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User Guide

# Portfolio Impact Analysis Tool for Banks (v.3)

Institutional Banking/  
Assessment Module

October 2022

## UN Environment Finance Initiative, 2022

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# About the UNEP FI Impact Analysis Tools

## UNEP FI's Holistic Impact Methodology

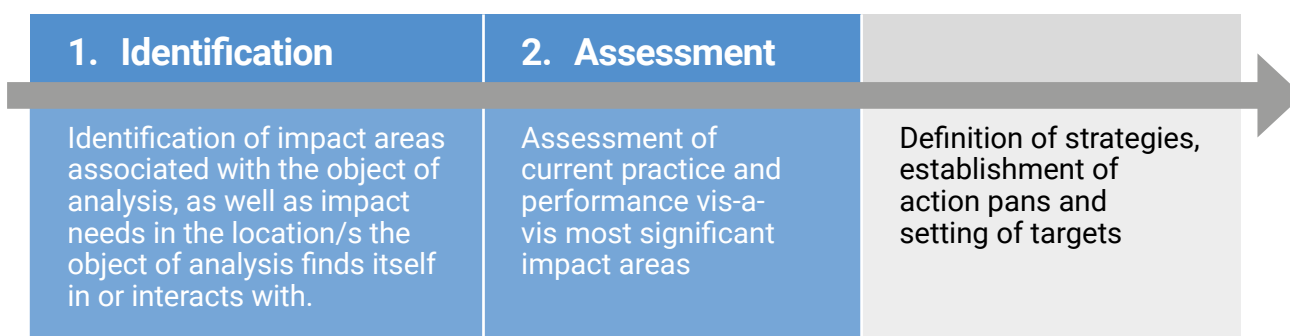
The Impact Analysis Tools are based on UNEP FI's unique Holistic Impact Methodology. This methodology is itself derived from a unique theory of change on the role of mainstream business and finance to close the SDG financing gap and the way in which this can be achieved.<sup>1</sup>

As per Figure 1 below, the UNEP FI Holistic Impact Analysis Methodology is a two-step process to understand and manage actual and potential positive and negative impacts across the spectrum of environmental, social and economic issues.

Step one consists in understanding the impact areas and topics (e.g. employment, climate, economic convergence) that are associated with the object of analysis (e.g. a portfolio, a corporate's business activities, or a physical asset such as real estate). It also involves understanding the impact needs that exist in the location/s that the object of analysis finds itself in or interacts with, so as to contextualize its impact profile and determine its most significant impact areas. This is referred to as Impact Identification.

Step two consists in reviewing current practice and performance vis a vis the impact areas/topics identified in step one. Are the potential impacts identified in step one happening in reality? To what extent? How does current practice and performance relate to the impact needs, gaps and priorities in the geography/ies that the object of analysis finds itself in or interacts with? This is referred to as Impact Assessment.

The purpose of the Holistic Impact Analysis Methodology is to enable concrete action. Out of the insights generated by the analysis, users are empowered to define strategies, establish action plans and set meaningful financial and extra-financial targets.



**Figure 1: UNEP FI Holistic Impact Methodology**

<sup>1</sup> [Rethinking Impact to Finance the SDGs](#)—UN Environment Programme Finance Initiative. Nov. 2018, (UNEP FI).

## About the Impact Analysis Tools

The Impact Analysis Tools are iterative input-output workflows built in Excel.<sup>2</sup> They require users to input data to describe their business or portfolio (e.g. percentage of gross income per business line, percentage of drawn outstanding loans for a given sector and in a given country, etc.) and to reflect their current impact performance (e.g. quantitative data such as GHG reductions, diversity of SMEs financed, number of persons from vulnerable populations serviced and qualitative data such as the existence of policies and processes to detect and deal with wage theft or domestic violence).

The Tools use the input data in combination with a set of in-built impact mappings to produce a number of outputs, in particular a set of impact profiles by business line, and to guide the user in identifying most significant impact areas and determining priorities, thus setting the basis for strategy development and target-setting.

As of 2022, UNEP FI's Impact Analysis Tools are gradually transitioning to a 'modular' format, where main components of impact analysis are contained within distinct 'modules' (see Figure 2 below).

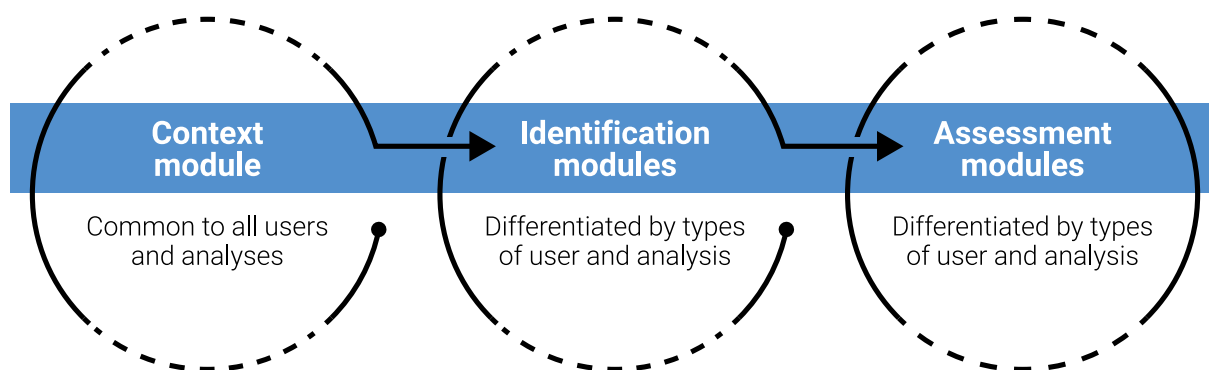


Figure 2: Overview of the Impact Analysis Modules

## About the Impact Analysis Tools for Banks

The Impact Analysis Tools for Banks were designed specifically to support signatories to the Principles for Responsible Banking (PRB) in achieving Principle 2:

**'We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.'**

<sup>2</sup> The Portfolio Tool is built in the Excel of Microsoft 365. Note that some functionalities may be affected if earlier versions of Excel are used.

# The Institutional Banking Assessment Module

## Overview

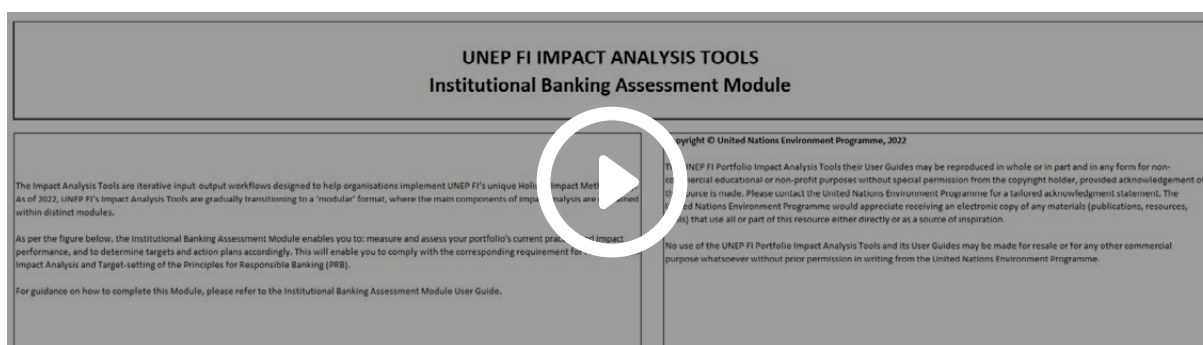
The Institutional Banking Assessment Module enables you to measure and assess your portfolio's current practice and impact performance, and to determine targets and action plans accordingly.

This Module will enable you to comply with the 'assessment' and 'target-setting' requirement for Principle 2 on Impact Analysis and Target-setting of the Principles for Responsible Banking (PRB).

