

Framework Review Consultation with the PRB membership on the updated reporting and self-assessment template

August 2022

UN 
environment
programme

finance
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Principles for
Responsible Banking

Summary

The framework of the Principles for Responsible Banking, which is reviewed every two years, has just undergone a comprehensive review process led by a taskforce of signatory banks. This process resulted in updated versions of the Reporting and Self-Assessment Template. The objective of the process was to maintain the framework's effectiveness, respond to stakeholders' expectations, thus strengthen and improve the framework.

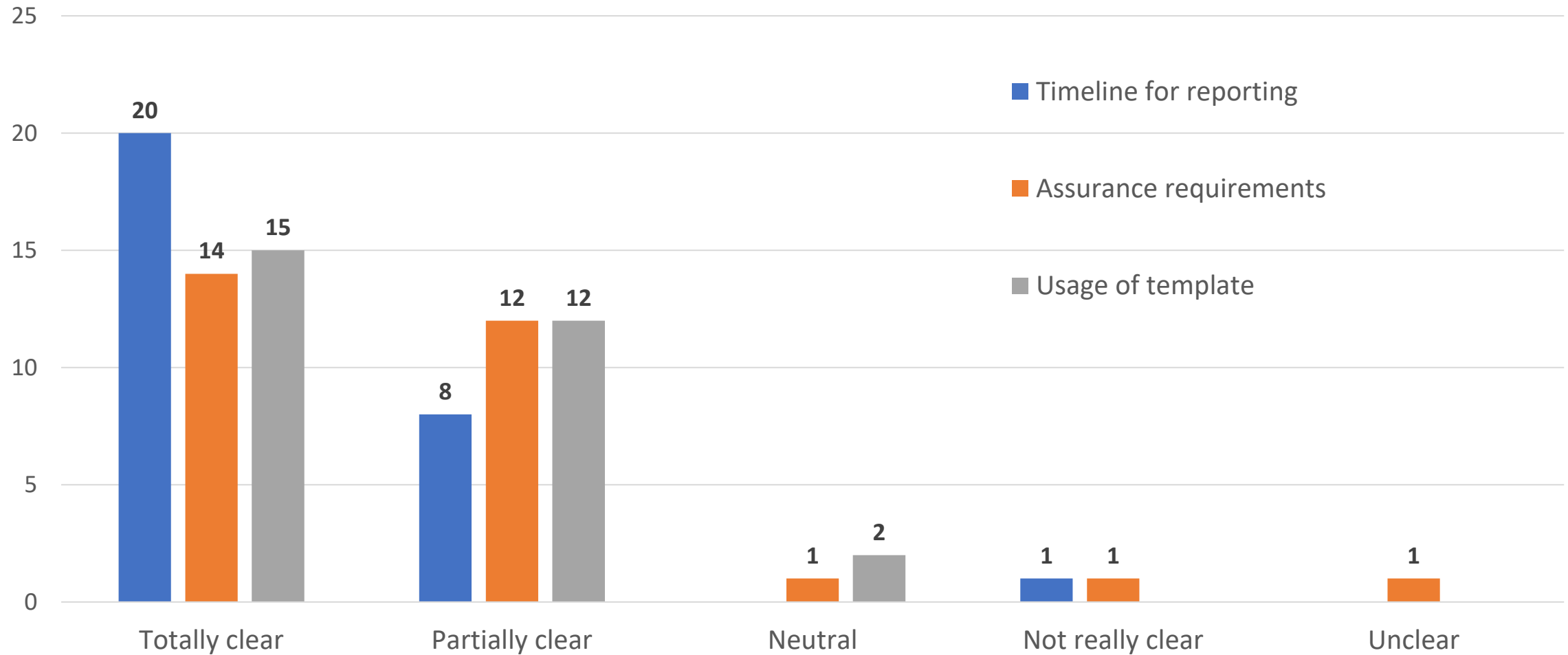
In total, **20 % of PRB signatories** (57 banks) have provided feedback on the updated Reporting template, with 29 banks (plus an additional 31 banks from the Banking Board and the Framework Review taskforce; these banks' responses were excluded from the analysis) to a consultation survey during the month of August.

