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2022 Overview for UNEP FI Member Banks

Message from your UNEP FI Banking Board

Dear UNEP FI Member Banks and Principles for Responsible Banking Signatories,

2022 is another critical year for the world, seeing major UN summits on nature ([CBD COP 15](#)) and climate ([COP 27](#)). It's a year for us all to deliver on our ambitious commitments as Principles for Responsible Banking signatories. Every single one of us needs to deliver— only together as a community can we succeed in credibly demonstrating the change we are achieving worldwide.

As the largest community of sustainable bankers worldwide, we are proud to be working together, supporting each other, developing shared tools and guidance with leading experts, and pushing boundaries in sustainable finance. We look forward to achieving our ambitions together.

Your Banking Board Co-Chairs



Wendy Dobson



Siobhan Toohill

On behalf of your [Banking Board](#)

PRB Priorities in 2022

The Principles for Responsible Banking have been signed by over 260 banks, breaking new ground in sustainable finance and working collaboratively with leading peers on the same journey towards a sustainable future.

In 2022, the Secretariat will focus on providing support to enable your bank to complete its **impact analysis**, and to **set targets** in areas of most significant impact through capacity building programmes, regional workshops and working groups.

We will continue with our **individual feedback and support programme**, and this year also offer **individual help with impact analysis** to ensure you are able to better understand your banks' impact on people and planet.

This year, we are also **reviewing the framework** itself—the key steps to be taken by signatories and the reporting template—a process which happens every two years in order to improve the framework's effectiveness and maintain the ongoing relevance of the Principles over time. We hope that your bank provided input into the consultation, and encourage you to remain engaged in this process.

We will continue to help banks meet their PRB **climate** commitment via the Net-Zero Banking Alliance, and we urge banks to take similar action to address **nature loss, pollution** and **social issues**—all of which are woven into our work programme this year. I would particularly draw your attention to the one on one impact analysis discussions, the regional workshops on climate change mitigation, the capacity building programme for biodiversity and resource efficiency, and our focus on strengthening human rights due diligence processes. We also encourage you to sign up to the PRB Commitment to Financial Health and Inclusion.

A new strand will see our teams collaborate with the Principles for Responsible Investment (PRI) on the new **Investment Leadership Programme**, which will delve into investment banking, sustainability data challenges, and other critical avenues for sustainable banking.

This document lays out the projects, activities and training across UNEP FI, with key contacts, enabling you to get involved and join your peers in building a sustainable future. Get involved and help us build a positive future—for people and planet.



Puleng Ndjwili-Potele
Banking Lead (Interim), UNEP FI

Contents

Message from your UNEP FI Banking Board	2
PRB Priorities in 2022	3
1. Individual support	5
PRB individual feedback and support meeting	5
2. Analyzing your impact.....	6
Impact analysis direct support	6
Impact Analysis Peer Exchange Platform	6
SDGs & Impact.....	7
Impact analysis working groups on tool development.....	7
Impact Management Platform	7
3. Thematic focus: Impact, risk and target setting.....	8
Climate.....	8
Net-Zero Banking Alliance (NZBA)	8
TCFD and Climate Risk Programme	9
Nature	11
PRB Biodiversity sub-group	11
Task Force on Nature Related Financial Disclosures (TNFD)	11
ENCORE online tool.....	12
Ocean–Blue finance	12
Social Issues.....	13
PRB Commitment to Financial Health and Inclusion.....	13
Resource Efficiency and Circular Economy	14
Investment Leadership Programme (ILP).....	15
4. Regulatory Focus	16
Banking and EU Taxonomy Project Phase II.....	16
5. Training	17
UNEP FI training programmes	17
Responsible Banking Academy—coming in 2022.....	17
6. PRB Resources	18
PRB Guidance Documents	18
Online members area for banks	18
PRB annual reports from your peers	18

1. Individual support

PRB individual feedback and support meeting

The UNEP FI Secretariat supports banks on an individual basis with their implementation of the Principles by providing an annual, individualized Feedback and Support meeting for each bank.

