

UNEP FI Tools for Impact Management

January 2023

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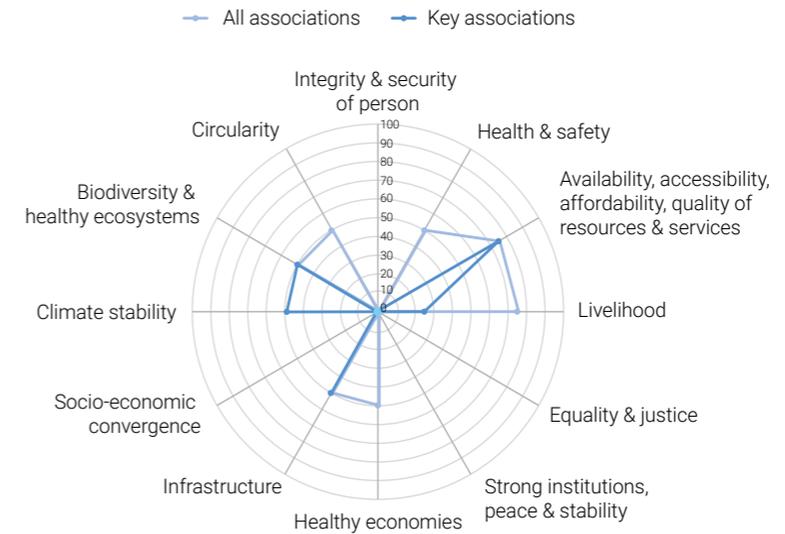
UNEP FI's approach to impact management

In 2017, UNEP FI's Principles for Positive Impact Finance put forward a new, holistic, approach to impact management by private financial institutions, involving the systematic consideration of both positive and negative impacts across the three pillars of sustainable development. This approach is now embedded in the requirements of the UN Principles for Responsible Banking.

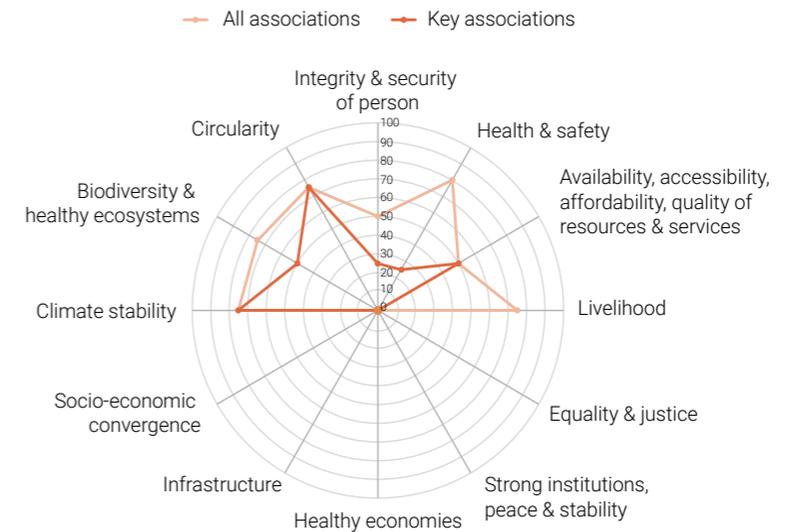
Holistic impact analysis serves to anticipate and manage unintended consequences and risks, and to leverage the interconnectedness of impact areas into innovative business solutions with better cost to impact ratios.

UNEP FI has developed a **comprehensive suite of resources** to analyse and manage impacts as per UNEP FI's holistic impact approach and in conformity with the requirements of the Principles for Responsible Banking.