*Note: the Module **does not** perform any impact measurement calculations; it is made only to collate the results of calculations made by applying (topic-specific) impact measurement methodologies and to thereby enable users to perform a contextualised assessment of results and to set targets and action plans accordingly.*

The workflow is divided into three main steps:

- a. Setting your **parameters** (i.e., specifying the scope of your assessment)
- b. Assessing your current performance, and setting targets and action plans vis a vis selected **impact areas/topics**
- c. Reviewing your **impact management dashboard** (across all assessed impact areas/topics and geographies)



► [Click here to watch a presentation of the Institutional Banking Assessment Module](#)

## Scope of the Institutional Banking Assessment Module

Figure 3 below lists the products and services understood to form part of Institutional Banking (sometimes also called commercial banking). Note that investments are the object of a separate impact analysis tool.<sup>3</sup>

Business line	Description	Clients	Products and services
Business Banking (sometimes also called retail banking)	Provision of products and services to local businesses and government. Local means from the country where the bank or bank subsidiary is incorporated.	Professionals,* SMEs, cooperatives, associations,* corporates	Generic: Credit & overdraft   Current accounts   Savings accounts   Payment services   Specialised (purpose):   Leasing   Property lending   Other Specialised (type of client): e.g. farmer financing
		FIs	Interbank loans   Letters of credit   Correspondent accounts
		Municipalities, regions	Loans   Other
Corporate Banking	Provision of products and services to larger clients and/or clients beyond the bank's country/ies of incorporation	Corporates, multinationals, SPVs	Generic: Corporate credit & overdraft   Payment services (e.g. cash management)   Specialised (purpose):   Trade finance   Export credit   Asset finance (e.g. ships, aircraft, fleets, property, etc.)   Other Specialised lending (type of client): Project finance
		Sovereigns	Specialised (purpose): Trade finance   Export credit   Asset finance (e.g. ships, aircraft, fleets, property, etc.)   Other Specialised (type of client): Project finance   Other
		FIs	Interbank loans   Other
Investment Banking	Provision of access to capital markets & raising of capital on capital markets and related services	Corporates, multinationals	Primary capital markets—debt (bond issuances)   Primary capital markets—equity (IPOs)   Advisory services (e.g. M&A, ratings, project finance, etc.)   Other (e.g. Custodian banking)
		Sovereigns	Primary capital markets—debt   Other

**Figure 3: Institutional Banking Assessment Module**

<sup>3</sup> [Investment Portfolio Impact Analysis Tool](#)—United Nations Environment Finance Initiative. (2021). UNEP FI.

# A. Setting your parameters

## What is this about?

Use the 'My Parameters' worksheet to specify the scope of the analysis you will conduct in terms of:

- business line;
- impact areas and topics;
- geographies;
- sectors.

All your choices will be reflected in the ensuing worksheets.

Also use the 'My Parameters' worksheet to specify whether you wish to import data from the Context Module and/or the Identification Module,<sup>4</sup> should you previously have used these for your impact identification work.

**My Parameters**

Use this worksheet to specify the scope of the analysis you will conduct in terms of:

- \*business line
- \*impact areas and topics
- \*geographies
- \*sectors

All your choices will be reflected in the ensuing worksheets.  
N.B. Only grey coloured cells are input cells. Text in red indicate warning messages to help you fill out the worksheet correctly.

Date: Jul-22  
Impact assessment is a cyclical process that needs to be updated on a regular basis. Please indicate the date at which this impact assessment is being run.

→

### 1. Importing data

In this section you are asked to specify whether you wish to import data from the Context Module and/or the Identification Module. Should you have used these as part of your impact identification process. If you have used one or several Modules, the (see instructions below). Note that if you used the Identification Module multiple times (to analyse multiple business lines/sectors) you also need to fill the present module separately for each business line.

Do you wish to Import information from the Institutional Banking/Identification Module? Please select accordingly and make sure to follow the guidance	yes	Copy the Data OUT worksheet of the Institutional Banking/Identification Module and paste it in the Data IN worksheet of this Module. Your business lines and sectors will be automatically displayed in this Module	Do you wish to Import context information from the Context Module? Please select accordingly and make sure to follow the guidance	yes
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▶ [Click here to watch a demo of the 'My Parameters' worksheet](#)

4 [UNEP FI Portfolio Impact Analysis Tool for Banks](#), Context Module and Identification Modules



# How do I do it?

## 1. Import data

If you previously used the Context Module and/or the Institutional Banking Identification Module for your impact identification work, you can save yourself time in the present Module by importing data from the said Modules.

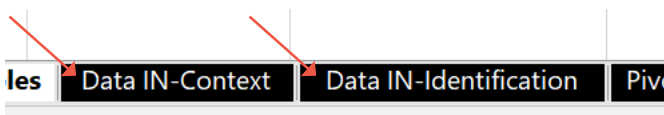
### 1. Importing data

In this section you are asked to specify whether you wish to import data from the Context Module and/or the Identification Modules, should you have used these as part of your impact identification process. If you have used one or several Modules, the relevant data can be automatically carried worksheets (see instructions below). Note that if you used the Identification Module multiple times (to analyse multiple business lines) you will also need to fill the present module separately for each business line.

Do you wish to import information from the Institutional Banking/Identification Module? Please select accordingly and make sure to follow the guidance	yes	Copy the Data OUT worksheet of the Institutional Banking/Identification Module and paste it in the Data IN worksheet of this Module. Your business lines and sectors will be automatically displayed in this Module.
Do you wish to import context information from the Context Module? Please select accordingly and make sure to follow the guidance	yes	Copy the Data OUT worksheet of the Context Module and paste it in the Data IN Context worksheet of this Module. Your needs and priorities data will be automatically displayed in this Module.

### Screenshot 1: Specifying whether you have data to import from other Modules

Copy the Data OUT worksheet of the Institutional Banking/Identification Module and/or the Context Module and paste it in the Data IN worksheets of this Module. Your business lines and sectors, and your needs and priorities data, will be automatically displayed in the relevant parts of this Module.



### Screenshot 2: Data IN worksheets

Note that if you used the Institutional Banking Identification Module multiple times (to analyse multiple business lines) you will also need to fill the present module separately for each business line.

If you did not previously use the other Modules, you will need to manually indicate the business line/s you want to cover in the Assessment Module.

## 2. Business lines

Specify the business scope of your performance measurement and assessment, i.e. the business line that you intend to cover in this Module. You are also required to specify the size of the business line, in absolute terms and in relation to the rest of your business activities, so that the scope of your analysis can be properly put into perspective. It is recommended you use both gross income and balance sheet.

### 2. Business lines

In this section you are asked to specify the business scope of your performance measurement and assessment, i.e. the business line that you intend to cover in this Module. If you have imported data from the Identification Module, the relevant data from the Module will automatically display.

Which business line(s) do you want to cover in this Module? Please type the name of your business line in the first cell and then match it to the LINEP FI terminology in the second cell.	Business Banking	Business Banking	Please indicate the size of the business you are analysing and what proportion this is relative to total business activity. Please use gross income and/or balance sheet and indicate the currency used.	Currency	€	Gross income → Please indicate amount in the first cell and proportion of business relative to total business activity of the bank in the second cell.	5,000,000,000	70,00%	Balance sheet → Please indicate amount in the first cell and proportion of business relative to total business activity of the bank in the second cell.		
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### Screenshot 3: Specification of business lines

Note that if you have imported data from the Identification Module (see above), this data is part of what will be carried forward, i.e. this section will have auto-filled and you do not need to do anything further; you can proceed to the next section.

Note that if you are inputting manually, you can type the name of your business line 'as is' in the first cell, but you then need to match it to the UNEP FI terminology in the second cell (please refer to Figure 3 above).

### 3. Impact areas/topics and geographies

Specify the impact areas/topics you will be covering in your performance measurement and assessment and the geographic scope, i.e. the geography/ies that you intend to assess for each impact area/topic. This should be based on the outcome of the identification phase of your impact analysis, when your most significant impact areas should have been determined, per geography.