The UNEP FI Secretariat will:

1. Review each Signatory's reporting once a year, based on the requirements set out in the official framework documents.
2. Provide feedback on the progress made, and recommendations on the next steps the bank can take on its implementation journey.

Download the [overview](#) to learn about the individual feedback meetings, scope and documents covered. Following the publishing of your bank's PRB report, the Secretariat will be in touch with your bank to set up your meeting.

2. Analyzing your impact

Impact analysis direct support

This is an opportunity to have a one-on-one discussion about challenges you are facing with your impact analysis with a member of the UNEP FI Banking team.

To book your appointment, contact [Sura Abdulhalim](#).

Impact Analysis Peer Exchange Platform

Join this unique peer exchange platform to learn from your peers and input into impact analysis guidance materials.

To join, contact [Maria Taborda](#).

Regional workshops

In 2022, UNEP FI will organize regular regional workshops on impact analysis across Africa and the Middle East, Asia-Pacific, Europe, Latin America and the Caribbean and North America.

For upcoming workshops in your region, contact [Maria Taborda](#).

SDGs & Impact

Impact analysis working groups on tool development

The aim of this workstream is to facilitate the use of the UNEP FI's holistic impact methodology (embodied by the suite of [Impact Analysis Tools](#)), including as a unique mechanism for complying with requirements under the Principles for Responsible Banking. The activities of the workstream are organized into the following groups:

- **PRB working group on portfolio tools development:** this group is working on the development of the V3 of the [Portfolio Impact Analysis Tool for banks](#) (release in 2022). This new iteration will enable independent usage of the different components of the Tool, increase capacity and automation, facilitate target-setting and further enhance interoperability with other (voluntary or mandatory) frameworks. The group will also work on the development of the V2 of the [Investment Portfolio Impact Analysis Tool](#) (2022–23) in collaboration with PRI.
- **Joint implementation support programme with PRB:** this programme aims at supporting banks with the implementation of their impact analysis, according to the PRB's requirements. This involves the delivery of on-boarding workshops, [troubleshooting sessions on the Impact Analysis Tools](#), as well as individual one-to-one support.
- **Value reporting foundation working group on corporate tool development:** the purpose of this working group is to support organizations seeking to integrate sustainable development issues into their strategy and communicate their contribution to achieving the SDGs through their integrated report. Participants will apply the UNEP FI's [Corporate Impact Analysis Tool](#) in their identification of their contributions to the SDGs and provide input to the development of the V2 of the Tool (release in 2022).

To participate, contact [Costanza Ghera](#).

Impact Management Platform

The Impact Management Platform is a collaboration between Partner organizations, all of which are leading providers of sustainability standards and guidance, to coordinate efforts and mainstream the practice of impact management. Opportunities to engage with the Platform will also be provided to banks through the Peer Learning Group. This will help participants understand existing impact management resources and their relevance to the PRB requirements.

To participate, contact [Careen Abb](#).

3. Thematic focus: Impact, risk and target setting

Climate

Net-Zero Banking Alliance (NZBA)