Key Results

- **90%** of the responding banks find that the updated version allows a better reflection of the work they're undertaking
- **97%** find the reporting timeline clearer
- **97%** agree that the standardized questions provide a good entry point into banks' disclosures on implementing the Principles
- **93%** find the usage of the template clearer
- **90%** agree that the updated version is helpful and better understandable to respond to the requirements for impact analysis
- **83%** agree that the updated version is helpful and better understandable to respond to the requirements for target setting
- **80%** agree that the indicators provided are helpful and can guide them on their target setting and implementation journey

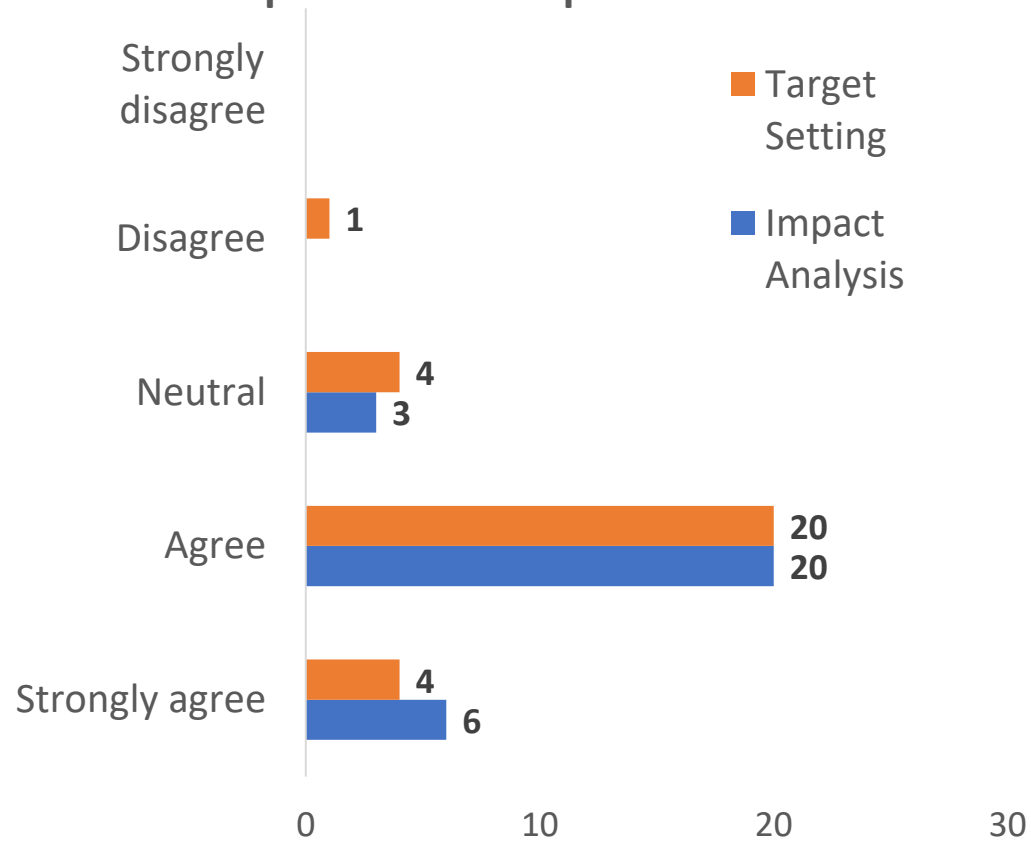
Introduction of the template

Do you find the instructions about the following aspects clear?

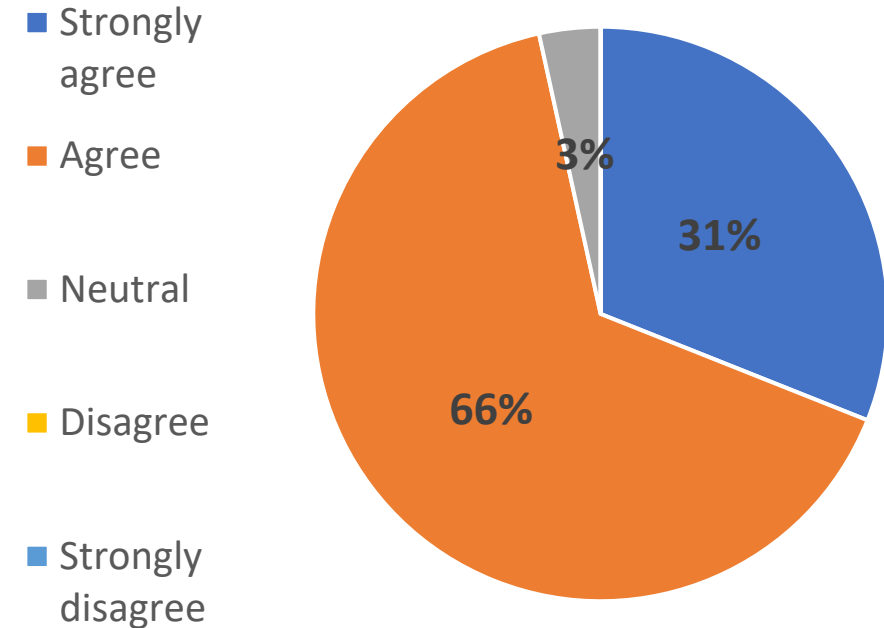


Updated template

Do you agree that the updated version is helpful and better understandable to respond to the requirements?