Positive Impact Associations

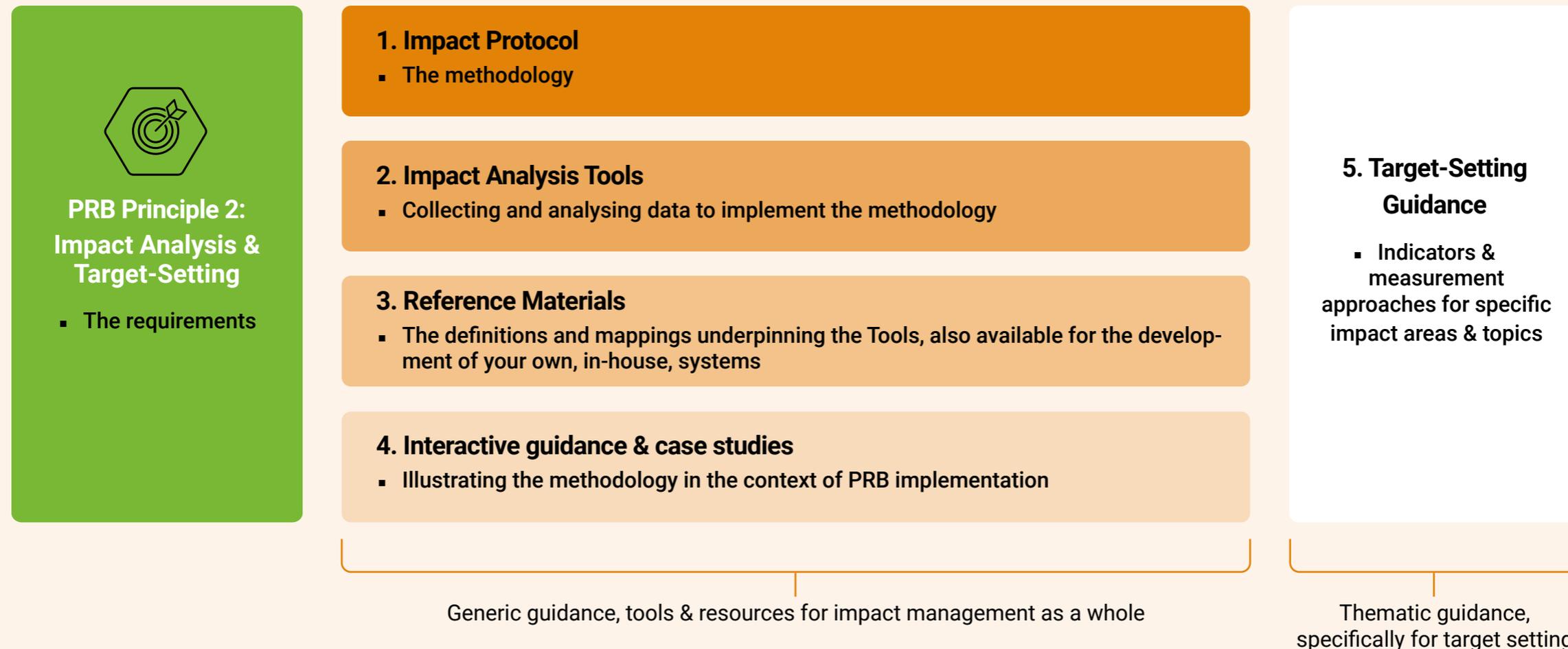


Negative Impact Associations



The UNEP FI Impact Management Toolkit for banks

The figure below shows resources that form the toolkit for impact management. The Protocol provides a high-level overview of the impact management process that enables compliance with the requirements of PRB Principle 2, whereas the Tools and other resources can be used to operationalise the methodology.