Note that if you wish to measure and assess your performance for a given impact area/topic in more than one geography you need to select the impact area/topic as many times as applicable. You can select 'global' as a geography; however, this should only be selected for corporate and investment portfolios, and if your bank is a large international bank with equally large and international clients.

#### 3. Impact areas/topics and geographies

This section enables you to specify the impact areas/topics you will be covering in your performance measurement and assessment and the geographic scope, most significant impact areas should have been determined. The interlinkages with other impact areas and topics will automatically display. If you wish to also impact areas in total (i.e. to cover just 'most significant areas' or to cover one 'most significant impact areas' and 'interlinked impact areas').

<p><b>a.1 What significant impact area/s or topic/s will you be covering (based on the outcome of the identification phase of your impact analysis)?</b> Please select accordingly</p>	Circularity	Climate stability	Livelihood	(select impact area/topic)	(select impact area/topic)
<p><b>a.2 What geography/ies will you consider for the selected impact areas/topics?</b> Please select accordingly</p>	Italy	Italy	Croatia	(Select geography)	(Select geography)

#### Screenshot 4: Specification of impact areas/topics and geographies

The interlinkages with other impact areas and topics will automatically display underneath the selected impact areas/topics. What this reflects is the positive and/or negative impacts that may arise as a consequence of taking action on the selected impact area/topic. For instance, taking action on data privacy can also produce positive impacts on health, bearing in mind that data privacy issues are strongly associated with issues of mental health, for instance among youth.

a.1 What significant impact area/s or topic/s will you be covering (based on the outcome of the identification phase of your impact analysis)? <i>Please select accordingly</i>	Circularity	Climate stability	Livelihood	(select impact area/topic)	(select impact area/topic)
a.2 What geography/ies will you consider for the selected impact areas/topics? <i>Please select accordingly</i>	Italy	Italy	Croatia	(Select geography)	(Select geography)
Positive Interlinkages	Natural disasters,Health & safety,Water,Food,Energy,Healthcare & sanitation,Sector diversity,Climate stability,Waterbodies,Air,Soil,Species,Habitat,Resource intensity,Waste	Natural disasters,Health & safety,Waterbodies,Air,Species,Habitat,Resource intensity	Modern slavery,Child labour,Health & safety,Wages,Social protection,Gender equality,Ethnic/racial equality,Age discrimination,Other vulnerable groups,Socio-economic convergence		
Negative Interlinkages	Flourishing MSMEs	Energy,Other vulnerable groups,Socio-economic convergence			

### Screenshot 5: Interlinkages

Should you wish to measure and assess your performance vis a vis an interlinked impact area/topic, you can do so by selecting additional impact areas/topics, as well as the corresponding geographies, in the table on the right-hand side.

b.1 Will you be considering 'interlinked impact areas/topics' in this module in this Module (please see interlinkages listed on the left hand side)? <i>If so, please select accordingly</i>	(select impact area/topic)	(select impact area/topic)	(select impact area/topic)	(select impact area/topic)	(select impact area/topic)
b.2 If you are also considering 'interlinked impact areas/topics', what geography/ies will you consider for those? <i>Please select accordingly</i>	(Select geography)	(Select geography)	(Select geography)	(Select geography)	(Select geography)

### Screenshot 6: Specification of additional impact areas/topics and geographies (interlinkages)

Please note that you can cover up to five impact areas in total, i.e. to cover just 'most significant areas' or to cover a 'most significant impact area' and some of its 'interlinked impact areas'. The diagramme below illustrates different ways in which the Module can be used.

	Example impact areas/topics per Module—workbook 1	Example impact areas/topics per Module—workbook 2	Use-cases
<b>Approach n.1—</b> One impact area/topic, multiple geographies	Impact area/topic: circularity Geographies: Italy, Tunisia, Austria, Croatia	Impact area/topic: employment Geographies: Italy, Tunisia, Austria, Croatia	Banks with operations in multiple countries
<b>Approach n.2—</b> Several impact areas/topics ('most significant' only), one geography	Impact area/topic: resource efficiency, waste, climate stability Geographies: Germany	-	Banks with operations concentrated mostly in one country
<b>Approach n.3—</b> Several impact areas/topics ('most significant' + 'interlinked'), one geography	Impact area/topic: climate stability, natural disasters, economic convergence Geographies: South Africa	Further combinations of impact areas/topics for the same country and/or same combination for additional countries	All types of banks wishing to explore interlinked impact areas/topics
<b>Approach n.4—</b> Several impact areas, several geographies	Impact area/topic: (access to) finance, healthy economies Geographies: Mexico, Guatemala	-	Banks with operations in just a couple of countries and focusing on just few impact areas

**Q. Where do the interlinkages come from / how does the Module find them?**

**A.** The interlinked impact/areas are drawn from the Interlinkages Map, available on a dedicated worksheet in the Module.<sup>5</sup> For each impact area/topic this map shows the positive and/or negative impacts (on other impact areas/topics) that may arise as a consequence of taking action on a given impact area/topic.

**Q. Why should I assess and measure my performance for interlinked impact areas/topics?**

**A.** Assessing your performance for the interlinked areas/topics will help you to avoid any negative impacts that could otherwise emerge as 'unintended consequences'. For instance, divesting from certain clients to bring down GHG emissions, in the context of certain developing countries, may negatively impact the health of the economy and/or economic convergence. Conversely, it will help you to keep track of additional positive impacts and potentially prioritise those actions that will produce positive impacts on multiple impact areas/topics.

**Note for PRB signatories:** there is no requirement as such to undertake performance measurement and assessment for interlinked areas, however it is expected that signatories indicate how they are addressing any negative impacts from addressing their most significant impact areas/topics.

<sup>5</sup> The Interlinkages Map is also available as a standalone resource. [Interlinkages Map](#), UNEP FI, 2023.

## 4. Sector selection

Specify the sectors that you will be covering in your performance measurement and assessment.

If you have imported data from the Institutional Banking Identification Module, all the sectors in your portfolio that are associated with the selected impact areas will automatically display, as well as the proportion of the portfolio they each account for. Use the 'Validation' column to confirm which sectors will be in scope for your assessment; validated sectors will automatically carry forward to the following worksheets.

### 4. Sectors

In this section you are asked to specify the sectors that you intend to cover for your performance measurement and assessment. If you have imported data from the Identification Module, the relevant sectors you intend to cover. Further guidance is provided below.

The tables below show the sectors and exposures that you have indicated in the Identification Module. They also show the type of impact driven by the sectors (i.e. blue:positive; orange:negative) and decide what sectors to validate for your performance measurement and assessment, keeping in mind that negative key sectors (i.e. sectors that highly undermine an impact area/topic) should be g

#### Circularity-Italy

Sectors (ISIC Industry Classification)	My sectors	Type of impact association (positive/negative)	% of portfolio (general purpose)	% of portfolio (dedicated)	Priority sectors as per PRB Guidance on Resource Efficiency and Circular Economy target-setting	Validation
0111 Growing of cereals (except rice), leguminous crops and oil seeds			14%		X	(please select)
0112 Growing of rice			14%		X	(please select)
0113 Growing of vegetables and melons, roots and tubers			7%		X	(please select)
0114 Growing of sugar cane			6%		X	(please select)

### Screenshot 7: Specification of sectors with imported data

If you have not used the Identification Module, you need to manually specify which sectors you intend to cover. You are also required to indicate your exposures per sector. For Business Banking and Corporate Banking this should preferably be based on drawn outstanding loans; other possible indicators are outstanding loans or exposure at default (EAD). For Investment Banking, preferred indicators are total bond amounts + total amounts raised divided by the number of Mandated Lead Arrangers (MLAs). Other possible indicators are total bond amounts + total amounts raised, deal value, deal revenue. You can distinguish between general purpose and dedicated exposures if you wish, using the corresponding columns. If you do not wish to distinguish between general purpose and dedicated products, please capture the aggregate figures in the column marked 'general purpose'.