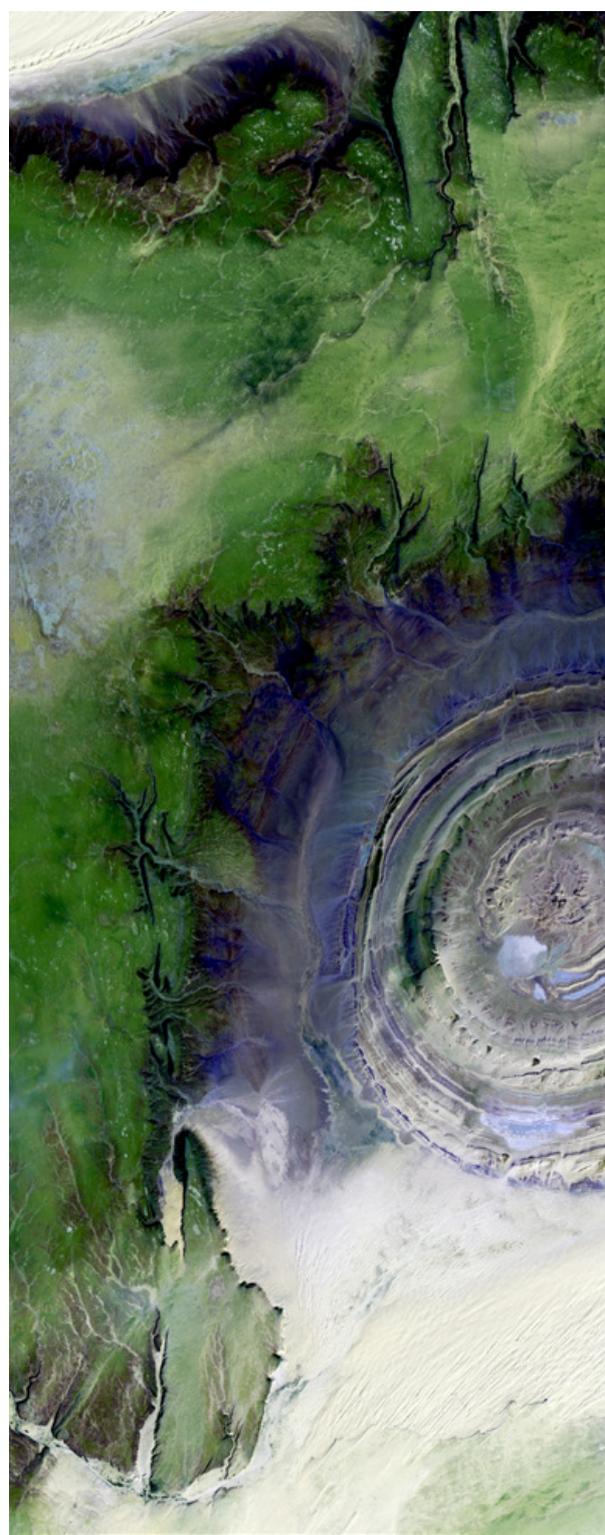
This Alliance is how Principles for Responsible Banking signatories can meet their climate commitments, and work together to set targets.

Launched in April 2021, the industry-led, UN-convened [Net-Zero Banking Alliance](#) brings together over 100 banks with over US\$66 trillion in assets, which are committed to aligning their lending and investment portfolios with net-zero emissions **by 2050**, consistent with a **maximum temperature rise of 1.5°C**. Combining near-term action with accountability, this ambitious commitment sees banks setting an intermediate target for 2030 or sooner, using robust, science-based guidelines.

In 2022, the Alliance members will progress the work on developing and implementing targets through three work tracks: sector, implementation and outreach and recruitment.

- The sector track will develop guidance for setting targets in priority sectors.
- The implementation track will focus on technical and methodological topics that are not sector-specific.
- The outreach and recruitment track will expand the reach of the Alliance through capacity building and strategically growing the membership.

The Alliance will continue to progress the vital role of the banking sector in facilitating the transition to a net-zero economy, demonstrating the leadership of the banking sector in the run up to COP 27.



If your bank is considering setting a net-zero commitment, contact us to be part of an experienced global community dedicated to sound climate implementation practices.

Click [here](#) for more information, or contact [Alice Anders](#).

Collective Commitment to Climate Action (CCCA)

The Collective Commitment to Climate Action was launched in 2019, with a select group of signatories fast-tracking the commitment that all PRB signatories have made to align their business strategy with the temperature goals of the Paris Agreement. This commitment is consistent with a maximum temperature rise of **well-below 2°C** above pre-industrial levels by 2100—equivalent to **net zero before 2065**. Since launch, the CCCA published their progress in [year 1](#) and [year 2](#), and drafted the [Guidelines for Climate Target-Setting for Banks](#)—an instrumental piece of work which also underpins the Net-Zero Banking Alliance. The CCCA and NZBA banks are now working together to further develop guidance for robust and science-based climate target setting.