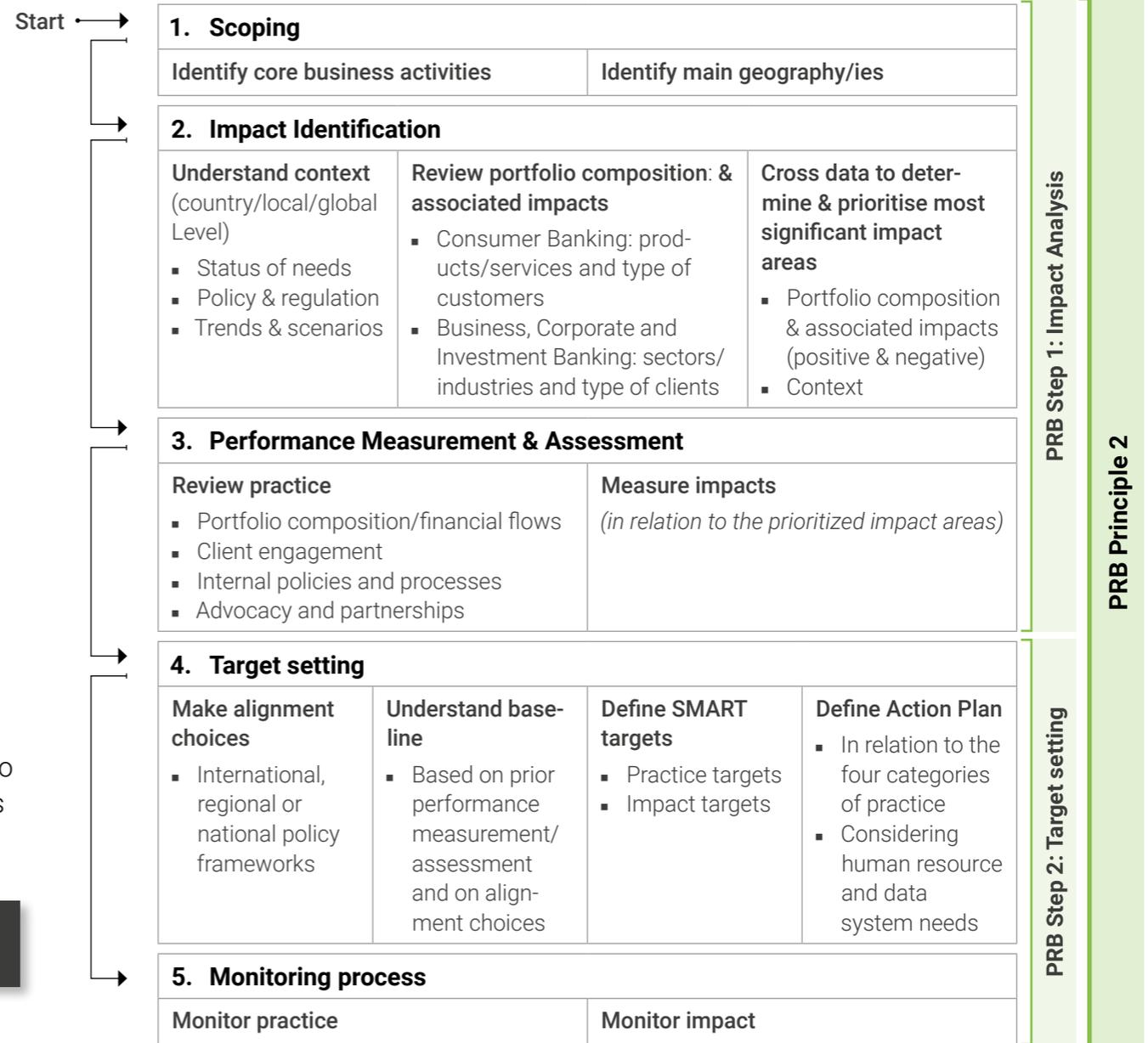
1. Impact Protocol

The methodology



The **UNEP FI Holistic Impact Analysis Methodology** is a five-step process to understand and manage potential and actual positive and negative impacts across the spectrum of environmental, social and economic issues.

The Impact Protocol is available [here](#)



2. Impact Analysis Tools

The **UNEP FI Impact Analysis Tools** are to help practitioners implement holistic impact management, as outlined in the Impact Protocol, in practice.

