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Principles for
Responsible Banking

Reporting and Self-Assessment Template

Principles for Responsible Banking



Reviewed version (V2) from September 2022

Reporting and Self-Assessment Template

The following template sets out the reporting and self-assessment requirements for Signatories of the Principles for Responsible Banking (PRB). Your bank discloses which actions it has undertaken to implement the PRB by self-assessing its progress on each of the 6 Principles. This template is therefore structured in accordance with the 6 Principles that signatories have committed to.

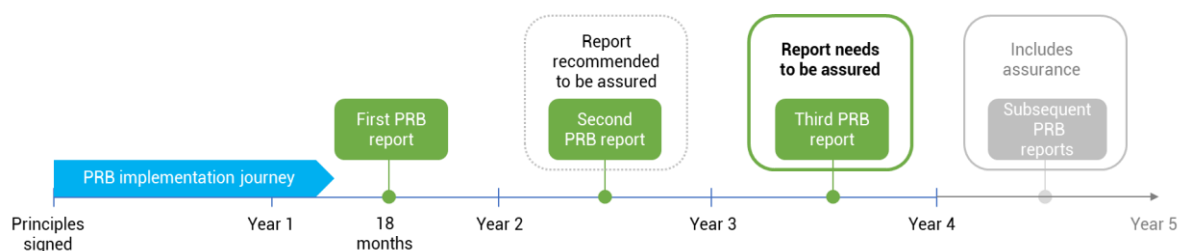
Three [Key Steps](#) are critical to showing that your bank is fulfilling its commitments as a signatory of the PRB, i.e. Impact Analysis, Target Setting & Implementation and Assured Reporting/Accountability. The sections in the Reporting and Self-Assessment Template that relate to the 3 Key Steps also require a self-assessment summary to demonstrate the extent to which the bank has fulfilled the respective requirements of the Key Steps.

Accommodating different starting points

Your bank has an initial four-year period from signing to implement the 6 Principles including to bring its reporting fully in line with the requirements. Your bank may not be able to provide all information required in this template in the first report. You should build on your implementation progress annually. Feedback, support, capacity building, training and peer learning are available to all signatory banks to help them progress with both implementation and reporting.

Timeline for reporting and assurance

Signatory banks need to report on their implementation of the Principles on an annual basis. The first PRB report has to be published within 18 months of signing the Principles, to give the bank some flexibility to align the PRB reporting with its reporting cycle. Publishing the first PRB report at any point earlier than 18 months after signing the Principles is therefore an option. After the first PRB reporting has been published, subsequent reports have to be published annually thereafter, i.e. within 12 months at the latest after the prior report¹.



Assurance

The last report within the initial 4 year implementation period (and subsequent reports thereafter) needs to be assured, which means that at least the third PRB report needs to be assured. Banks are encouraged to put the assurance process in place well before that and have earlier PRB reports already assured.

¹ Early reporting is permitted, although sufficient time to show progress from one year to the other should be taken into account.

All items that relate to the three [Key Steps](#) (highlighted in yellow) require limited assurance by year four of signing the PRB, undertaken by an independent third party with relevant expertise in the field. These are:

- 2.1 Impact Analysis
- 2.2 Target Setting
- 2.3 Target Implementation and Monitoring
- 5.1 Governance Structure for Implementation of the Principles

An assurer provides limited assurance of your self-assessment in these listed areas. You can do this by including it in your existing assured reporting. Where third-party assurance is not feasible, an independent review may be conducted. Assurance requirements are described in more detail in the [Guidance for Assurance providers: Providing limited assurance for reporting](#).

Purpose of the template

The purpose of this template is to assist signatories in disclosing their progress on implementing the PRB. The disclosed information is used by the UNEP FI Secretariat as the basis for the individual review of each bank's progress, as well as for reporting the collective progress made by the PRB Signatory Group. To measure collective progress in a consistent manner, some standardized questions to be completed by the banks are integrated into the template. The open questions give banks the flexibility to disclose the progress they make, considering the diverse business models and various contextual differences in which banks operate.

How to use this template

This template gives banks the chance to provide summaries of the annual progress made in implementing each Principle. It is designed for your bank to provide references/links to where in your existing reporting/public domains (websites) the required information can be found to support your answers. The aim is to keep any additional reporting burden to a minimum while ensuring transparency and accountability as set out in Principle 6. When referring to other documents, please specify the pages where the exact information appears.