Due to the IPCC report of 2018, which highlighted the increased risks of global warming exceeding 1.5 degrees, and the increased global ambition around Race to Zero at COP26, we encourage banks to join the Net-Zero Banking Alliance from 2021 onwards.

PRB climate capacity building—starting in Q2

The PRB team will firstly run a survey to identify PRB banks' capacity building and training needs for climate target setting. **Regional workshops** will then be rolled out in each region starting in Q2, as informed by the needs identified in the survey.

PRB banks are also invited to join the **peer learning sessions of the NZBA** and CCCA.

If you would like more information, contact [Alice Anders](#).

TCFD and Climate Risk Programme

The prior [TCFD pilots](#) have helped over 100 financial institutions from all around the world to enhance their climate risk toolkits and improve their climate risk disclosures. The banking pilots produced valuable insights about the key challenges faced by the financial sector in addressing climate risks. As the Phase III pilot nears completion, during the first half of 2022 UNEP FI plans to release a number of reports on climate scenarios, sectoral risks, and effective risk management. A new programme is under development to help member banks address critical questions about identifying, assessing and disclosing climate risks. Key topics will include climate stress testing, climate scenario analysis, legal risks, physical risk data, transition plans, and climate opportunities. Dedicated working groups will be formed to support these and other topics, with engagement and support from climate experts and the climate scientific community.

In 2021, UNEP FI's TCFD Programme also developed regional offerings to support the advancement of climate risk and disclosures practices by local financial institutions, particularly in emerging economy and developing country contexts. That has included a collaboration with GIZ for banks in Vietnam, workshops for the MENA region on

climate risks, an Irish TCFD implementation program with Financial Centres for Sustainability, and a number of other initiatives. In 2022 UNEP FI will further expand its TCFD Programmes to new regions and potentially create additional working groups for participants to discuss the climate challenges they are facing.

To express interest in the global TCFD Programme or regional TCFD sub-programmes, please contact [David Carlin](#).

Climate change adaptation—starting in Q2

The PRB team is currently exploring climate change adaptation as an increasingly important area of work ahead of COP27. The work will focus on developing recommendations on how PRB banks can approach adaptation in a conceptual paper to be developed with a group of select banks and reviewed by relevant stakeholders and experts on the topic.

For more information, contact [Johanna Dichtl](#) and [Paul Smith](#).

Physical climate change, adaptation and resilience

In 2021 ten leading financial institutions—including seven members of the Principles for Responsible Banking—launched the UNEP FI and Global Commission on Adaptation-convened [Physical Risk & Resilience Commitment](#) at the Climate Adaptation Summit. These financial institutions committed to disclose their climate-related physical risks within two years and are launching a one-year progress report on the UNEP FI website in February 2022, as well as contributing to a Good Practice Guide to physical risk disclosures, being developed by UNEP FI and the World Resources Institute.

For more information, contact [Paul Smith](#).

Nature

PRB Biodiversity Community

Join the PRB Biodiversity Community, a group of banks starting their journey in biodiversity and are interested in understanding how to integrate biodiversity considerations into their business activities and strategies. A building blocks approach will be taken, starting with the basic concepts of biodiversity & finance, and building on participants' knowledge through a structured set of learning sessions including on biodiversity impact & dependencies, product innovations, and sectoral target setting in sustainable food systems and mining. The Community will also explore the link between the net-zero transition and biodiversity, and how climate targets can be enhanced with relevant biodiversity-related targets. Members of the Community will have access to targeted resources and will learn from experts within UNEP FI, external biodiversity experts, as well as peers who are more advanced.