The table will automatically display the type of association between the sectors and the impact area/topic under review (light blue: positive, dark blue: key positive, light orange: negative, dark orange: key negative, blank: no association), and will flag whether the sector is prioritised in relevant PRB target-setting guidance.

#### 4. Sectors

In this section you are asked to specify the sectors that you intend to cover for your performance measurement and assessment. If you have imported data from the Inst manually specify which sectors you intend to cover. Further guidance is provided below.

As you have not used the Institutional Banking/Identification Module, please click the second '+' sign on the left-hand side ← to unhide the sector tables and specify wh

Please use the tables below to specify the specific sectors in your portfolio you wish to cover for your performance measurement and assessment. You are also required to Note that 'key sectors' and your largest exposures should be prioritised.

##### Circularity | Italy

Sectors (ISIC Industry Classification)	My sectors <i>Use this column to capture your internal sector nomenclature (if different to ISIC nomenclature)</i>	Type of impact <i>This shows the type of impact association between each sector and the impact area/topic under analysis (light blue: positive, dark blue: key positive, light orange: negative, dark orange: key negative)</i>	% of portfolio (general purpose)	% of portfolio (dedicated)	Priority sectors as per PRB Guidance on Resource Efficiency and Circular Economy target-setting
01 Crop and animal production, hunting and related service activities			70%		X
0115 Growing of tobacco			7%		X
252 Manufacture of bodies					

#### Screenshot 8: Specification of sectors without imported data

Note that sector selection needs to be done for each impact area/topic and geography combination (e.g. circularity/Italy or climate stability/Belgium) individually.

#### Q. Why do I need to select sectors?

A. Client sectors and activities are the main drivers of impact in institutional banking. Different sectors have different positive and negative impact associations, making some parts of the portfolio more critical than others to assess and measure.

#### Q. What sectors should I select?

A. Ideally, cover all sectors in your portfolio that are associated with the selected impact areas/topics, however, if this is not feasible in this round of assessment, you can prioritise. As in the identification process, prioritise key sectors and sectors which account for larger proportions of your portfolio. The 'Type of impact association', '% of portfolio' and 'PRB guidance' columns are there to assist you.

##### Circularity-Italy

Sectors (ISIC Industry Classification)	My sectors	Type of impact association (positive/negative)	% of portfolio (general purpose)	% of portfolio (dedicated)	Priority sectors as per PRB Guidance on Resource Efficiency and Circular Economy target-setting	Validation
0111 Growing of cereals (except rice), leguminous crops and oil seeds			14%		X	yes
0112 Growing of rice			14%		X	yes
0113 Growing of vegetables and melons, roots and tubers			7%		X	yes
0114 Growing of sugar cane			6%		X	yes

#### Screenshot 9: Prioritisation of sectors

## B. Assessing your performance and setting targets (per impact area/topic)

### What is this about?

Use the 'Impact Area' worksheets to collect data about and to assess your current impact practice and performance and to determine targets and action plans accordingly.

There are five 'Impact Area' worksheets, enabling you to assess up to five different impact areas/topics, based on your selection in the 'My Parameters' worksheet. Each worksheet is to assess an impact area/topic for just one geography, as determined in the 'My Parameters' worksheet. The same impact area/topic can therefore be assessed on multiple worksheets, but for different geographies.

For each 'Impact Area' you are required to:

1. Make **alignment** choices: define which international, regional or national policy frameworks your bank's portfolio will seek to align with
2. Establish your **baseline and targets** considering both your current practice and impact performance
3. Set up an **action plan** around the set targets

**IMPACT AREA/TOPIC 1:** Circularity  
(significant impact area/topic)

*Definition (as per UNEP FI Impact Radar):*  
Circular processes contributing to circularity can be grouped into 4 categories, from the most impactful to the least:  
1. Reduce by design: reducing the amount of material used, particularly raw material, should be applied as an overall guiding principle from the earliest stages of design  
2. From a user-to-user perspective: Refuse, Reduce and Re-use  
3. From a user-to-business immediate perspective: Repair, Refurbish and Remanufacture  
4. From business-to-business: Repair and Recycle

**Scope of the assessment:**

Geography: Italy  
Business activity: business banking  
Size of the business: EUR 5000000000  
Proportion of business relative to total business activity of the bank: 70%

This worksheet is divided into 3 main sections:  
1. Alignment: define which international, regional or national policy frameworks your bank's portfolio will seek to align with  
2. Baseline & Targets: assess your current practice and performance and set your targets

▶ [Click here to watch a demo of the 'Impact Area' worksheets](#)

**INDICATOR LIBRARY**  
Latest updates: October 2022

**Contents**

The Indicator Library builds on the Impact Mappings to provide a compilation of impact-related indicators and metrics. This resource was developed thanks to the facilitation and technical support of the Impact Management Project.  
The following sources are currently included:  
• Disclosure frameworks: GRI, SASB, CDP, TCFD

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▶ [Click here to watch a demo of the Indicator Library](#)

# How do I do it?

## 1. Alignment

In this section you are required to identify relevant international, regional or national policy frameworks to align with. You can build upon the context assessment already undertaken during identification phase of the analysis.

If you have used the Context Module and transferred your data into the 'Data IN-Context' worksheet, the relevant needs data and priorities will be automatically displayed in sections 'a'. If your analysis in the Context Module included analysis at the local level, the local level results will also display in this section.

### a. Status of Needs and Priorities

This section summarises the status of needs and priorities for Circularity in Italy

Country needs

Circularity		Impact Topics →	Resource intensity			Waste		Other (Circularity)
		SDGs →	SDG 12			SDGs 11, 12		
Statistics	International resources	Resources	IEA Atlas of Energy <a href="http://energyatlas.iea.org/#/tel/map/-297203538/4">http://energyatlas.iea.org/#/tel/map/-297203538/4</a>	Our World in Data <a href="https://ourworldindata.org/grapher/water-withdrawals-per-capita?time=2015">https://ourworldindata.org/grapher/water-withdrawals-per-capita?time=2015</a> (Source: FAO)	Vienna university of economics and Business (WU Vienna) - Materialflows Portal <a href="http://www.materialflows.net/visuali">http://www.materialflows.net/visuali</a>	World bank - What a Waste Global Database <a href="http://datatopic">http://datatopic</a>	World bank - What a Waste Global Database <a href="https://datacata">https://datacata</a>	
		Metrics	Energy consumption per capita	Water withdrawals per capita, in cubic metres per year	Material Footprint (RMC) per capita	Annual municipal solid waste per capita	Recycling rate per capita	
		Scoring system: 1 (low need)	<87.9 GJ	<100	<4.7 t/cap	0-0.49 kg/capita/day	>=50%	
		Scoring system: 2 (moderate need)	87.9-146.4 GJ	100-500	4.7-10.8 t/cap	0.5-0.99 kg/capita/day	49%-30%	
		Scoring system: 3 (high need)	146.5-209.2 GJ	500-1,000	10.8-19.3 t/cap	1-1.49 kg/capita/day	30%-10%	
		Scoring system: 4 (very high need)	>209.2 GJ	>1,000	>19.3 t/cap	>= 1.5 kg/capita/day	<10%	

Country priorities

Circularity		Impact Topics →	Resource intensity			Waste		Other (Circularity)
		SDGs →	SDG 12			SDGs 11, 12		
Source and data: N/A		Comments						
		Priorities						

### Screenshot 10: Carry-over of needs and priorities data from the Context Module

If you have carried over data from the Context Module section 'b' displays needs and priorities vis a vis the impact areas/topics linked to the selected impact area/topic as well as 'red flags'.