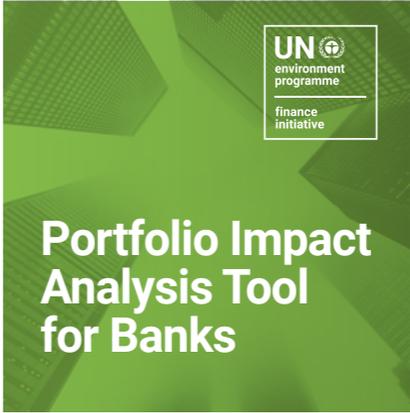
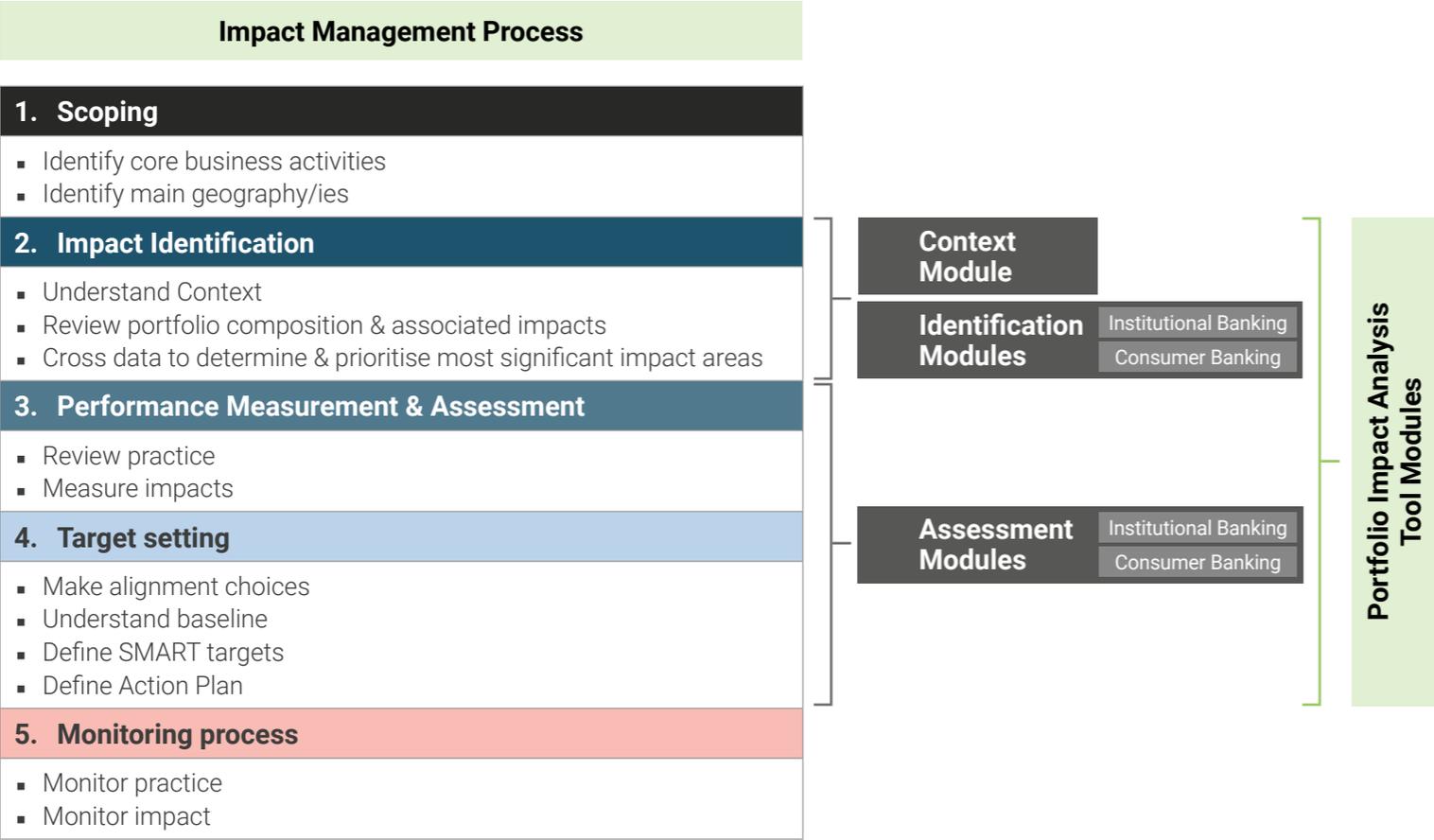
- Easy-to-use input-output tool (excel-based)
- Helps you structure your data collection
- Provides multiple data visualisations to support your analysis
- Includes SDG visualisation and reads across to a number of frameworks (e.g. EU Taxonomy)
- Available for download from the [UNEP FI website](#)

Ultimately impact analysis needs to be embedded in the bank's internal IT systems; the Tools provide a steppingstone along the journey.



Portfolio Impact Analysis Tool

Understanding and managing the impact profile of your portfolio



The **Portfolio Impact Analysis Tool for Banks** is an easy-to-use input-output tool to assist throughout your impact management process, one module at a time. It comes with User Guides & Demos for each of the different modules.

The Tool is available [here](#)

Other Impact Analysis Tools



Significant asset management/ investment activities? Use the [Investment Portfolio Impact Analysis Tool](#) to complement your impact analysis.



Use the [Real Estate Impact Analysis Tool](#) to analyse your real estate investments (single assets & portfolios/funds).



Analyse your corporate clients and investees as part of your client engagement efforts with the [Corporate Impact Analysis Tool](#).

All Tools are available [here](#)

3. Reference materials

The [Impact Radar](#) provides the compilation and definitions of the Impact Areas & Topics used across UNEP FI's impact analysis tools and resources.