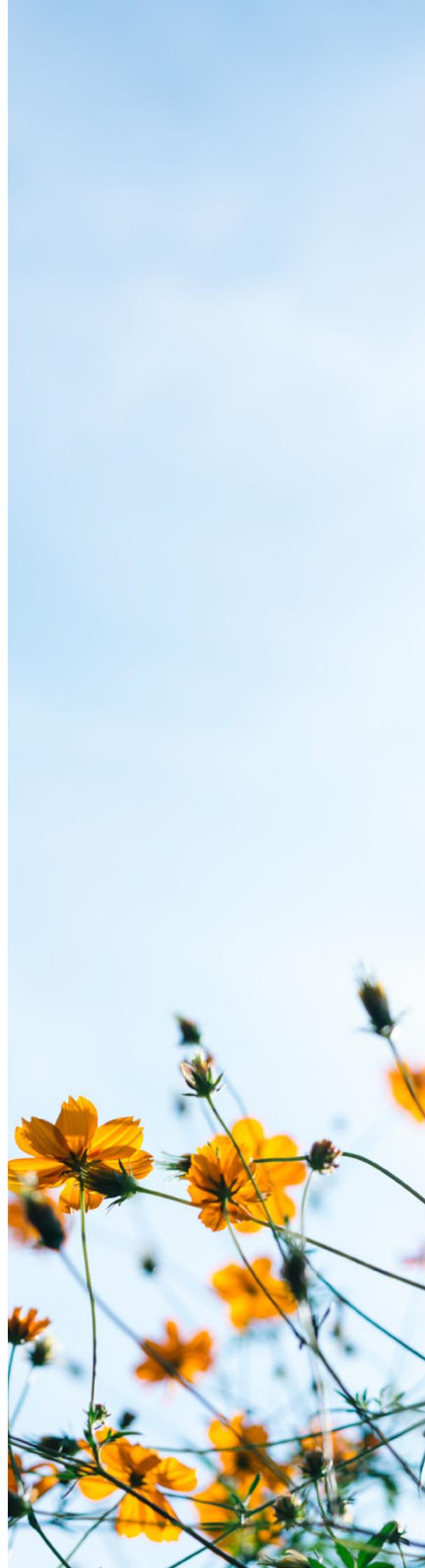
The Community is expected to start in March 2022. To join, contact [Oualid Rokneddine](#).

PRB Biodiversity Working Group

For those signatory banks that are ready to start setting their biodiversity targets, this working group will focus on providing practical steps and guidance on how to set your bank's biodiversity target - putting the Biodiversity Guidance Document into practice. For more information or to join this small working group, contact [Oualid Rokneddine](#) and [Jessica Smith](#).

Task Force on Nature Related Financial Disclosures (TNFD)

UNEP FI is one of the founding partners of the [Task Force on Nature Related Financial Disclosures \(TNFD\)](#), designed to bring transparency to the markets by building a risk management and disclosure framework for organizations to report and act on nature-related risks and opportunities.



Projected to go-live in 2023, the TNFD Framework will assist corporate and financial decision makers, report preparers and market analysts with their assessment and framing of nature-related risks and opportunities.

In 2022, UNEP FI will host five pilots, testing the TNFD beta framework with PRB members in selected countries in Asia, Latin America, and Africa. The pilots will work with identified financial institutions and corporates to test their ability to assess, measure and disclose nature-related risks in line with the TNFD.

To find out more or participate, contact [Romie Goedicke](#).

ENCORE online tool

The free-to-use [ENCORE](#) online tool is designed to help banks, investors and insurers assess the risks that environmental degradation causes for financial institutions. A new, ground-breaking biodiversity module focusing on agriculture and mining sectors was built into the tool in 2021 supported by 30 banks and investors.

In 2022, the ENCORE Partnership will look to further enhance the current training module.

To participate, contact [Jessica Smith](#).

Ocean—Blue finance

Join leading financial institutions focusing on the health of the world's ocean and marine resources by considering the positive impact they can bring to sectors such as shipping, seafood, coastal tourism, marine renewable energy and ports. The [Sustainable Blue Economy Finance Initiative](#) convenes banks, insurers and investors together around key ocean finance [Principles](#), developing workshops, guidance and strategies to finance a sustainable ocean recovery.

Following [practical financial guidance](#) published last year, Q1 2022 will see the initiative publish more easy-to-use guidance, in the areas of (solid) waste management, including plastics, and coastal defensive infrastructure, including nature-based solutions, as well as a position paper on how finance can minimize harm from extractive industries.

