



PRB Worktrack Engaging Clients on Sustainability Impacts, Risks and Opportunities

Essentials stream – Session #3
*Building Organizational Capabilities for Engaging Clients
on Sustainability*

April 30

Client Engagement Worktrack – Essentials stream

Ways of working

Confidentiality & Chatham House Rules

Please **respect Chatham House rules** and do not attribute anything that was said within this meeting. Please do not share meeting papers or drafts of documents outside of the working group. Sharing documents before they are finalized and have gone through governance can hinder the progression of work.

Anti-trust & Competition law

Participants are reminded that it is their **responsibility to follow Anti-trust and Competition law obligations** across the countries in which they and UNEP FI are active. An exchange of information can achieve the same as an explicit agreement, and it is important to avoid exchanging information that might result in abuse of competition laws, even if only inadvertently.

As a result, there will be **no discussion or disclosure of any commercially strategic or sensitive information (including pricing, client-specific details, or forward-looking business strategies)** and any information shared will be limited to that necessary for the purposes of the agenda.

It is the responsibility of all participants to comply fully with competition law at all times, and to raise any concerns they may have in this regard in real time (whether at a meeting or in relation to a communication).

Client Engagement Worktrack – Essentials stream

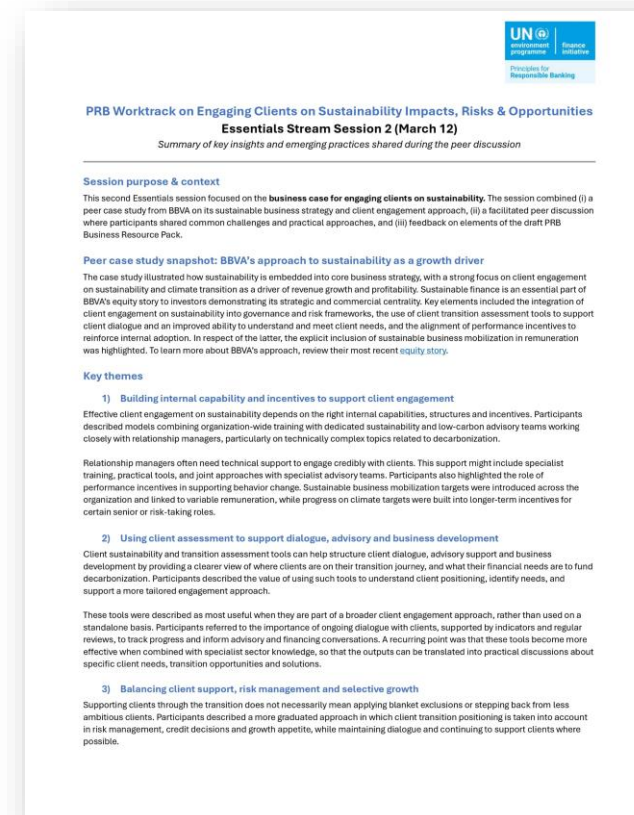
Session 3 | Meeting agenda

Agenda Item	Overview	Presenter(s)	Timing
1. Welcome	Welcome & introduction of the agenda	UNEP FI Secretariat	10 min
2. Peer case study	Lloyds Banking’s approach to Sustainability-led Client Engagement	Sophie Dejonckheere, <i>Director, Head of Climate and Transition Strategy</i> Alice Melvin, <i>Associate Director, Sustainable Finance & Transition</i> Andrew Murray, <i>Associate Director, Climate and Sustainability Strategy</i>	20-30 min
3. Group Discussion	Facilitated peer discussion to reflect on shared challenges and trade-offs and identify good practices across banks’ experiences.	Worktrack Participants	15-20 min
4. Closing	Key takeaways, worktrack updates & upcoming sessions	UNEP FI Secretariat	5 min

Client Engagement Worktrack – Essentials stream

Session 2 | Key Themes & Discussion Points

- **Peer case study** on BBVA's approach to *Sustainability as a Growth Engine*.
- **Positioning sustainability** as a core business driver, linked to revenue growth, risk management and strategic positioning
- **Effective client engagement** requires strong internal capabilities, combining RM ownership with specialist support and aligned incentives.
- **Client assessment tools** as key enablers to structure dialogue, identify client needs and support tailored advisory and financing approaches.
- **The business case** remains challenging to evidence in practice, particularly on revenue, requiring clearer metrics and internal framing.