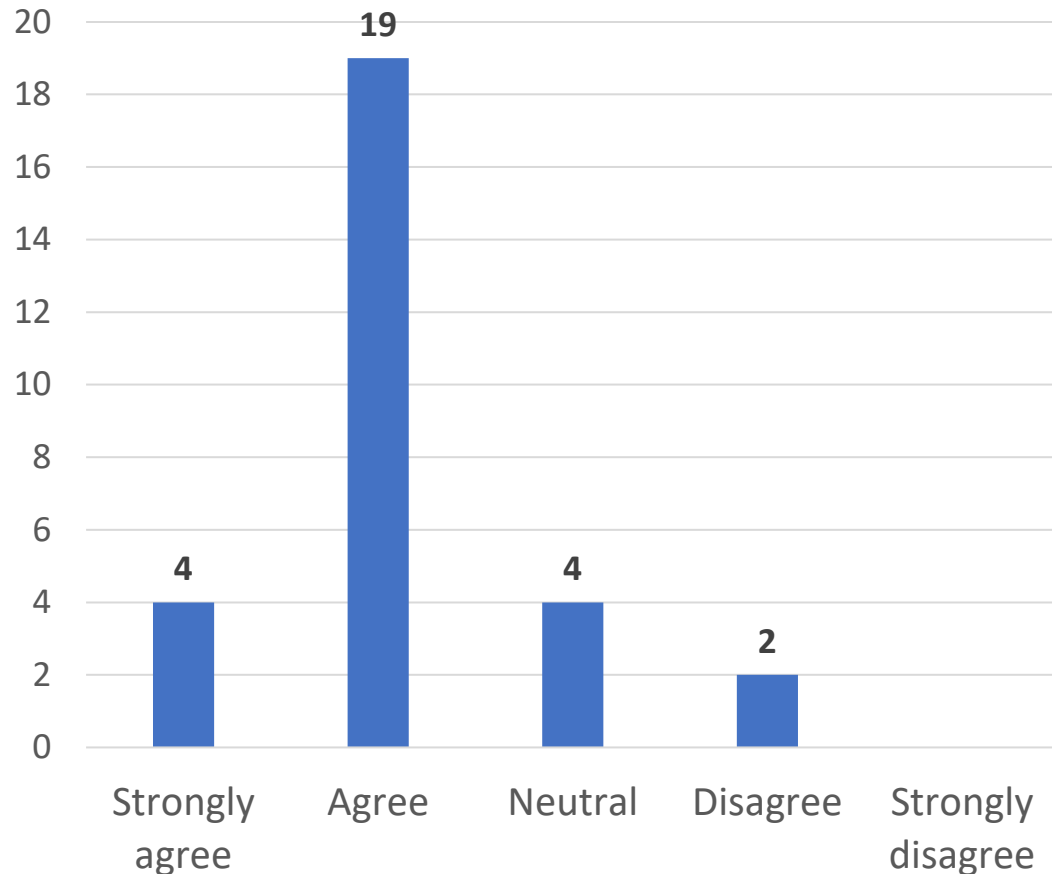


Do you agree that the standardized questions provide a good entry point into banks' disclosures on implementing the Principles