[Join the initiative](#) or for more information, contact [Dennis Fritsch](#).

Target setting for food systems

The [Good Food Finance Network \(GFFN\)](#) is a platform for financial stakeholders to work together on food and finance, which UNEP co-leads together with EAT, FAIRR, Food Systems for the Future, and WBCSD.

UNEP FI is jointly leading a High Ambition Group of the GFFN. This group, comprised of 12 financial institutions (including PRB members) and agri-businesses, is working towards identifying high impact areas (including deforestation, climate, food security, circularity) to set ambitious targets to drive action towards a sustainable food systems transition until 2030 with interim targets.

If you are interested in joining the High Ambition Group, please contact [Vanessa Rodriguez Osuna](#).

Social Issues

PRB Commitment to Financial Health and Inclusion

Launched in December 2021, the [PRB Commitment to Financial Health and Inclusion](#) is a first-of-its-kind commitment to promote universal financial inclusion and foster a banking sector that supports the financial health of customers. Driven by a working group of PRB signatory banks, the Commitment brings together pioneering banks who take up a leadership role in accelerating action this critical area.

In 2022, committed signatory banks will work on defining common indicators and share current best practices and successful approaches to financial inclusion to see how they might be further improved and adopted more widely across the sector.

If Financial Inclusion is an area of significant impact for your bank, join this leadership group and become part of the future of banking that fosters inclusive societies founded on human dignity and equality.

[Click here](#) for more information or contact [Puleng Ndjwili-Potele](#).

Human Rights Focus—starting in Q2

In 2022, UNEP FI will be providing capacity building programmes to help member banks further integrate human rights into their operations and activities. Stay tuned for more information.



Resource Efficiency and Circular Economy

PRB working group on target setting guidance

Published in December 2021, the [PRB Resource Efficiency and Circular Economy Target Setting Guidance](#) provides a practical approach to setting targets to finance resource-efficient and circular projects, activities and clients. The guidance is a useful resource not only for those banks identifying resource efficiency, water, energy and waste as priorities, but also for those looking to contribute to a transition to a circular economy, which plays a vital role in achieving the UN SDGs and the Paris Climate Agreement.

In 2022, a group of banks will work on applying the methodology proposed in the Guidance and will receive support to set targets. An updated version of the Guidance will be developed following the working group's feedback in applying the Guidance methodology.

If you are interested in receiving support to set targets in this area, join our working group.

To find out more or participate, contact [Peggy Lefort](#).



Investment Leadership Programme

The Investment Leadership Programme (ILP) is a joint initiative from UNEP FI and the Principles for Responsible Investment (PRI) created to accelerate the pace of collaboration amongst leading investors and their partner institutions and boost action across the financial system on achieving key global sustainability objectives such as the Paris Climate Agreement and the Sustainable Development Goals. We invite PRB Banks interested in investment practices to contribute their experience and vision to this process. Members have the opportunity to participate in a number of leading cross-sectoral leadership initiatives within the ILP. In 2022, the following ILP activities are planned which have direct relevance for banks:

“Purpose of the Financial System” (thought piece)

This fundamental thought piece will re-examine the purpose of the financial system and identify potential reforms required to enable its greater alignment with global sustainability objectives.

Timeline: The thought piece will be published in Q4 2022.

“ESG integration by banks & investors” (cross-industry collaboration)

The project aims to establish dialogue and propose instruments for meaningful and efficient collaboration between banks and investors for provision of loan-backed structured products providing positive sustainability outcomes, starting with the European and the US markets.

Involvement opportunities: Participate in a series of workshops on ESG data and product solutions for loan-backed structured products; the workshops will address environmental, social and governance aspects consecutively.

Timeline: The project involves five workshops starting from the end of March 2022.

“Investment Banking Roadmap” (thought piece)

This work will explore the potential to produce positive sustainability outcomes embedded in the whole spectrum of investment banking practices and develop guidance for the industry to move towards sustainability. It will specifically look into implementation of PRB in investment banking.