## b. Interlinkages and red flags

This section summarises the status of needs and priorities for the impact areas that are linked to 'Circularity'

If there are red flags or interlinked impact areas/topics these will be listed (e.g. 'modern slavery'). If there is a high level of need vis-a-vis the red flag or interlinked impact area/topic in the geograp

Red flags-Human Rights	Modern slavery	Child labour			
High need and/or priority					
Red flags-Biodiversity & Healthy Ecosystems					
High need and/or priority					
Positive interlinked areas	Natural disasters	Health & safety	Water	Food	Energy
High need and/or priority			x	x	
Negative Interlinked areas	Flourishing MSMEs				
High need and/or priority					

## Screenshot 11: Carry-over of interlinked needs and priorities data from the Context Module

### Q. What are 'red flags' and what should I do about them?

A. These are signals that the sectors under analysis are key sectors for human rights and to biodiversity and ecosystems and that there are high levels of impact needs in relation to these impact areas/topics in the geography under analysis. This is to help ensure that these impact areas/topics are not overlooked (when they have not initially been identified as 'most significant impact areas'); the bank may wish to do a performance assessment for these too.

### Q. What about interlinkages?

A. The worksheet signals when there are high levels of impact needs in relation to interlinked impact areas (i.e. the impact areas/topics that can be affected when taking action on the impact area that is in focus) in the geography under analysis. This is to help ensure that these are not overlooked; if there are high levels of need relative to the interlinked areas, the bank may wish to do a performance assessment for these, especially those that are negatively interlinked.

If you haven't imported data from the Context Module this section is not relevant to you, however you are encouraged to review the needs and priorities of the geography under assessment before making your alignment choices (next section).

Use section 'c' to determine your alignment choices based on previously identified needs and priorities as well as any additional research if/as needed. Please define which international, regional or national policy frameworks your bank will seek to align its portfolio with, making sure to consider the main challenges and needs in the geography under consideration. Include the indicators and, if applicable, the metrics you will be referring to.

For more guidance on making alignment choices for specific impact areas/topics, please refer to the [PRB Target-setting Guides](#).

### c. Alignment choices

This section enables you to determine your alignment choices based on previously identified needs and priorities as well as any additional research if/as needed. Please define which international, regional or national polic

Policy Framework	Geographic scope	Comments	Topics	Indicators/Metrics	Objectives	Comments
Please list the policy framework/s your bank will be seeking alignment with	Please select the geographic scope of the frameworks listed	Please capture here any explanations regarding the choice of framework/s	Please capture here the specific topic/s (e.g. climate change mitigation) referenced in the selected framework. Name only those that you will be focusing on	Please capture here the indicators/metrics (e.g. GHG emissions) referenced in the framework. Include only those relevant to the selected topic/ those you will be focusing on	Please spell out the overall objective pursued in the selected frameworks (e.g. reduction of GHG emissions, increase in access to finance for a given population type)	Please capture here any explanations regarding the choice of topics, indicators and objectives
	(please select)					

Screenshot 12: Alignment choices

## 2. Baselines and targets (practice and impact)

This section is to select relevant indicators and assess your current practice and impact performance and to gather the corresponding data to determine your baseline and targets.

The section is divided into three parts:

- Overview: this is to remind yourself of the sectors under review, their respective volumes within the portfolio and their associated impacts
- Practice: this is to measure and assess your current practice in terms of portfolio composition/financial flows, client engagement, internal policies and processes and advocacy and partnerships
- Impact: this is to measure and assess your current impacts

### a. Overview

This is a table summarising the sectors under review and their respective volumes within the portfolio (as selected/indicated in the 'My Parameters' worksheet). The table also shows type of impact association for the different sectors (positive /negative, regular/ key), and whether the sectors are singled out in either the different PRB thematic guidances on target-setting or the EU Taxonomy.

Finally, the table also flags whether the sectors are typically associated with human rights violations and/or threats to biodiversity and ecosystem. If the impact area/topic under analysis is circularity, waste or resource efficiency, then the table also enables you to capture the type of circularity business model of the sectors under analysis (if applicable).

You can refer back to this table as you progress through the assessment and measurement of your current practice and impact performance in the ensuing sections.

### a. Overview of sectors and impact associations

The table below summarizes:  
 \*the sectors under review and their respective volumes within the portfolio (as selected/indicated in the 'My Parameters' worksheet)  
 \*type of impact association for the different sectors and whether the sectors are singled out the PRB's thematic guidances or the EU Taxonomy  
 \*whether the sectors are typically associated with human rights violations and/or threats to biodiversity and ecosystem  
 If the impact area/topic under analysis is circularity, waste or resource efficiency, the table also enables you to capture the type of circularity business model of the sectors under analysis  
 You can refer back to this table as you progress through the assessment and measurement of your current practice and impact performance in the ensuing sections.

SECTORS					IMPACT ASSOCIATIONS					
ISIC Industry Classification	My sectors	Proportion of portfolio (total)	Proportion of portfolio (general purpose)	Proportion of portfolio (dedicated)	Type of impact association	Priority sectors as per PRB Guidance on Resource Efficiency and Circular Economy target-setting	EU Taxonomy	Common human rights violations <sup>1</sup>	Biodiversity and healthy ecosystems threats <sup>2</sup>	Circular Economy business model category (if applicable)
<i>This column shows the sectors under analysis, as been indicated in the 'my parameters' worksheet</i>	<i>If you previously provided your internal sector nomenclature for the sectors under review, this column displays that nomenclature</i>	<i>This column shows the % of the portfolio that each sector represents.</i>	<i>This column shows specifically the % of the portfolio in general purpose products for each sector</i>	<i>This column shows specifically the % of the portfolio in dedicated products for each sector</i>	<i>This column shows the type of impact association between each sector and the impact area/topic under analysis (light blue)</i>	<i>This column shows whether the sectors are priority sectors as per the PRB thematic target setting guidance</i>	<i>This column shows whether the sectors are eligible sectors as per the EU Taxonomy for Sustainable Activities</i>	<i>This column shows whether the sectors are key sectors for common human rights violations (orange font; key sector, yellow background; high level of need)</i>	<i>This column shows whether the sectors are key negative sectors for biodiversity and healthy ecosystems (orange font; key sector, yellow background; high level of need)</i>	<i>Use this column to capture the applicable circular economy business model/s</i>
All selected sectors		226.00%	226.00%	0.00%		N/A	N/A	N/A	N/A	N/A
01 Crop and animal production, hunting and related service activities		70.00%	70.00%	0.00%		X		Modern slavery,Child labour		
0115 Growing of tobacco		7.00%	7.00%	0.00%		X	X	Modern slavery,Child labour		
292 Manufacture of bodies (coachwork) for motor vehicles; manufacture of		9.00%	9.00%	0.00%		X				

## Screenshot 13: Overview

### b. Practice

This section is to assess your current practice and to set practice targets as appropriate. It considers the four categories of actions a bank can undertake to manage its impacts:

- adjustment of portfolio composition & financial flows;
- client engagement;
- adjustment of internal policies and processes;
- advocacy & partnerships.

#### i. Portfolio composition & financial flows

Use the main table in this section to capture your current (i.e. baseline) and your target portfolio composition for the different sectors. Increasing your exposure to sectors with positive impacts, especially 'key positive sectors', and decreasing your exposure to sectors with negative impacts, especially 'key negative sectors', can help improve your bank's alignment with the relevant frameworks and instruments (as identified in Section 1 of the worksheet). It should be noted however that adjustments to portfolio composition alone cannot achieve alignment; other actions will also be required (see the following sections)

By default the table shows your selected sectors and their respective sizes in your portfolio, as well as the split between general purpose and dedicated instruments, as per the data captured in the 'My Parameters' worksheet.

Data for an additional indicator (e.g. amounts) can be added; in this case please first specify what the additional indicator is. It is also possible to add five further sectors (i.e. not previously included in the 'My Parameters' worksheet)—see the very bottom of the table.

**I. Portfolio composition & financial flows**

Use the main table below to capture your current (i.e. baseline) and your target portfolio composition for the different sectors. The table shows the sectors validated in the 'My parameters' worksheet. If you previously used the Identification Module and have imported your data, the table also shows your current exposures, expressed as percentage of portfolio and distinguishing between general purpose and dedicated additional indicator (e.g. amounts) can be added.