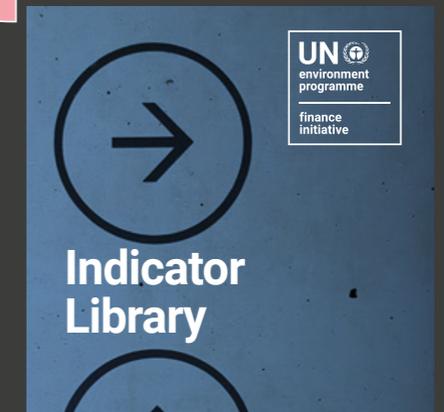
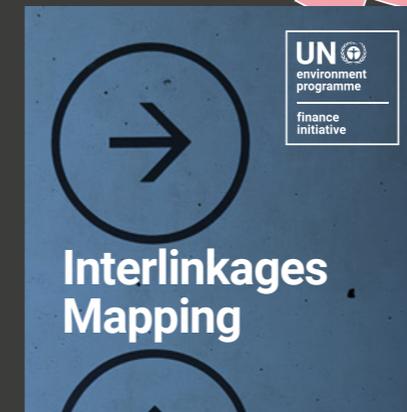
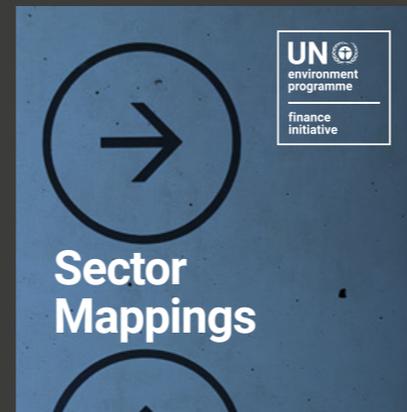
An important part of Impact Management is to understand:

- How activities/assets may be positively/negatively associated with the Impact Areas or Topics
- What are the interlinkages between the different Impact Areas or Topics
- What indicators and metrics can be used to monitor practice and performance



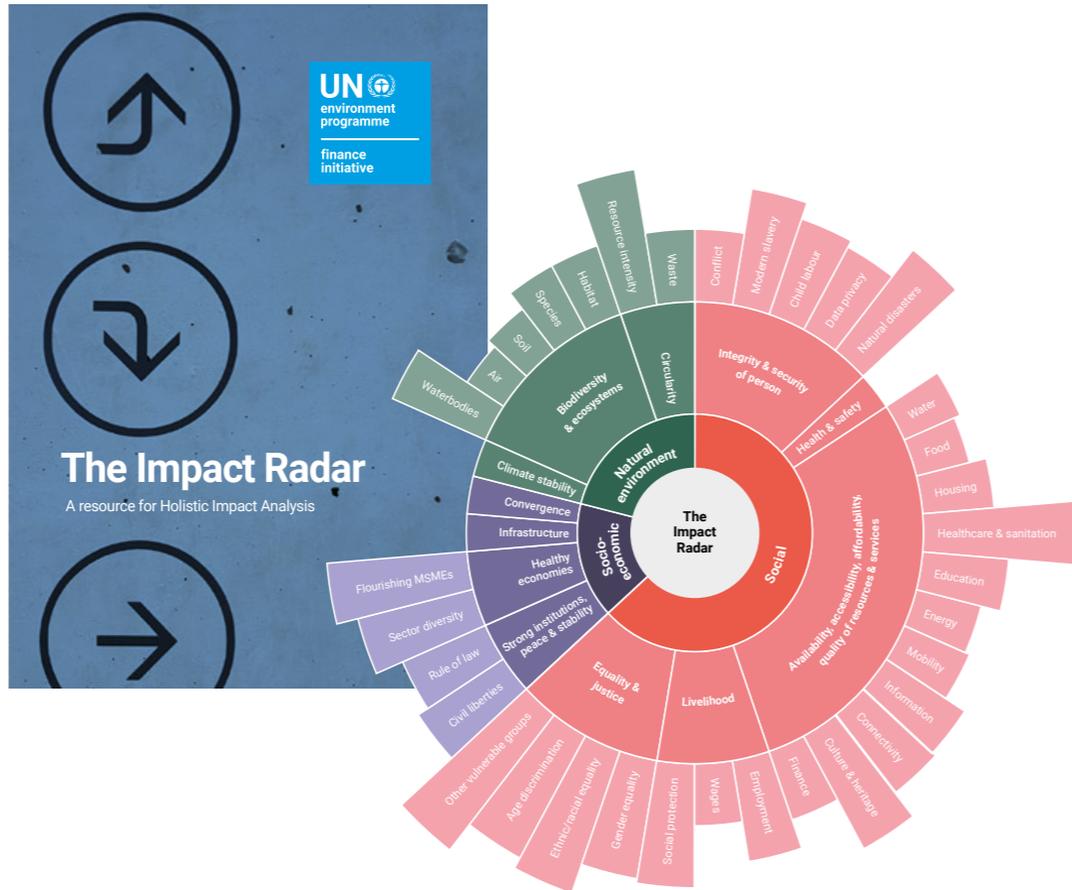
The [Impact Mappings](#) and the [Indicator Library](#) build on the Impact Radar to provide guidance on sector associations, interlinkages and impact-related indicators and metrics.

