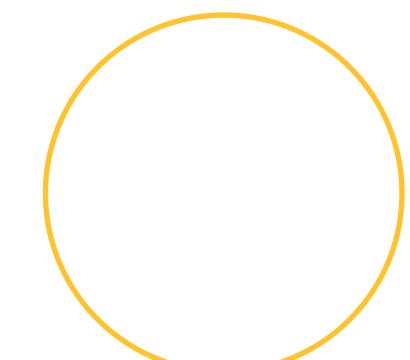
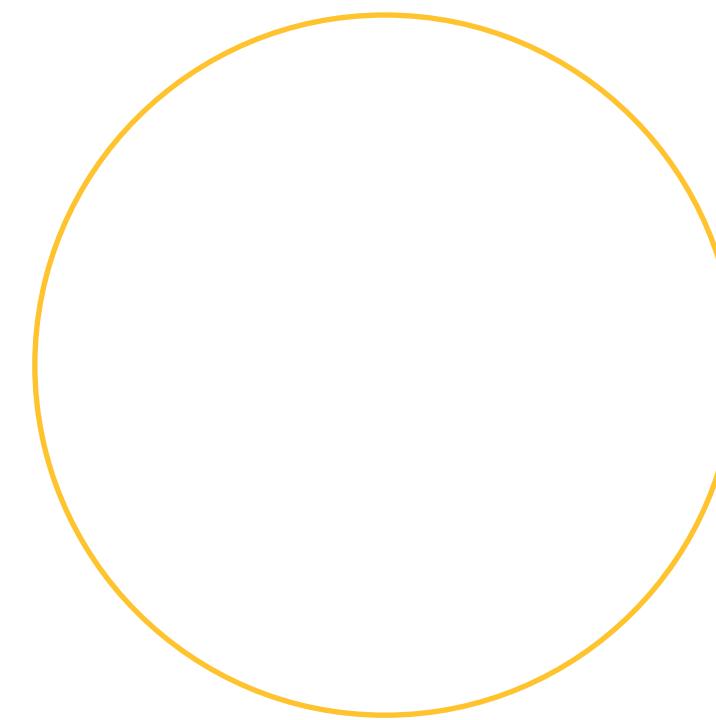
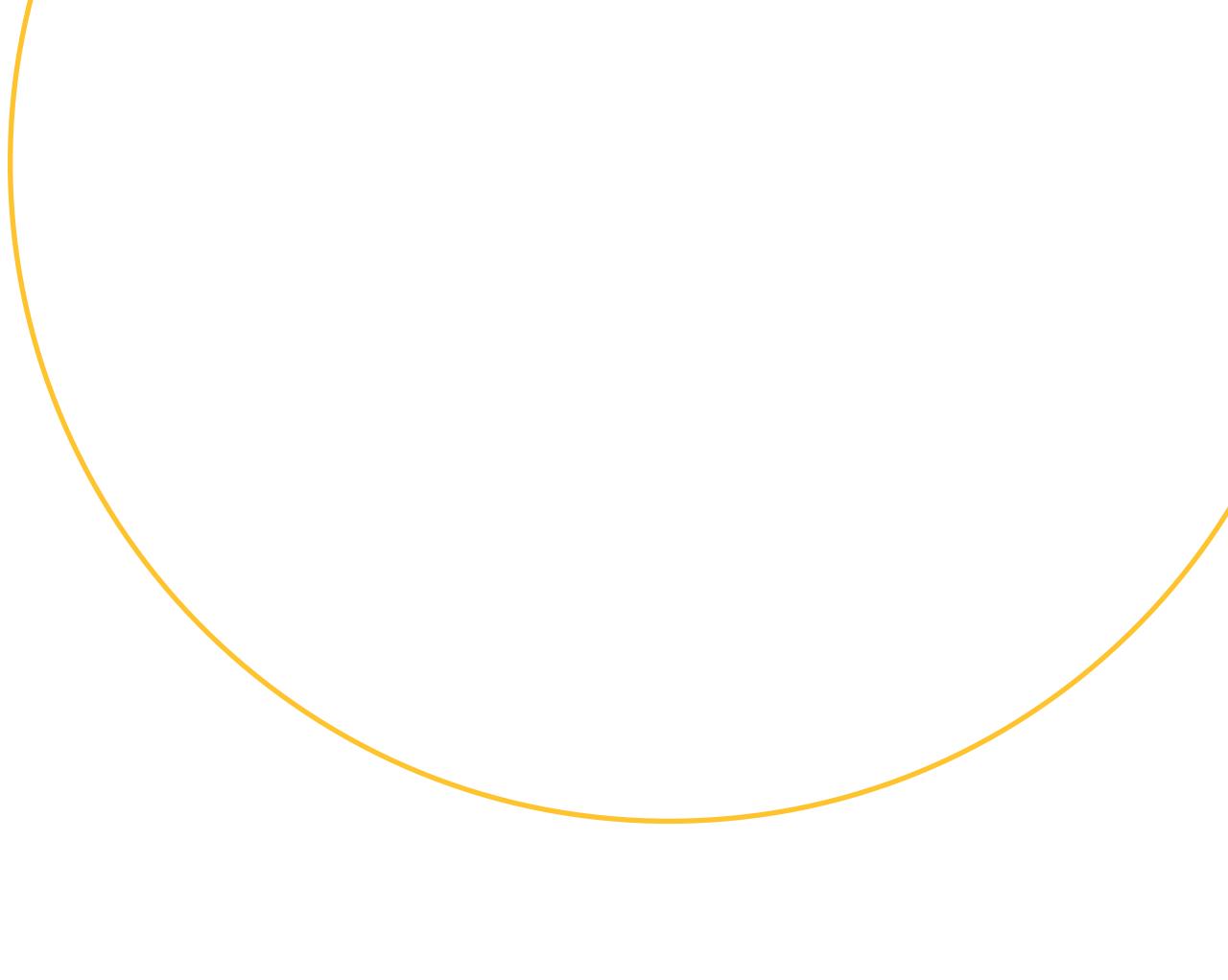
With more elements of the EU ESG regulatory framework coming into force, it has never been more important for financial institutions to ensure their ESG data capabilities are up to speed. This will not only ensure compliance with the regulations, but also an opportunity to effectively address changing customer needs.

