

Annex M: Green Banking Monitoring and Evaluation Reporting Template for Banks and DFIs – Key Performance Indicators

Aspect	Indicator		Evaluation				High-level Summary and Reference(s)	Qualitative/Quantitative	Reference
			Yes	In Progress/Partially Yes	No	Not Applicable			Green Banking Guidelines
1. Responsibilities, Management and Organization	1.1 Responsibilities of the Board of Directors (BoD)	The BoD has overall responsibility of green banking oversight and is responsible for developing ESRM Policy and Procedures.						Qualitative	GBG – 2.1 Board of Directors
	1.2 Responsibilities of Senior Management	Senior Management is responsible for developing strategies, administrative procedures, and accountability mechanisms for the implementation of the Green Banking Policy.						Qualitative	GBG – 2.2 Management – ii. Green Strategies with Monitoring and Supervision
	1.3 Dedicated Green Banking Office and Official	1.3.1 A senior level officer (i.e., Group Head) is assigned as Chief Green Banking Manager to manage and supervise the activities of a Green Banking Office (GBO), which should have at least one full-time staff.						Qualitative	GBG – 2.3 Organization – i. Green Banking Office
		1.3.2 The Bank/DFI has assigned one or more Dedicated Officials within the existing Risk Management Department, who have expertise in environmental, social, and climate-related risk assessment and management. At least one dedicated official of the GBO has a vote in the Credit Risk Committee of the Bank/DFI.						Qualitative	GBG – 2.3 Organization – ii. Institutional Arrangements -Environmental Risk Management

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			Yes	In Progress/Partially Yes	No	Not Applicable			Green Banking Guidelines	
2. Policy & Strategy	2.1 Green Banking Policy	The Bank/DFI's Green Banking Policy includes strategic references on the role of the institution in the transformation towards a low carbon and climate resilient economy. It specifically includes policy statements on: - its environmental, social, and climate-related risk assessment, weighting, and management processes (E&S Risk Management) - its positioning towards green credits and investments (Green Business Facilitation) - its activeness towards resource efficient operations (Own Impact Reduction).						Qualitative	GBG – 2.1 Board of Directors – ii. GBG – 3.2 Environmental Risk Management General Guidelines GBG – 4.1 Green Business Facilitation General Guidelines – 1. The Green Business Facilitation Policy and Strategy GBG – 5.1 Own Impact Reduction General Guidelines – 1. Own Impact Reduction Policy and Strategy	
	2.2 Green Banking Strategy	2.2.1 The Bank/DFI has developed its green banking strategies, covering: - environmental, social, and climate-related risk management - green business facilitation - own impact reduction.						Qualitative	GBG – 2.2 Management – ii. Green Strategies with Monitoring and Supervision GBG – 4.1 Green Business Facilitation General Guidelines – 1. The Green Business Facilitation Policy and Strategy GBG – 5.1 Own Impact Reduction General Guidelines – 1. Own Impact Reduction Policy and Strategy	
		2.2.2 The Bank/DFI has assessed the impact of climate-related risks and opportunities on its businesses, strategy, and financial planning in short, medium, and long-term, and also assessed the resilience of its strategy.						Qualitative		