The definitions and mappings underpinning the Tools can also be used for the development of your own, in-house, systems.



Impact Radar

A compilation of Impact Areas & Topics

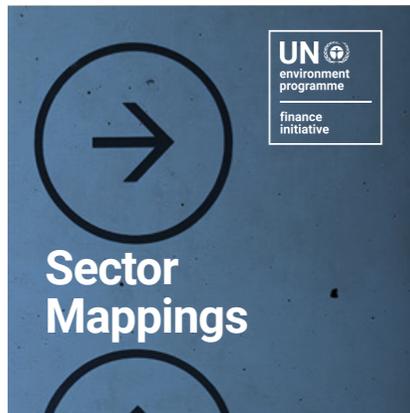


- Based on the three pillars of sustainable development and covers the SDGs
- Includes definitions grounded in internationally recognised standards & definitions
- Embedded across UNEP FI's Impact Analysis Tools and Resources

The Impact Radar is available [here](#)

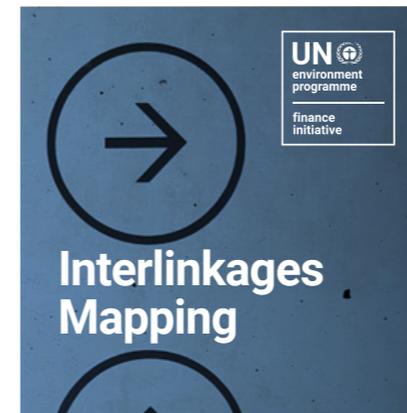
Impact Mappings

Which Impact Areas & Topics are associated to which sectors? How are they interlinked?



The **Sector Mappings** include:

- The **Sector-Impact Map**: a mapping of positive and negative associations between sectors and the Impact Areas/Topics
- The **Key Sectors Map**: a mapping of sectors that are key to different Impact Areas/Topics

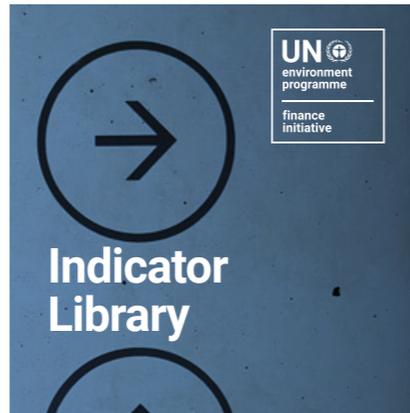


The **Interlinkages Map** charts how taking action on one Impact Area/Topic might positively or negatively affect other Impact Areas and Topics.

The Impact Mappings are available [here](#)

Indicator Library

A compilation of indicators and metrics for the Impact Areas & Topics of the Impact Radar



The [Indicator Library](#) draws from a variety of sources, including:

- Disclosure Frameworks [GRI, SASB, CDP, TCFD]
- Impact Investor and Development Bank Resources [IRIS+ and HIPSO]
- Jurisdictional Taxonomies [EU Adaptation and Mitigation Taxonomies]
- UNEP FI / PRB Core Indicators for Climate Change Mitigation & for Financial Health/Inclusion

The Indicator Library is available [here](#)

4. Interactive Guidance & Case Studies

Illustrating the methodology in the context of PRB implementation

Impact analysis and target setting process

Interactive Guidance
V 1.4
This version includes the changes of the framework review that are under final consultation and the impact tool modules (v4)
14.09.2022



Rationale	Requirements	Journey	Step by step	Examples	Impact tool	Glossary
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You can find in this **Interactive Guidance** for Impact Analysis and Target Setting process the rationale, requirements, detail timeline and examples. The Guidance will be updated constantly, and we encourage banks to send us examples and resources that can be useful to everyone.