Learn more about ESG Regulatory Data from SIX here.

“

Key to compliance will be the use and integration of non-financial ESG data into firms' workflows.





Part 3

VC perspectives on Climate FinTech



**COMMERZ
VENTURES**



Investor Perspective

2021 was a breakthrough year

Interview with **Paul Morgenthaler**, Managing Partner at CommerzVentures

**COMMERZ
VENTURES**

What is your approach when investing in Climate FinTech?

Greenhouse gas emissions are always connected to financial transactions, be it from consumer purchases, or investments by companies or public entities. By “following the money” we can identify the sources of emissions. And we can use the financial system to fund or incentivize climate-friendly actions. It is obvious that Climate FinTech can play an important role in that context.

What is an example of one of your Climate FinTech investments?

In 2021 we led the \$19 million Series A round of Doconomy. They are setting the global standard for transaction-based carbon footprinting, both for corporate and individual consumer footprints. It is important that we use a common “language” for climate impacts, because without a common language there is no incentive for real action. Doconomy is defining that language.

What excites you the most about Climate FinTech adoption?

2021 was a breakthrough year for Climate FinTech. Funding for startups in the space was \$1.2 billion, which is 3x higher than in all previous years combined. This shows that many Climate FinTechs

have moved from concept stage to deploying their products and making a real impact. Based on the fundings we have seen in the first few months of 2022, we can expect another record year, which is very exciting!

What advice do you have for founders looking for capital in this space?

We still receive too many pitches that are anecdotal and just rely on storytelling when it comes to demonstrating climate impact. Try to quantify the impact your company will have at scale. If you open your pitch with that number, you will have our interest.

“

The fiercest carbon fighters will build the most valuable businesses.

Investor Perspective

Purpose-driven capital for Southeast Asia

Interview with **Jonathan Ang**, Investment Director at Sustainable Future Fund



The Sustainable Future Fund is a strategic initiative by Eco-Business and Tembusu Partners to deploy purpose-driven capital into solving the most urgent sustainable development challenges across Asia. The Fund pursues high impact and commercially viable growth stage opportunities focused on Southeast Asia that address the climate crisis and reduce social inequalities. It will take a broad sector approach and focus on three high opportunity areas identified: sustainable cities & communities, sustainable foods, and sustainable energy.

