

Yorkshire Climate Action Coalition presents:

# Financing Yorkshire's Green Transition



Breakout discussion summary:  
6 key takeaways



## The importance of credible transition plans

Lenders are ready to deploy capital, but the key to success is that businesses develop credible transition plans so that investors and lenders can do their due diligence, and so that the choice and structuring of financing aligns with those areas that maximise positive impacts.

## Education is key

To navigate the rapidly evolving customer, regulatory, and reporting environments, and make better informed decisions about which finance sources are best suited to achieve specific decarbonisation goals, education is imperative for businesses and lenders.



## Collaboration is crucial

Lenders want and need to work more closely with business borrowers to identify and mitigate some of the inherent uncertainties of decarbonisation initiatives. Multi-party solutions, such as public-private partnerships, are essential in sharing risk and facilitating increased lending and investment.

## New KPIs for borrowers and lenders

Linked to underlying sustainability objectives, borrowers must be prepared to assess and report to lenders on new KPIs. However, some businesses are overwhelmed by rapidly changing assessment frameworks, and greater standardisation of sustainability-related KPIs needs to be achieved within the financing community.



## The changing role of lenders

Without the same body of historical data to support decision-making, lenders must strike a balance between data-driven analysis and human decision-making when lending for decarbonisation initiatives.

## The commercial property challenge

The real estate community is wrestling with how to tackle energy-inefficient buildings at risk of obsolescence. In order to minimise risk for all parties, lenders are eager to work proactively with businesses and equity investors to explore retrofit and alternative use opportunities.