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3. Environmental, Social, and Climate-Related Risk Management	3.1 Environmental & Social Risk Management Procedures	The Bank/DFI has developed Environmental, Social, and Climate-Related Risk Management Procedures that are: - integrated into the Bank/DFI's credit risk assessment procedures - applicable for all new financing starting from the issuance of this manual - applicable for all financing proposals falling under applicable sectors - customised to reflect the different sizes, types, and nature of the business sectors and transactions.						Qualitative	GBG – 3.3 Environmental Risk Management Systems
	3.2 Initial Screening	The Bank/DFI has an Environmental, Social, and Climate-Related Exclusion List to ensure no investment in specific activities/businesses prohibited under relevant laws and/or regulations.						Qualitative	GBG – 3.3.1 Environmental Avoidance List
	3.3 Due Diligence	The Bank/DFI has developed standardised Environmental, Social, and Climate-Related Risk Due Diligence Checklist(s) and Sector-Specific Guidelines customised for different industrial sectors and different types of financing projects.						Qualitative	GBG – 3.3.2.1 Environmental Due Diligence
	3.4 Risk Categorisation/ Rating System	The Bank/DFI has developed an Environmental, Social, and Climate-Related Risk Categorisation/ Rating System to categorise financing projects. The due diligence findings and risk categorisation/ rating results are incorporated into the credit approval procedures, serving as important criteria in disbursement of loans and risk management post disbursement.						Qualitative	GBG – 3.3.2.2 Environmental Risk Characterization/Rating
	3.5 Monitoring and Control	The Bank/DFI applies Escalation Matrix, Environmental and Social Improvement Plan, and Environmental, Social, and Climate-Related Risk Covenants to monitor and control the environmental, social, and climate-related risk throughout the lifecycle of financing projects.						Qualitative	GBG – 3.3.2.3 Monitoring & Control

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4. Green Business Facilitation	4.1 Green Financing Products	The Bank/DFI has developed green banking financing products (assets and liability side products).						Qualitative	GBG – 4.1 The Green Business Facilitation General Guidelines – 2. Green Product Development
	4.2 Advisory Services and Marketing Strategy	The Bank/DFI has established its Green Advisory Services and incorporated green marketing aspects in its marketing strategy.						Qualitative	GBG – 4.1 The Green Business Facilitation General Guidelines – 3. Green Advisory Service
5. Own Impact Reduction	5.1 Baseline Scenario	The Bank/DFI has developed a baseline scenario of resource consumption for its branches and offices.						Qualitative	GBG – 5.1 Own Impact Reduction General Guidelines – 2. Impact Reduction Targets
	5.2 Impact Reduction	The Bank/DFI has set impact reduction targets at the Group level and assigned them to its branches and offices. Targets include but are not limited to: - energy and other resource consumption - GHG emissions.						Qualitative	GBG – 5.1 Own Impact Reduction General Guidelines – 2. Impact Reduction Targets
	5.3 Green Branches and automated teller machines (ATMs)	The Bank/DFI has designated some of its branches as green branches and converted some of its ATMs to renewable energy sources.						Qualitative	GBG – 5.1 Own Impact Reduction General Guidelines – 3. Green Branches/Offices
6. Data Collection and Management	6.1 Green Banking Data Collection and Management	The Bank/DFI has established a system for data collection and generation of meaningful statistics on green banking. Data to collect or generate include but are not limited to: - Value of loans screened against improved E&S regulation/policies/principles/standards - Share of loans screened against improved E&S regulation/policies/principles/standards.						Qualitative	GBG – 2.2 Management – iii. Data Management and Reporting GBG – 3.3.2.4 Reporting & Documentation

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7. Audit and Compliance	7.1 Internal Audit and Compliance	The green banking activities are incorporated into the scope of compliance and internal controls as well as subject to internal audits.						Qualitative	GBG – 2.2 Management – vi. Audit & Compliance
8. Capacity Building	8.1 Environmental, Social, and Climate-Related Training Programmes	The Bank/DFI has developed environmental, social, and climate-related training programmes to strengthen employees' capacity in green banking, including environmental, social, and climate-related risk management, green business facilitation, and own impact reduction.						Qualitative	GBG – 2.2 Management – iv. Internal Capacity Building
9. Information Disclosure	9.1 Green Banking Disclosure	The Bank/DFI has disclosed its green banking activities and initiatives in its annual reports.						Qualitative	GBG – 2.2 Management – viii. Information Disclosure
10. Performance and Targets	10.1 Value of loans screened against the ESRM Implementation Manual by the reporting banks/DFIs during the reporting period (PKR).							Quantitative	Aggregate impact indicators on ESRM implementation
	10.2 Share of loans screened against the ESRM Implementation Manual by the reporting banks/DFIs during the reporting period, as a percentage of total lending (%).							Quantitative	