**Baseline and targets**

Sectors	General Purpose									
	Proportion of portfolio (default indicator)					Additional indicator				
ISIC Industry Classification	Baseline	Baseline year	Target	Target year	Comments	Baseline	Baseline year	Target	Target year	Comments
<small>This column shows the sectors under analysis, as indicated in the 'My parameters' worksheet. Each sector has a link to the overview table of section 'a' where more information can be found.</small>	<small>This column shows the % of the portfolio that each sector represents</small>	<small>Please specify the year of the data captured in the previous columns</small>	<small>Use this column to indicate your target value</small>	<small>Use this column to indicate your target year for achieving the target value in the previous column</small>	<small>Use this column to capture relevant specifications, e.g. if a target is related to a special category of products, such as green bonds or sustainability-linked loans.</small>	<small>Use this column to capture your current (i.e. baseline) data for an additional indicator (e.g. amounts). Please specify the indicator in the cell above.</small>	<small>Please specify the year of the data captured in the previous columns</small>	<small>Use this column to indicate your target value</small>	<small>Use this column to indicate your target year for achieving the target value in the previous column</small>	<small>Use this column to capture relevant specifications, e.g. if a target is related to a special category of products, such as green bonds or sustainability-linked loans.</small>
All selected sectors	226.00%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
01 Crop and animal production, hunting and related service activities	70.00%									
0111 Growing of tobacco	7.00%									
022 Manufacturing of textiles, leather and fur	9.00%									
0222 Growing of silk	7.00%									
3311 Repairs of motor vehicles, motorcycles, mopeds and light trucks	7.00%									
4320 Contracting of house-holding	7.00%									

**Screenshot 14: Portfolio composition & financial flows**

Two smaller tables underneath the main table enable you to visualize 'red flags' and interlinked impact areas.

The 'red flags' table indicates whether the sectors are typically associated with human rights violations and/or threats to biodiversity and ecosystem. The risk of negative impacts to these areas/topics increases if sectors driving these impact associations increase as a proportion of the portfolio. Conversely the risk decreases if the proportion of the portfolio goes down.

The interlinkages table shows the positive and/or negative impacts that may arise as a consequence of taking action on the selected impact area/topic. It enables you to capture any strategies and processes the bank might have in place to either:

- grow the proportion of its portfolio in additional or alternative sectors that might help compensate for any positive impacts 'lost' as a result of the portfolio adjustments undertaken to address the 'main' impact area/topic;
- address any negative impacts created as a result of the portfolio adjustments undertaken to address the 'main' impact area/topic.

**Red flags & interlinkages**

		Impact areas/topics	
<b>RED FLAGS</b>	Human Rights	Modern slavery, Child labour,	The risk of negative impacts to these areas/topics increases if sectors driving these impacts increase as a proportion of the portfolio.
	Biodiversity & Healthy Ecosystems	Air,	
<b>INTERLINKAGES</b>		Impact areas/topics	Does the bank currently have, or plan to have, a strategy and process to: 1. Grow the proportion of its portfolio in additional or alternative sectors that might help compensate for any negative impacts created as a result of the portfolio adjustments undertaken to address the impact area/topic under review or 2. Address any negative impacts created as a result of the portfolio adjustments undertaken to address the impact area/topic under review on this worksheet? See list of negative interlinkages on the left hand side.
	Positive interlinkages	Natural disasters, health & safety, water, food, energy, healthcare & sanitation, sector diversity, climate stability, waterbodies, air, soil, species, habitat, resource intensive, waste	(please select)
	Negative interlinkages	Flourishing MSMEs	(please select)

**Screenshot 15: Addressing 'red flags' and interlinkages via portfolio composition & financial flows**

## ii. Client engagement

Use the main table to capture your current (i.e. baseline) client engagement practices and to set engagement targets if/as relevant. The table is structured around sectors on the one hand, and client engagement practices on the other: data collection (identifying relevant clients); awareness-raising; advisory services & tailored products.

Client engagement is key to driving your bank’s alignment with global frameworks and instruments, as only a minority of sectors are ‘per se positive’ or ‘per se negative’, which means they cannot be dealt with by inclusion or exclusion policies (see previous section on portfolio composition / financial flows). Most sectors present a mix of positive and negative impacts, which means aspects of their business models (e.g. production processes) need to be adjusted.

To this end, the bank first needs to identify specifically which clients to engage, based on those with the biggest impacts and level of systemic importance, but also based on the bank’s level of exposure and leverage. Following this, the bank can undertake a range of things, from awareness-raising to specific advisory services and tailoring financial products to accompany their clients’ transitions.

By default, the table shows the sectors validated in the ‘My parameters’ worksheet. You can choose appropriate indicators for one or more of the client engagement practices; please reference the Indicator Library for examples from existing frameworks and standards).

### ii) Client engagement

Use the main table below to capture your current (i.e. baseline) client engagement practices and to set engagement targets if/as relevant. The table is structured around sectors on the one hand, and client engagement practices on the other:

\*data collection (identifying relevant clients)

\*awareness-raising

\*advisory services & tailored products

The table shows the sectors validated in the ‘My parameters’ worksheet. You can choose appropriate indicators for one or more of the client engagement issues, please reference the Indicator Library worksheets for examples from existing frameworks and standards).

Underneath the main table, the two smaller tables enable you to capture any current or planned client engagement practices that would address:

\* any ‘red flags’ relative to human rights and/or biodiversity and ecosystems

\* any interlinkages (this is only applicable if the impact area/topic under review on this worksheet is one of your most significant impact areas/topics)

#### Baseline and targets

Sectors	Engagement practices										
	Data collection					Awareness-raising					
ISIC Industry Classification	Indicator	Baseline	Baseline year	Target	Target year	Comments	Indicator	Baseline	Baseline year	Target	Target year
This column shows the sectors under analysis, as validated in the ‘My parameters’ worksheet. Each sector has a link to the overview table of sectors where more information can be found.	Use this column to capture relevant indicators (examples from existing frameworks and standards are available in the Indicator Library worksheets)	Use this column to capture your current (i.e. baseline) data. This can be qualitative or quantitative, depending on the indicator.	Please specify the year of the data captured in the previous columns	Use this column to indicate your target value (if the indicator is quantitative) or situation (if the indicator is qualitative)	Use this column to indicate your target year for achieving the target value/situation in the previous column	Use this column to capture any further relevant information or context	Use this column to capture relevant indicators (examples from existing frameworks and standards are available in the Indicator Library)	Use this column to capture your current (i.e. baseline) data. This can be qualitative or quantitative, depending on the indicator.	Please specify the year of the data captured in the previous columns	Use this column to indicate your target value (if the indicator is quantitative) or situation (if the indicator is qualitative)	Use this column to indicate your target year for achieving the target value/situation in the previous column
Cross-cutting											
01 Crop and animal production, hunting and related service activities											
0115 Growing of tobacco											
292 Manufacture of bodies (chassiswork) for motor vehicles; manufacture of											

## Screenshot 16: Client engagement

Underneath the main table, the two smaller tables enable you to capture any current or planned client engagement practices that would address:

- any ‘red flags’ relative to human rights and/or biodiversity and ecosystems;
- any (positive and/or negative) interlinkages.

Red flags & interlinkages

RED FLAGS		Impact areas/topics	Does the bank currently have, or plan to have, a strategy and process to engage relevant clients or
Human Rights		Modern slavery/Child labour,	(please select)
	Biodiversity & Healthy Ecosystems	Air,	(please select)

INTERLINKAGES		Impact areas/topics	Does the bank currently have, or plan to have, a strategy and process to engage relevant clients or
Positive interlinkages		Natural disasters, Health & safety, Water, Food, Energy, Healthcare & sanitation, Sector diversity, Climate stability, Waterbodies, Air, Soil, Species, Habitat, Resource intensity, Waste	(please select)

**Screenshot 17: Addressing ‘red flags’ and interlinkages via client engagement**

### iii. Internal policies & processes

Use the main table in this section to capture information about the current (i.e. baseline) level of integration of the impact area under analysis in the bank’s internal policies and processes, and to set related targets if/as relevant. The table is structured around three categories of internal policies and processes: sector or thematic policies and processes; core policies and processes (e.g. due diligence, KYC, credit, risk, etc.); governance policies and processes.

