

Easy Guide to becoming
a Signatory of the:

PRINCIPLES FOR RESPONSIBLE BANKING



UNEP
FINANCE
INITIATIVE

PRINCIPLES FOR
RESPONSIBLE
BANKING



“Every bank should become a signatory, and all regulators, investors, policy makers and civil society should support the banking industry as it adopts and implements the Principles for Responsible Banking.”

Christiana Figueres

Convener Mission 2020 and former Executive Secretary of the United Nations Framework Convention on Climate Change (UNFCCC)

About

The Principles for Responsible Banking

The Principles for Responsible Banking have been shaped by a **core group of 30 leading banks**, the 'Founding Banks', through the UN Environment Programme's Finance Initiative (UNEP FI). These Principles are designed to guide a bank to strategically align its business with the development and sustainability goals that the world has set for itself – internationally, regionally and nationally.

The Principles have already been **endorsed by more than 100 financial sector institutions** around the globe, marking the establishment of a new sustainable banking industry that is positioned to both respond to and drive today's emerging global sustainable development economy.

A bank which commits to the ambitions set out in the Principles becomes an official 'Signatory Bank'.

Founding Banks



Here we map out the process of how to sign up, and what is expected of banks that do so.

“We’re proud to be part of the core group of banks that developed the Principles for Responsible Banking. Barclays exists to help develop sustainable economies and to empower people to build better futures. We are committed to playing our part to deliver the Sustainable Development Goals and we do this by helping our clients to raise billions of dollars of social and environmental financing, upskilling millions of people and helping to drive job creation.”

Jes Staley

Group CEO, Barclays PLC

1.

**The value
of being a
Signatory
Bank**

This innovative framework enables any bank, whatever its starting point, to align its business strategy with society's goals – creating a new era of 'responsible banking'.

Why? Because the needs and demands of a bank's clients, customers, employees and investors are shifting now that society has established its Sustainable Development Goals, the Paris Climate Agreement and other relevant national and international goals—a new sustainable development economy is emerging. The Principles for Responsible Banking support your bank to leverage the business opportunities in this new era of sustainable social, environmental and economic development—and to importantly manage emerging risks associated with this new operating environment.

These Principles are also purpose-built to serve all banks, regardless of where a bank is based, the type of banking in which it is engaged, and/or its level of experience on issues related to sustainability.

Banks are supported in implementing the Principles—and realizing significant impacts—by a growing global community of banks and other financial institutions that have endorsed them and are committed to sharing their knowledge, experiences and expertise. As a Signatory, you will become a member of this growing community.

The Principles for Responsible Banking benefit Signatory Banks by:

- **Providing one comprehensive framework** for effectively responding to the emerging sustainable development economy across your bank's entire business—at the strategic, portfolio *and* transactional levels.
- **Enabling your bank to seize new business opportunities** created by the emerging sustainable development economy, while at the same time enabling your bank to effectively identify and address related risks—and mitigate any negative impacts of your bank's activities.
- **Strengthening trust in your bank** and ensuring that it remains not only relevant and competitive in this new era, but that it increases its value to those that it serves by demonstrating its alignment with the emerging sustainable development economy. This includes responding to the evolving needs and rising expectations of clients, customers, regulators and investors.
- **Providing direct access to expert knowledge, tools and resources** to strengthen your bank's positioning and capacities within the emerging sustainable development economy.

“Finance in its very nature is forward looking, and we must make sure that it works not only for profit but also for the future of the people and the planet. The framework set out by the UN Environment Finance Initiative in its Principles for Responsible Banking will enable us to move collectively in that direction.”

Jean-Laurent Bonnafé
CEO, BNP Paribas

2.

**How to
become a
Signatory
Bank**

Becoming a Signatory Bank is a three-step process:



1. Sign the Principles for Responsible Banking

Your bank's CEO signs the official [Principles for Responsible Banking commitment document for Signatories](#).



2. Become a UNEP Finance Initiative Member

[Apply for UNEP Finance Initiative membership](#) to join a global network of hundreds of financial institutions, and gain access to a wide range of knowledge, tools, resources and expertise.



3. Promote your bank's commitment

Publicly promote your bank's positive action with a news announcement and quote from your CEO.

3.

Expectations of a Signatory Bank

Being a Signatory Bank calls for your bank to take certain steps to ensure the quality and credibility of your commitment and your bank's progress. Here we outline this process in simple terms.*

* For more detailed information, view the technical documents:

[Key Steps to be Implemented by Signatories](#) and [Reporting and Self-Assessment Template](#).



Step 1:

Analyse your impacts

Through an impact analysis, your bank will identify its most significant (potential) positive and negative impacts for the people and environment where it does its business. Consider all of your bank's main activities. This will also help your bank to identify strategic business opportunities through which you can increase positive impacts and decrease negative ones.



Step 2:

Set targets and begin implementation

Having identified your bank's most significant positive and negative impacts, set at least two ambitious targets. Make sure they are SMART – Specific, Measurable (quantitatively or qualitatively), Achievable, Relevant and Time-bound to reduce the significant negative impacts and increase your bank's positive impacts.

With your bank's targets set, begin implementation towards achievement of these. Make sure your bank sets milestones, and that it can effectively monitor and measure its progress.



Step 3:

Demonstrate accountability

Share your bank's progress in its existing assured public reporting, no need to produce a separate report. We have developed a [Reporting and Self-Assessment Template](#) to make it easier for your bank to report its progress. Make sure that your bank is transparent about any significant positive and/or negative impacts it has had on people, the economy and/or the environment.

Timeline

The Principles for Responsible Banking are designed with the understanding that **each bank is beginning this process from a different starting point**. For this reason, your bank will have 18 months to publish its first report, and four years to implement the three key steps.

The UNEP FI Secretariat and the Banking Committee will engage with your bank and provide support and guidance if your bank is struggling to meet this timeline.

If, despite this support, a bank does not progress over time and can not provide a reasonable explanation, it may no longer be listed as a Signatory.

“We want to constantly advance towards becoming a reference for good practice and innovation, multiplying the positive impact on society and influencing the financial market in order to fulfil, with increasing efficiency, its role of supporting and encouraging sustainable development.”

Octavio De Lazari Junior
CEO, Bradesco

Next steps for your bank

Now that you have explored how your bank can join with 100+ other banks worldwide who have committed to the Principles for Responsible Banking, we invite you to contact us directly.

We look forward to working with you and to guiding your bank to become an official Signatory of the Principles for Responsible Banking.

Contact:

Simone Dettling

Banking Team Lead, UNEP FI

✉ simone.dettling@un.org

Learn more:

unepfi.org/responsiblebanking

