



Embedding net zero into capital markets



Funding Options is an SME lending platform that has launched a Green Finance Initiative to drive sustainability into the SME lending market by connecting businesses to the funding they need to reach Net Zero. Approximately 25% emissions in the UK are from SMEs so it is crucial that they are able to reach this goal. This transition requires capital and this can be harder to acquire for SMEs than larger companies. Funding Options' Green Finance Marketplace aims to make these changes easier for SMEs by closing the funding gap. The initiative matches businesses which participate in renewable or sustainable activities, sell sustainable products or services or are working on green projects with lenders. Lenders are also required to show a green commitment: e.g. by providing a product specifically tailored to the purchase or leasing of green assets; a proposition developed to support green businesses; varied pricing rates for businesses with renewable or low/zero carbon activities, products or services; and/or a sustainability, ESG or green policy. The initiative provides access to green funding enabling SMEs to reach their net zero goals.