Integration of the bank’s most significant impact areas in its internal policies and processes is key to driving your bank’s alignment with global frameworks and instruments, as this is what will systematise and operationalise your impact management.

This may vary from setting up exclusion lists for activities with irreversible damage to natural ecosystems, to drawing up questionnaires to collect information on industrial clients’ circularity credentials, to adjusting risk criteria to the specificities of SMEs and creating embedding impact considerations in credit policies and terms.

You can choose appropriate indicators for one or more categories of internal policies and processes; please reference the Indicator Library for examples from existing frameworks and standards).

**iii. Internal policies & processes :**

Use the main table below to capture information about the current (i.e. baseline) level of integration of the impact area/topic under review on this worksheet in the bank’s internal policies and processes, and to set related targets if/as relevant. The table is structured as follows:  
 \*sector or thematic policies and processes  
 \*core policies and processes (e.g. due diligence, KYC, credit, risk, etc.)  
 \*governance policies and processes  
 \*You can choose appropriate indicators for one or more of these categories; please reference the Indicator Library worksheets for examples from existing frameworks and standards).

Underneath the main table, the two smaller tables enable you to:  
 \* capture any current or planned internal policies and practices that would address ‘red flags’ relative to human rights and/or biodiversity and ecosystems  
 \* capture any current or planned internal policies and practices that would address negative impacts and/or leverage positive impacts arising from bank’s efforts to address the impact area/topic under review on this worksheet (this is only applicable if the impact area/topic is relevant to the bank’s business).

**Baseline and targets**

Sector/theme policies						Core processes				
Indicator	Baseline	Baseline year	Target	Target year	Comments	Indicator	Baseline	Baseline year	Target	Target year
Use this column to capture relevant indicators (examples from existing frameworks and standards are available in the Indicator Library worksheets)	Use this column to capture your current (i.e. baseline) data. This can be qualitative or quantitative, depending on the indicator.	Please specify the year of the data captured in the previous columns	Use this column to indicate your target value (if the indicator is quantitative) or situation (if the indicator is qualitative)	Use this column to indicate your target year for achieving the target value/situation in the previous column	Use this column to capture any further relevant information or context	Use this column to capture relevant indicators (examples from existing frameworks and standards are available in the Indicator Library worksheets)	Use this column to capture your current (i.e. baseline) data. This can be qualitative or quantitative, depending on the indicator.	Please specify the year of the data captured in the previous columns	Use this column to indicate your target value (if the indicator is quantitative) or situation (if the indicator is qualitative)	Use target value

**Screenshot 18: Internal policies and processes**

Underneath the main table, the two smaller tables enable you to:

- capture any current or planned internal policies and practices that would address ‘red flags’ relative to human rights and/or biodiversity and ecosystems;

- capture any current or planned internal policies and practices that would address negative impacts and/or leverage positive impacts arising from bank’s efforts to address the main impact area/topic.

**Red flags & Interlinkages**

RED FLAGS		Impact areas/topics	Does the bank currently have, or plan to have, any internal policies and process
Human Rights		Modern slavery/Child labour,	(please select)
	Biodiversity & Healthy Ecosystems	All,	(please select)
INTERLINKAGES		Impact areas/topics	Does the bank currently have, or plan to have, any internal policies and process that address
Positive Interlinkages		Natural disasters, Health & safety, Water, Food, Energy, Healthcare & sanitation, Sector diversity, Climate stability, Water bodies, Air, Soil, Species, Habitat, Resource intensity, Waste	(please select)
	Negative Interlinkages	Flourishing MSMEs	(please select)

**Screenshot 19: Addressing ‘red flags’ and interlinkages via internal policies and processes**

**iv. Advocacy & partnerships**

Use the main table in this section to capture information about the current (i.e. baseline) advocacy practices in relation to the impact area/topic under review or consideration, and to set related targets if/as relevant. The table is structured around two categories of advocacy & partnership practices: proactive advocacy and partnership efforts, and avoiding advocacy and partnership efforts running counter to sustainability impacts.

While advocacy and partnerships aren’t the biggest levers at banks’ disposal to manage their impacts, they can serve to complement the other categories of actions (see above). Proactive advocacy efforts, for instance, can contribute to creating an enabling environment for itself and its clients.

You can choose appropriate indicators for one or more categories of advocacy and partnership actions; please reference the Indicator Library for examples from existing frameworks and standards).

**iv) Advocacy & partnerships :**

Use the main table below to capture information about the current (i.e. baseline) advocacy practices in relation to the impact area/topic under review on this worksheet, and to set related targets if/as relevant. The table is structured around two categories of advocacy & partnership: proactive advocacy and partnership efforts

\*avoiding advocacy and partnership efforts running counter to sustainability impacts

You can choose appropriate indicators for one or more of these categories; please reference the Indicator Library worksheets for examples from existing frameworks and standards.

**Baseline and targets**

Proactive advocacy efforts						Avoiding advocacy efforts running counter to sustainability impacts				
Indicator	Baseline	Baseline year	Target	Target year	Comments	Indicator	Baseline	Baseline year	Target	Target
Use this column to capture relevant indicators (examples from existing frameworks and standards are available in the Indicator Library worksheets)	Use this column to capture your current (i.e. baseline) data. This can be quantitative or qualitative, depending on the indicator.	Please specify the year of the data captured in the previous columns	Use this column to indicate your target value (if the indicator is quantitative) or situation (if the indicator is qualitative)	Use this column to indicate your target year for achieving the target value/situation in the previous column	Use this column to capture any further relevant information or context	Use this column to capture relevant indicators (examples from existing frameworks and standards are available in the Indicator Library worksheets)	Use this column to capture your current (i.e. baseline) data. This can be quantitative or qualitative, depending on the indicator.	Please specify the year of the data captured in the previous columns	Use this column to indicate your target value (if the indicator is quantitative) or situation (if the indicator is qualitative)	Use this column to indicate your target year for achieving the target value/situation in the previous column

**Screenshot 20: Advocacy & partnerships**

**Q. Do I need to assess everything (i.e. all the categories of practice and types of actions)?**

**A.** For a comprehensive understanding of your current practice it is recommended you consider the status of your portfolio composition/financial flows, client engagement and internal policies and processes. This will also help you to set up your action plan, as this is largely dependent on your practice targets. You can start with a small number of indicators and gradually become more nuanced.

**Q. Do I need to set targets for everything?**

**A.** No, Set targets in the action categories that are best suited to meeting your impact objectives, as defined by the frameworks and instruments you have identified for alignment and that enable you to build up a robust action plan.

**Note for PRB signatories:** PRB signatories are required to set impact targets. Practice targets can be set as a starting point, however these are expected to be on either portfolio composition /financial flows or client engagement.

**Q. What indicators should I choose? How can I use the Indicator Library?**

**A.** Choose the indicators best suited to meeting your impact objectives, as defined by the frameworks and instruments you have identified for alignment.

For certain impact areas/topics PRB signatories are recommended a number of specific indicators; these, along with indicators developed by a number of sustainability frameworks are captured in the Impact Library.

The Indicator Library includes a new, easy-to-use search mechanism, which enables you to extract the data that is relevant to your specific portfolio composition. Further guidance can be found directly in the Indicator Library.

### c. Impact

This section is to measure and assess your current impacts.

Use this section to capture your baseline and targets using impact indicators. You can do this either sector by sector (the tables show the sectors that have been validated in the 'My parameters' worksheet), or collectively across all the sectors in your selection. In either case you should clarify the % of the sector/s for which performance has been measured, and (if applicable), the extent of the value chain covered (e.g. scope 1/2/3).