[Download session 2 summary note](#)



Lloyds Banking Group

Case study: sustainability-led client engagement

CORPORATE &
INSTITUTIONAL

Sustainability in CIB | How we're structured

Group-level oversight

Responsible Business Committee
Board level committee joined by LBG's Chairman, with attendance from CEO, Group Audit and additional NEDs.

Group Sustainability
Net Zero Commitments
Group-level Strategy & Targets
External Sector Statements
Sustainability reporting
Sustainable Finance Framework

- Also sets strategy for:
- Business & Commercial Banking (BCB) inc. SME & mid-sized corporates
 - Retail Banking

Corporate & Institutional Banking

Portfolio Analytics (BCB)
▪ Manages client emissions data
▪ Informs Top100+ client prioritisation
▪ Runs Sustainable Asset Eligibility Forum (SAEF)

ESG Risk
▪ Reviews clients for climate, nature, social, governance and broader environmental risk
▪ Embedded within credit risk framework to inform financing decisions
▪ Enforces External Sector Statements and monitors Net Zero Investment Portfolio

Corporate and Institutional Coverage

Sustainable Finance and Transition Team
▪ 16 experts support coverage on sustainability & transition
▪ Lead thought leadership initiatives on sustainability topics
▪ Deliver 100+ client transition plan assessments per year
▪ Engage clients with market insights, capacity building, and strategy support

ESG Strategy

Climate and Transition Strategy

VCM

CIB Governance: Sustainable Asset Eligibility Forum (SAEF)
▪ GSSSB+ loans (bonds delivered through LBCM), Clean Growth Financing Initiative (CGFI), Net Zero Investment Portfolio (NZIP),
▪ **October 2025**, 14 experts embedded in coverage teams

Services and Public Sector (x2)

Institutional Coverage (x2)

Healthcare, TMT, Leisure (x1)

Real Estate and Housing (x3)

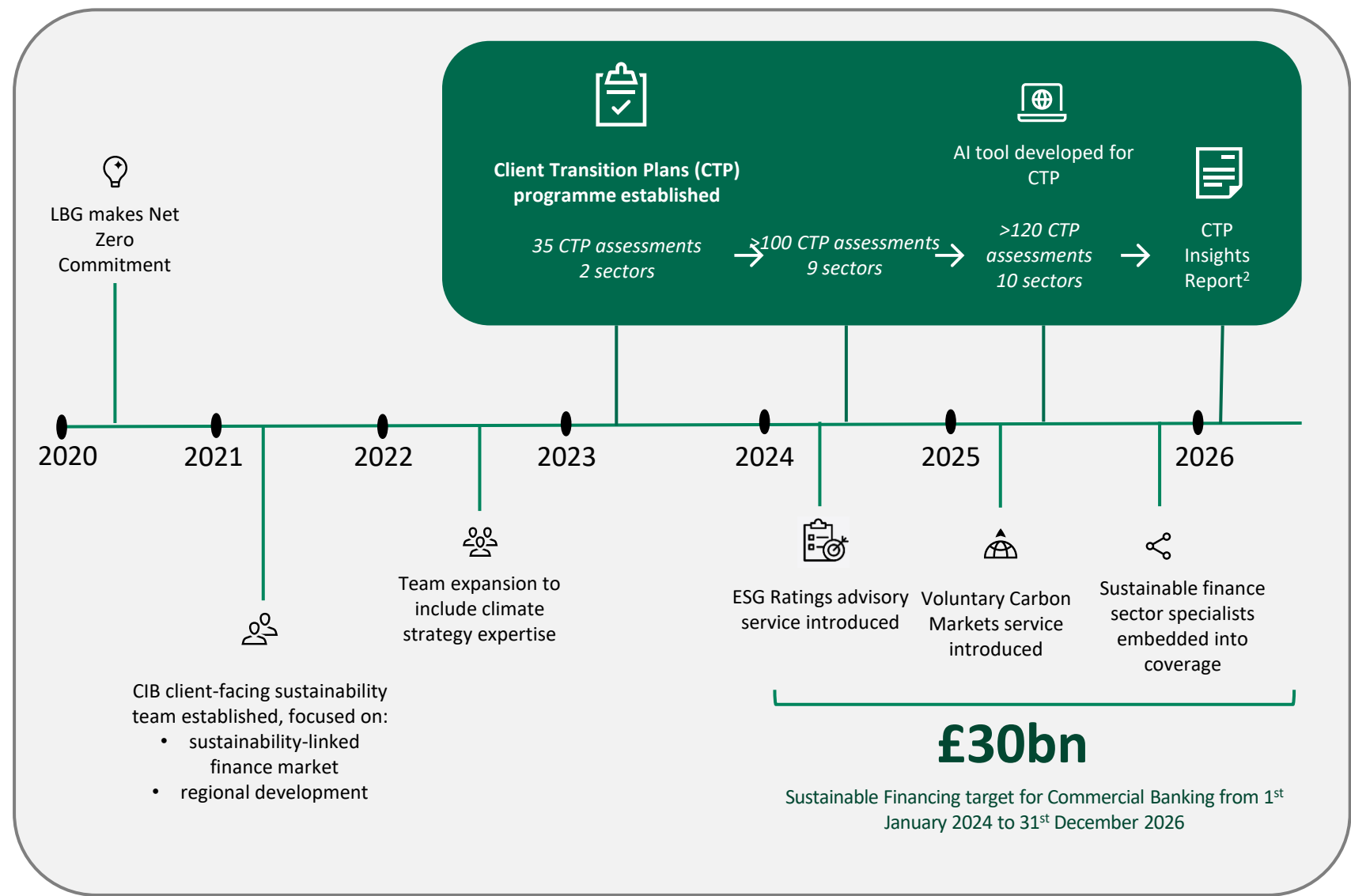
Energy and utilities (x3)