Please feel free to send us suggestions or comments of what else you would like to see in this interactive guidance (email to maria.sosataborda@un.org)

Instructions:

You can navigate **through the bar on the top.**

You can go through the **sessions of the PowerPoint** (on the left) →

We included only the initial 4-year implementation, however for the following years banks should improve their impact analysis, set more targets and implement action plans to achieve targets.

Rationale

Requirements

Journey

Starting

0-6 months

6-12 months

Year 1 – Year 2

Year 2 – Year 3

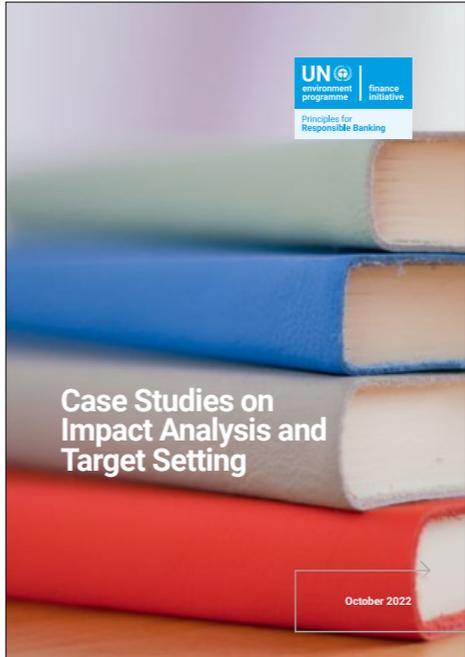
Year 3 – Year 4

Examples

Impact Tool

Glossary

The Interactive Guidance is available [here](#)



October 2022

Case studies about three banks' experience in performing impact analysis and target-setting.

The Case Studies are available [here](#)

Raffaelsen Bank International AG (RBI) regards Austria, where it is a leading corporate and investment bank as well as Central and Eastern Europe (CEE) as its home market. Twelve markets of the region are covered by subsidiary banks. RBI has sustainability ambassadors in each subsidiary and periodic meetings to ensure that consistent approaches are adopted across all subsidiaries in the Group. Additionally, the group comprises numerous other financial service providers, for instance in the fields of leasing, asset management, as well as M&A. To support its business activities, RBI operates representative offices and service branches at selected Asian and Western European locations.

Alignment

Raffaelsen Bank International is committed to responsible banking for a sustainable future. That is why RBI was the first bank in Austria to sign the UN Principles for Responsible Banking (PRB) at the beginning of 2021. As a responsible bank, it aims to support its customers in Austria and CEE with sustainable financial products and comprehensive know-how. The CEE region is composed of both EU and non-EU member countries with various development levels, each of them having environmental and social challenges. At the strategic level, RBI envisages to align its business with sustainability (in line with Principle 1 of the PRB) as part of its strategic directions spelled out in its Vision & Mission 2025. Sustainability is an explicit pillar of this strategy with the intention to integrate "Responsible Banking" into core business activities.