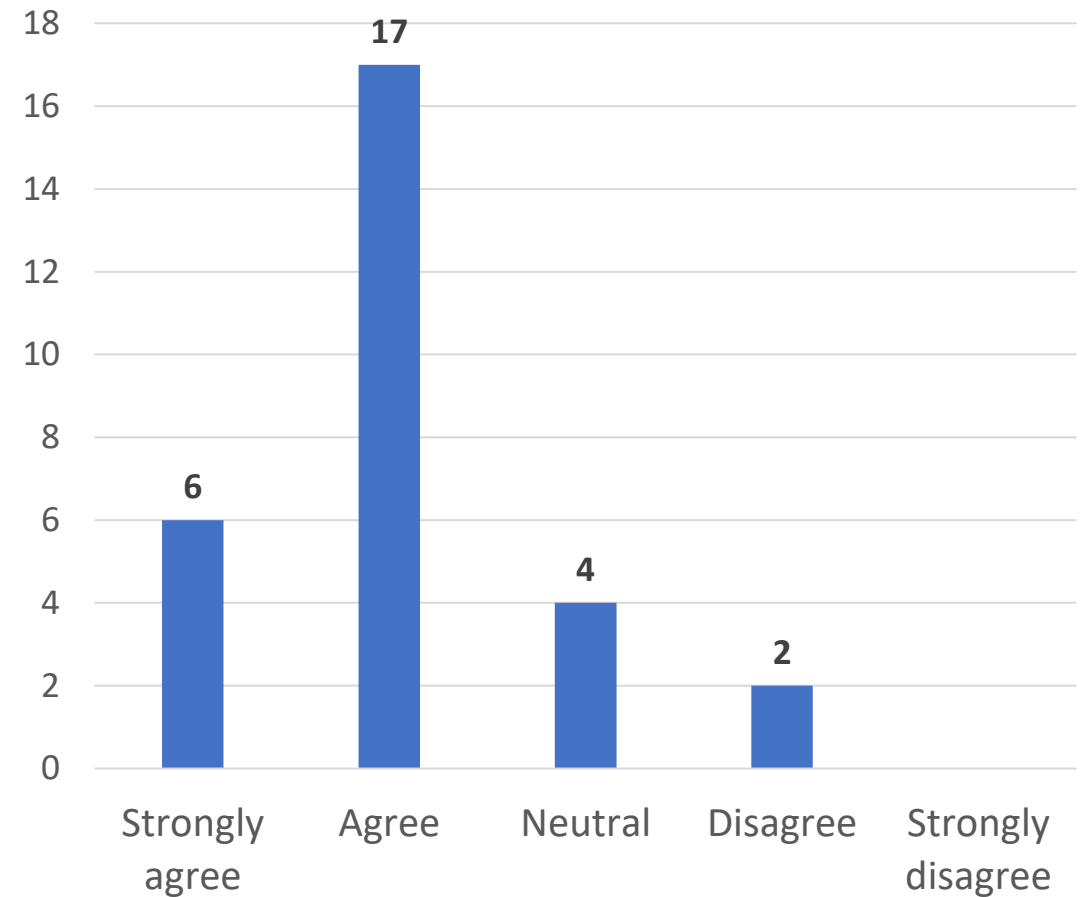


Introducing Social Risks & Climate indicators

Do you agree that the indicators provided are helpful and can guide banks on their target setting and implementation journey?



Do you agree that the introduced approach to social risk disclosure is appropriate?



Sample of comments

« I would need to know who can do the assurance. A list or different check options would be helpful. I don't know if the only ones who can assure are the Big Four. But they are not the ones that verify our sustainability report. And they are very very expensive. »

→ In addition to the review of the framework documents, the [Guidance for Assurance Providers on Providing Limited Assurance for Reporting](#) will be updated, consulting assurance providers during the month of September 2022.

« Overall, it would be good to have indicators incl. indicators across all impact areas. »

→ Indicators for more impact areas can be included in future iterations of the framework review

“How will UNEP FI PRB position itself vs. the CSRD requirements?”

→ Positioning towards regulatory requirements is a separate work stream (to be discussed in the In-person Banking Board meeting)

« There are big differences between the type of banks that determine what indicators are relevant. E.g. differences between commercial banks and development banks ours. Also, differences in data collection capabilities need to be taken into account. This is a major limitation of the upcoming sustainable finance regulation. Our advice would be to make these optional and not expect companies to apply a one-size fits all model (this does not work).»

→ The updated Reporting template acknowledges differences between banks and does not make any reporting mandatory, but only speaks of recommendations for banks to disclose information that applies to their business models.

Recap Framework Review Process

- **August 5 – August 31:** Consultation of membership, starting with two webinars on August 5 and August 8
- **August 8:** Banking Board and Civil Society Advisory Body engagement
- **September:** Consultation of assurance providers, starting with a webinar to update the assurance guidance
- **September 14:** Final sign-off by the Banking Board
- **September 21-23:** Launch of the reviewed Framework Documents

Once the reviewed framework documents are launched, banks are expected to report on PRB implementation using the new version. There will be a transition period of 6 months.