Infra & Transport (x1)

Manufacturing & Industrials (x1)

Consumer (x1)

LBG Sustainable Finance & Transition | How the team developed



>260

Client Transition Plan assessments since 2023 using our bespoke methodology²

>£70bn

Sustainable Finance executed for commercial customers since 2022¹

- Over 30 individuals across SF&T and ESG Coverage have technical expertise from backgrounds in:**
- Sustainability consultancies
 - Corporate climate strategy
 - Corporate banking
 - Law
 - Sustainable finance

1 Sustainability report 2025 - Lloyds Banking Group; 2 2026 CTP insights report

Client engagement | Climate & Sustainability

Team objectives and services are designed to deepen client relationships and create opportunities for transactions

Sustainability themes	Market insights	Capacity building	Strategy review	Transaction support
	To increase awareness...	To increase understanding...	To increase integration...	To finance initiatives....
Decarbonization	Trends and best practices for: <ul style="list-style-type: none">Sustainable finance capital marketTransition planningStandards and Principles updatesInvestor insightsSector-specific trends, regulations, and best practices	Workshops and targeted training on: <ul style="list-style-type: none">Sustainable finance products, standards, and innovationsESG ratings optimizationBuilding an impactful integrated transition strategyPolicy and regulatory landscape	Peer benchmarking and methodology reviews for <ul style="list-style-type: none">ESG materialityStakeholder engagementTransition planningSupply chain engagementNature and carbon integrationResilience planning	<ul style="list-style-type: none">Sustainable finance framework updatesTaxonomy alignmentGreen, social, sustainability-linked, and transition bond and loan structuringVCM transactions (detail on next slide)
Social inclusion				
Nature				
Adaptation and resilience (A&R)				
Governance				
Responsible AI*				

* White space for exploration

Transition Planning Strategy Reviews | CTP engagement

Client transition plan assessments focus on identifying challenges and opportunities presented by the transition. We leverage frontline specialist expertise to provide bespoke client advisory support.

Corporate clients are covered by multiple layers of client transition assessments¹

Initial Assessment: Transition Risk

96% of corporate clients in CIB included within ESG Tool Climate Risk Assessment.

Streamlined assessment completed as part of ESG credit risk identification & assessment framework.

Outcomes:

Embed outcomes into our multi-factor decisioning processes. Informs our sector & client level risk appetite.



Enhanced Assessment: Client Transition Plans (CTP)

Priority clients covered by annual in-depth CTP assessment

- In 2025, we undertook 108 detailed CTP assessments, representing £14.7bn of drawn lending
- Sector coverage: oil & gas, power & utilities, aviation, auto OEMs, road transport, manufacturing, leisure, food & drink, retail
- New sector in 2025: Real estate & housing
- Detailed assessments completed by SMEs in specialist frontline team
- Factors considered: climate, nature, just transition, A&R

Outcomes:

- Provide greater understanding of client transition activities supporting financing decisions aligned to the transition
- Identify opportunities to support a real-economy transition through finance
- Use client engagement to support clients in maturing their sustainability strategy and transition planning



Leveraging CTP for Direct Client Engagement

Highly detailed, bespoke assessments are leveraged, where appropriate to hold impactful direct engagement with clients

LBG Sustainable Finance & Transition | Pivots & lessons learned

Pivots

We started with...