What key elements or measures of success do you look for in investible Climate FinTech startups?

We are ultimately backing the founding team – at the early stage of a company's growth, the founding team's ability to navigate strategy pivots, getting commercial traction, building the team and fundraising, is critical for success.

What is an example of one of your Climate FinTech investments?

Being a recently launched fund, we have built a significant pipeline in Southeast Asia. We will be looking to close 3-5 investments in

2022. One example of a relevant company which we are doing due diligence on is a startup providing consumer brand companies the ability to deploy software down the supply chain to track in real-time a particular product's carbon footprint.

What excites you the most about Climate FinTech adoption?

5 years ago, nobody in Southeast Asia talked about ESG or climate fintech adoption. That has changed in the last 2 years and the ecosystem is now vibrant and growing as stakeholders from government to corporates to consumers see the need for change.

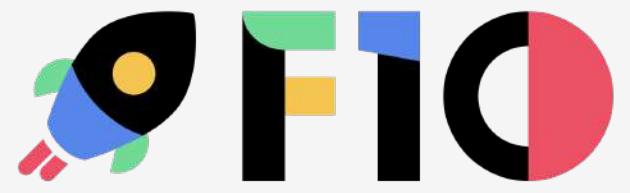
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There has never been as good a time in Southeast Asia for founders in this space to fundraise. I would recommend founders to seek out like-minded investors who see the need for change.

Part 4

Outlook

What can the key learnings tell us about the future of Climate FinTech?



In the future every FinTech will be a Climate FinTech

Climate FinTech is going mainstream. Over the next year, millions of people will learn for the first time what the footprint of their transactions looks like, as technologies are integrated into major banks' user experiences. Millions of tons of carbon offsets will be securitized and sold as credits to thousands of corporations seeking to chase net zero dreams. Enabling technologies to make this happen are key, and pose a unique opportunity to incentivize and educate consumers and corporations about their impact on the planet.

Outlook #1



Despite increasing inflation and macro headwinds of this year, we expect Climate FinTechs to increase in their attractiveness to investors, increasing Year on Year funding activity, especially considering that the majority of these technologies are more capital-efficient enabling software.

Outlook #2

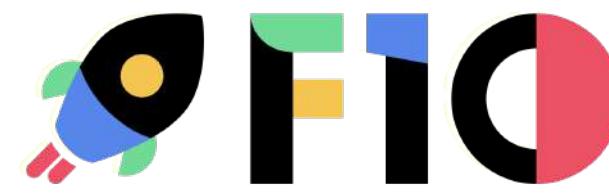


Solutions which facilitate enterprise carbon accounting and offsetting will continue to grow by leaps and bounds, especially given policy tailwinds which now mandate corporations to disclose their emissions in Europe, with signals of the same from the US.

Outlook #3

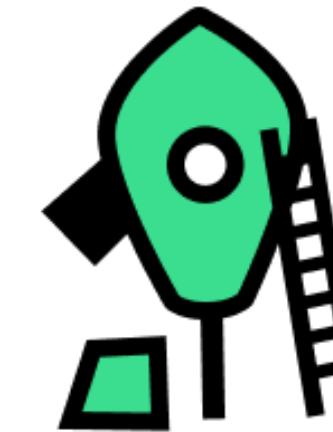


More women will emerge as leaders & founders in Climate FinTech, especially as Diversity & Inclusion is a focal component to climate tech startup culture. A unique opportunity for BIPOC communities and emerging markets as well – driving capital and data towards a more sustainable and equitable future.



Join the future of finance.

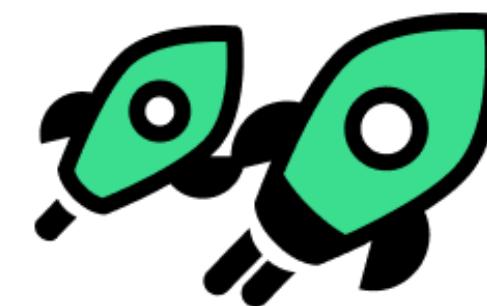
For **ambitious founders**
looking to build and grow their
venture



For **leading corporations**
looking to innovate faster and
create impact



For **investors** looking to
access to rigorously vetted
dealfow



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