Involvement opportunities: Contribute to the content and conclusions through interviews on best practice and overall outlook for the industry transformation towards sustainability.

Timeline: Interviews will take place between April and May 2022; the final document to be published by the end of 2022.

Your bank may either express interest in a specific activity, or opt to join a roster of banks that could be engaged on one or more of the above activities. Please contact [Elena Koritchenko](#) to express your bank’s interest.

Please visit the [ILP webpage](#) to follow the Programme events and discover latest publications.

4. Regulatory focus

Banking and EU Taxonomy Project Phase II

The final report of Phase II of this project will be published in February 2022—which saw a group of UNEP FI member banks looking into the application of EU Taxonomy to banks, looking into mandatory and further uses of the regulation, through a joint project between UNEP FI and the European Banking Federation (EBF).

As a follow-up on this workstream, we plan to continue working on the EU Taxonomy by gauging its usefulness as a tool for target setting and transition finance possibilities, as well as collaborating with interested banks on all relevant regulatory issues as per the latest strategy and workplan for the European region. Further projects with the EBF will also be studied so as to continue the positive collaboration and fruitful outcomes of our joint work.

To find out more about more and opportunities to participate, contact [Daniel Bouzas](#).

5. Training

UNEP FI training programmes

In 2022, UNEP FI offers a wide range of training to its members, including:

Three-week online courses on:

- [Environmental & Social Risk Analysis \(ESRA\)](#) for banks in English, Spanish, French and Chinese.
- [Climate Change & the TCFD: Risks and Opportunities for the Banking Industry](#) in English, Spanish and French.
- [Corporate Eco-Efficiency in Financial Institutions \(CEFI\)](#) in Spanish.

To find out more about UNEP FI's training programs and how to register, please visit our [training webpage](#) or contact [Carolina López](#).

Responsible Banking Academy—coming in 2022!

In the second half of 2022, UNEP FI will launch the Responsible Banking Academy (RBA)—an online learning academy to support implementation of the Principles for Responsible Banking.

Members are invited to get involved in the Curriculum Advisory Committee to help UNEP FI shape the Academy's content that will focus on topics such as target setting, climate transition, climate-related financial risks and opportunities, aligning impacts with the UN Sustainable Development Goals (SDGs), key Responsible Banking policy and regulatory frameworks, financial reporting as well as incorporating sustainability in corporate strategies, policies, and procedures and supporting customers in their transition to sustainability.

To express interest, please contact [Karolina Pajor](#).

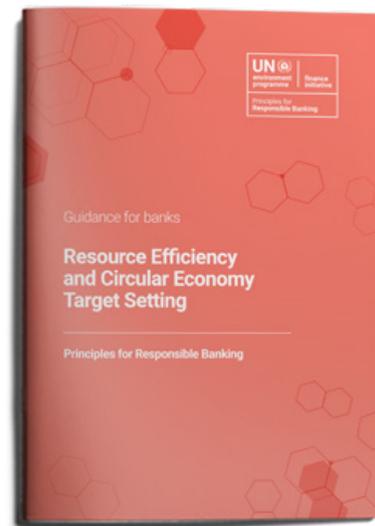
6. PRB resources

PRB guidance documents

Signatory banks worldwide, together with the UNEP FI Secretariat and field experts, have been developing ground-breaking guidance to support you in your implementation of the PRB.

These include guidance on how to conduct your impact analysis, how to set SMART targets in key impact areas such as biodiversity, climate, gender equality and resource efficiency, as well as how to report on your PRB progress.

[Click here](#) to view and download the range of guidance.



Online members area for banks

The online Member Area gives member banks access to the latest support material such as guidance documents, webinar recordings and peer-learning material.

[Click here](#) to access the Members Area (password: unepfi)

PRB annual reports from your peers

[Click here](#) to read your peer's annual reporting on their PRB progress.



United Nations Environment Programme Finance Initiative (UNEP FI) is a partnership between UNEP and the global financial sector to mobilize private sector finance for sustainable development. UNEP FI works with more than 400 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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