You can choose up to two indicators per sector (or across all sectors, if you use the line marked 'cross-cutting'). Relevant indicators can be sourced from the 'Indicator Library'. Note for PRB signatories: for climate change mitigation and for financial health and inclusion, signatories are recommended to use a specific set of indicators—these are included in the Indicator Library for ease of reference.

As regards the bank's targets, you are requested to provide both a long-term target and an intermediate target, as well as to specify the scenarios you have used.





### 3. Action plan

Use this section to flesh out your action plan.

The first set of tables gather all the targets (practice and/or impact) defined in the previous section; this is where you can capture implementation information. The 'practice' table constitutes the backbone of the action plan. This is where you can capture specific operationalisation aspects, such as human resource needs, reporting lines and data analytics / systems.

#### 3. ACTION PLAN

Use this section to flesh out your action plan. The first set of tables gather all the targets (practice and/or impact) defined in the previous section; this is where you can capture implementation information (e.g. on interlinkages). Together the two sets of tables, once completed, form your action plan.

##### a. Circularity

###### Practice

Actions	Indicator	Target	Target year	Responsible departments & business lines	Data Analytics What	Human Resources	Comments
Portfolio composition & financial flows	Proportion of portfolio (default indicator)	decrease manufacture of motor vehicles by 5%	2030				
	Proportion of portfolio (default indicator)	increase manufacture of electric motor vehicles by 5%	2030				

###### Impact

Indicator	Metric	Long-term target	Long term target year	Intermediate target	Intermediate target year
Proportion of domestic and industrial wastewater flows Number of IT commissioned projects	Percentage (%)	1	2025	0.95	2024
	Number	(1) 272 (2) 0	2025	(1) 230 (2) 32	2024

#### Screenshot 22: Core action plan

The second set of tables gather all the information provided in the sections above on your approach to managing red flags and interlinkages. Together the two sets of tables, once completed, form your action plan.

##### b. Red flags & interlinkages

###### Red flags-Practice

Red flags		Practice		
		Portfolio composition & financial flows	Client engagement	Internal policies & processes
Human rights	N/A	The risk of negative impacts to these areas/topics increases if sectors driving these impact associations (see above) increase as a proportion of the portfolio. Conversely the risk decreases if the proportion of the portfolio goes up.	N/A	N/A
Biodiversity & Healthy Ecosystems	Air,		N/A	N/A

###### Red flags-Impact

Red flags		Impact
Human rights	N/A	N/A
Biodiversity & Healthy Ecosystems	Air,	N/A

###### Interlinkages-Practice

Interlinkages		Practice		
		Portfolio composition & financial flows	Client engagement	Internal policies & processes
Positive interlinkages	Natural disasters,Health & safety,Water,Food,Energy,Healthcare & sanitation,Sector diversity,Climate stability,Waterbodies,Air,Soil,Species,Habitat,Resource intensity,Waste	yes because	N/A	N/A
Negative interlinkages	Flourishing MSMEs	no because	N/A	N/A

###### Interlinkages-Impact

Interlinkages		Impact
Positive interlinkages	Natural disasters,Health & safety,Water,Food,Energy,Healthcare & sanitation,Sector diversity,Climate stability,Waterbodies,Air,Soil,Species,Habitat,Resource intensity,Waste	N/A
Negative interlinkages	Flourishing MSMEs	N/A

#### Screenshot 23: 'Red flags' and interlinkages components of the action plan

# C. Impact management dashboard

## What is this about?

If you have inputted data for more than one impact area/topic, this worksheet provides an overview of your results which you can use to communicate internally and/or externally about your impact management.

**Impact Management Dashboard**

If you have carried out an assessment and inputted target and action plan data for more than one impact area/topic, this worksheet compiles all your key information in one place, providing you with a high-level overview of your results and a detailed view of your impact pathway.

\*Overview (summarises the scope of your assessment)  
\*Impact pathway per impact area/topic and geography (carries forward your resulting alignment choices and action plans)

### 1. Overview

This section provides a high-level overview of the status and scope of your impact assessment.

*Date of the assessment*

Impact assessment as at: 10/10/2022

*Business activity under assessment*

Business activity:	CIB banking	Size of the business:	€ 5000000000	Proportion of business relative to total business activity of the bank:	70%
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▶ [Click here to watch a demo of the 'Dashboard' worksheets](#)

# How do I do it?

Use the two sections of the Dashboard to communicate your process and results. These are:

- An **overview** summarising the scope of your assessment
- A collection of **Impact Pathways** per impact area/topic and geography

## 1. Overview

This section provides a high-level overview of the status of your impact assessment. It shows all the impact areas/topics and geographies assessed in the workbook, along with basic information on the scope and coverage of your assessment and target setting.

### 1. Overview

This section provides a high-level overview of the status and scope of your impact assessment.

#### Date of the assessment

Impact assessment as at:	01/01/2023
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#### Business activity under assessment

Business activity:	CIB banking
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Size of the business & proportion of business relative to total business activity of the bank (gross income):	€ 5000000000	70%
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Size of the business & proportion of business relative to total business activity of the bank (balance sheet):	€ N/A	N/A
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#### Focus and scope of the assessment

Impact areas/topics →*	Circularity	Climate stability	Biodiversity & healthy ecosystems	Livelihood	Energy
Geographies →	Italy	Italy	Italy	Italy	Italy
% of associated sectors covered →	87.60%	60.00%	0.00%	0.00%	0.00%
Scope of assessment → (practice / impact)	Portfolio composition & financial flows, Client	Portfolio composition & financial	Portfolio composition & financial flows	Portfolio composition & financial flows	Portfolio composition & financial
Scope of target-setting → (practice / impact)	Portfolio composition & financial	N/A	N/A	N/A	N/A

Screenshot 24: Overview of impact assessment status and scope

## 2. Impact pathway per impact area/topic and geography

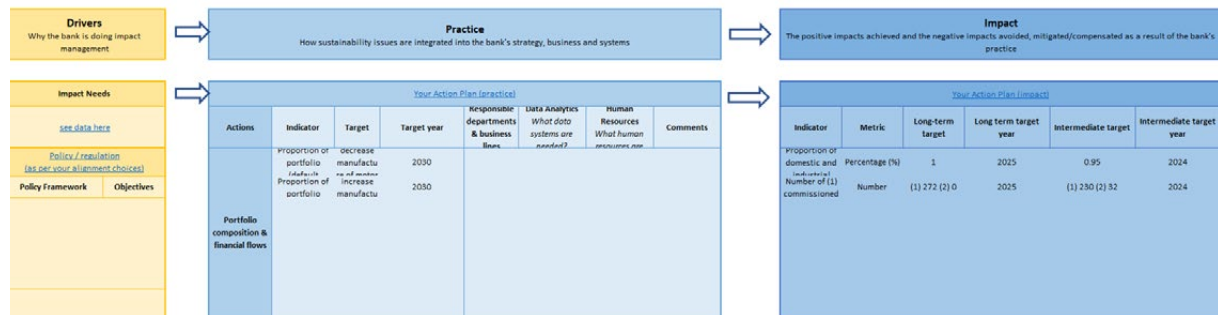
This section carries forward the impact needs, alignment choices and the action plans that have been determined in the previous worksheets for each impact area/topic and geography assessed.

If you want to see the details again, you can click on the jumplinks inside the tables, which will direct you to the relevant sections of the impact area worksheets.

### 2. Impact pathway per impact/area topic and geography

This section carries forward the alignment choices and the action plans that have been determined in the previous worksheets for each impact area/topic and geography assessed. If you want to see the details again, you can click on the jumplinks inside the tables, which will direct you to the relevant sections of the impact area worksheets.

#### Circularity | Italy



Screenshot 25: Impact pathways per impact area/topic and geography

**UN**   
**environment  
programme**

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**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.

[unepfi.org](https://unepfi.org)



**unepfi.org**



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**/UNEPFinanceInitiative**



**UN Environment Programme Finance Initiative**



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