- CTPs as a Net Zero progress check in, driven by impact aspirations and anticipated policy and regulation
- Centralised team of sustainability experts covering transactions and advisory
- Experienced bankers developing sustainability solutions and financing

We pivoted to...

- Offering CTPs and general sustainability expertise as a service to support value generation
- Sustainability experts focused on transactions embedded in coverage with central client-facing team supporting with subject matter expertise & engagement
- Blended experience team able to bring range of insights & experience

Lessons learned

Internal

- **Coverage is your client too:**
 - Coverage teams and clients are stretched thin: demonstrate explicit client demand, unique & relevant insights, or a link to a potential opportunity.
 - Establish a direct relationship with clients' sustainability teams (with the RD's support) to deepen the banking relationship.
 - Support coverage through sustainability governance processes and ensure sustainability is not conflated with compliance.
- **You can be your clients' advocate**, understanding & reflecting their real-world challenges in support of the transition.
- **Gain a deeper understanding of your relationship with each client**, especially where part of multi-bank group, earlier identification of opportunities and issues.
- **Build a commercially-oriented team of experts:** acting as the “*translator*” between the sustainability & finance, requiring multidisciplinary skills.

External

- **Sustainability expertise can be a useful complimentary service** to support relationship building and increased client touch-points.
- Transition finance is a loosely-defined category outside of traditional green taxonomies; **client-facing teams must be solutions oriented** and should bring nuanced understanding of the business challenges & technologies.
- CFOs, treasurers and sustainability teams may not coordinate internally; you might **be the connector that spots the opportunity**.
- **Clients have intense reporting fatigue**; our engagement priority is not to add to their workload but to support them to deliver the transition.
- **Government and industry bodies value banks' opinions:** leverage your convening power to influence the operating environment.

A group of rowers in a boat on water at sunset, with a large diagonal graphic overlay. The background is a photograph of a rowing team in a boat on a body of water during sunset. The sun is low on the horizon, creating a golden glow on the water's surface. The rowers are silhouetted against the bright light. A large, dark blue diagonal shape cuts across the image from the top right towards the bottom left. On the far left, there is a solid orange vertical bar.

Engaging clients on sustainability impacts, risks and opportunities

3. Group Discussion

Group Discussion

1) Bridging sustainability and business

- What has worked (or not) in connecting group-level sustainability expertise with frontline colleagues?
- How important is your team's formal organizational location within the organisation to effectively bridge?

2) Ways of working with frontline/relationship managers (RMs)

- What are the most effective ways to build RM confidence and create a “one team” mindset between sustainability and frontline teams?
- What has been most critical to building trust and credibility with frontline colleagues over time?



Engaging clients on sustainability impacts, risks and opportunities

Closing

London in-person workshop

June 25

In parallel with the UNEP FI Global Roundtable (June 23–24), we are hosting an **invite-only** in-person workshop for PRB Client Engagement worktrack participants — providing a dedicated space for peer learning and deeper engagement.

WORKSHOP OBJECTIVES

01



Safe Space for Peer Sharing

Peer exchange & presentations
among worktrack participants.

02



Community Building

Strengthen relationships across the
PRB Client Engagement Worktrack
community.

03



Business Case Deep-Dive

Working session on developing a
persuasive business case in your
bank.

IN-PERSON WORKSHOP



DATE

Thursday 25 June
09:00 – 11:00 UK



VENUE

Central London
(tbc shortly)



FORMAT

Workshop style
20 Participants



AUDIENCE

Work track members: sustainability &
business colleagues. **If not travelling
to London, extend an invitation to
relevant UK-based colleagues.**

Express interest! Write to Oualid Rokneddine (oualid.rokneddine@un.org) if you or any colleagues will be in London & wish to attend.

A rowing team of nine people is seen from behind, rowing a long boat on a body of water. The scene is captured at sunset or sunrise, with the water reflecting the golden light of the low sun. The rowers are silhouetted against the bright water. The boat is a long, narrow racing shell. The water is calm with gentle ripples. The sky is not visible, but the reflection of the sun creates a bright, shimmering path across the water's surface. The overall mood is peaceful and serene.

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Thank you!