Pillars of RBI's Vision & Mission 2025



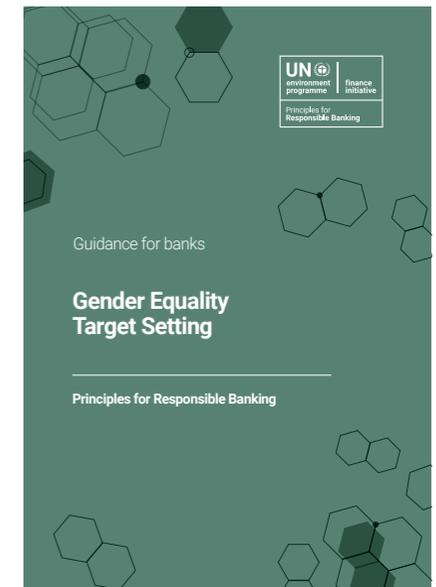
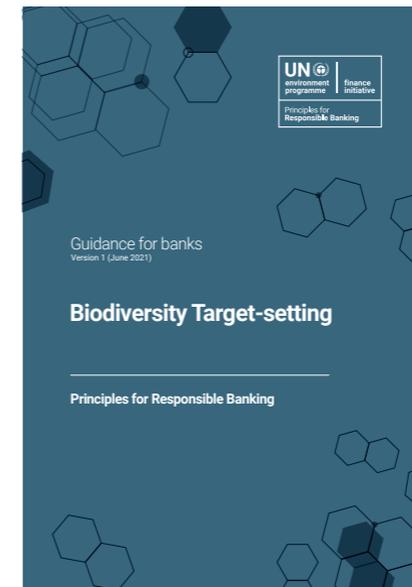
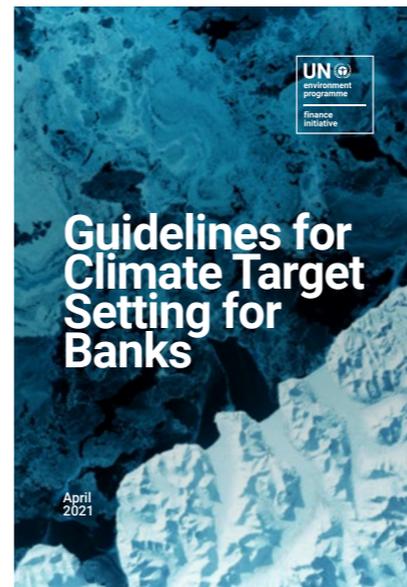
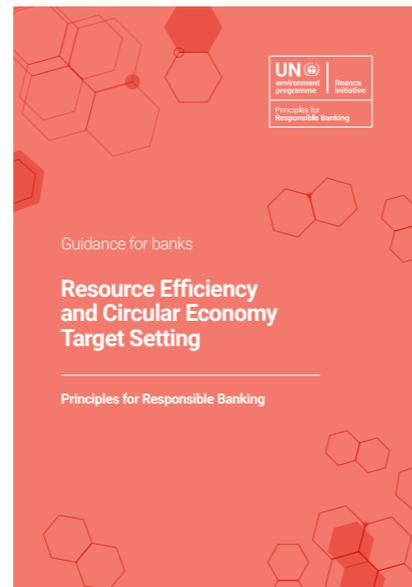
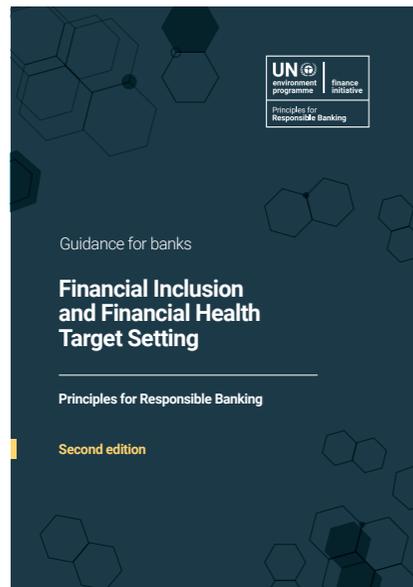
Impact analysis

Shortly after signing the Principles, RBI began identifying and assessing its impact on people and environment based on the three dimensions of sustainability (environmental, social and economic). In line with Principle 2, it launched a thorough process to find out where it can have the most significant impacts.

Case Studies on Impact Analysis and Target Setting
October 2022 | Raffaelsen Bank International

5. Target-Setting Guidance

Indicators and measurement approaches for specific Impact Areas & Topics



These guidance documents provide a deep-dive on target-setting for: biodiversity, climate change mitigation, financial inclusion and health, gender equality, resource efficiency and circular economy.

The Target-Setting Guidances are available [here](#)

What support is available?



Workshops

- On-boarding /Impact analysis workshops
- Target-setting workshops



Implementation Support Sessions

By business community:

- Consumer banking
- Business banking
- Corporate banking
- Investment banking

By geographic region:

- North America
- Latin America & Caribbean
- Europe
- Africa & Middle East
- Asia Pacific



Helpdesk

- Email-based support
- Up to one hour of one-on-one meetings

Contact us to find out more [here](#)

Join the growing Community of Practice

Approximately half of UNEP FI's PRB signatories are already using UNEP FI's Impact Analysis resources and tools, including:





**finance
initiative**

United Nations Environment Programme Finance Initiative (UNEP FI) is a partnership between UNEP and the global financial sector to mobilise private sector finance for sustainable development. UNEP FI works with more than 450 members—banks, insurers, and investors—and over 100 supporting institutions—to help create a financial sector that serves people and planet while delivering positive impacts. We aim to inspire, inform and enable financial institutions to improve people’s quality of life without compromising that of future generations. By leveraging the UN’s role, UNEP FI accelerates sustainable finance.

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