The Reporting and Self-Assessment Template shall not be amended structurally and content-wise. The content and text of the template can be applied to corporate layout and designed accordingly, without omitting parts of the texts. The Reporting and Self-Assessment Template can be integrated into your bank's reports (annual report, sustainability report or relevant reporting formats) or can be published as a stand-alone document. It needs to be publicly available and will be listed on the UNEP FI Signatories page.

The reporting needs to be published in English. Information that is referenced to within the Reporting and Self-Assessment Template should also be available in English. Where that is not possible, it is recommended to include the summary of relevant information as text in the Template, so that all necessary information can be taken into account when the UNEP FI Secretariat reviews the bank's performance.

Principle 1: Alignment



We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

Business model

Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.

Sparebanken Sogn og Fjordane is the largest bank in Sogn og Fjordane-region, with total assets of NOK 62.7 billion and 276 full-time equivalent employees.

Annual report 2022
<https://www.ssf.no/investorinformasjon>

Strategy alignment

Does your corporate strategy identify and reflect sustainability as strategic priority/ies for your bank?

- Yes
- No

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.

Does your bank also reference any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or policies to implement these?

- UN Guiding Principles on Business and Human Rights
- International Labour Organization fundamental conventions
- UN Global Compact
- UN Declaration on the Rights of Indigenous Peoples
- Any applicable regulatory reporting requirements on environmental risk assessments, e.g. on climate risk - please specify which ones: TCFD, GRI, -----
- Any applicable regulatory reporting requirements on social risk assessments, e.g. on modern slavery - please specify which ones: -----
- None of the above

The bank has identified four sustainability goals that we will prioritize, while still actively working on all sustainability goals for our customers. In 2023, we will enhance our efforts to develop a comprehensive roadmap aimed at reducing scope 3 emissions in alignment with the Paris Agreement.

Annual report 2022
<https://www.ssf.no/investorinformasjon>

Principle 2: Impact and Target Setting



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.

2.1 Impact Analysis (Key Step 1)

Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting. The impact analysis shall be updated regularly² and fulfil the following requirements/elements (a-d)³:

a) Scope: What is the scope of your bank's impact analysis? Please describe which parts of the bank's core business areas, products/services across the main geographies that the bank operates in (as described under 1.1) have been considered in the impact analysis. Please also describe which areas have not yet been included, and why.

In 2022, the Bank initiated the measurement of emissions from its loan portfolio, specifically focusing on carbon-related credit exposure. We are actively working on developing methodologies to accurately estimate emissions from the Bank's loan portfolio (Scope 3) and have sought consultation from other banks. Currently, our emission estimates rely on data provided by Statistics Norway, which is of low quality. Our objective is to report emissions using higher quality data, and we will closely monitor the efforts of Finance Norway and the PCAF (Partnership for Carbon Accounting Financials) to identify the best methodology.

According to our calculations, the Bank's highest exposure to greenhouse gas (GHG) emissions is observed in the agriculture, fishing, fish farming, and industry sectors. Agriculture and industry alone accounted for approximately 70 percent of the total emissions attributed to the Bank's loan portfolio in the corporate market. Loans provided by the Bank to these two industries represent approximately 17 percent of the overall loan portfolio.

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<https://www.ssf.no/investorinformasjon>

² That means that where the initial impact analysis has been carried out in a previous period, the information should be updated accordingly, the scope expanded as well as the quality of the impact analysis improved over time.

³ Further guidance can be found in the [Interactive Guidance on impact analysis and target setting](#).

b) Portfolio composition: Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition of your portfolio globally and per geographical scope

i) by sectors & industries⁴ for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or

ii) by products & services and by types of customers for consumer and retail banking portfolios.

If your bank has taken another approach to determine the bank's scale of exposure, please elaborate, to show how you have considered where the bank's core business/major activities lie in terms of industries or sectors.

Based on Statistics Norway's tables 09288 and 08116	Total emissions to air in Norway (1,000 tonnes CO ₂ -eq) 2022	SSF – % of total loans in Norway 2022	Tonnes of CO ₂ -eq per NOK million lent	CM emissions for SSF (1,000 tonnes CO ₂ -eq)
Agriculture	5 063	2,51 %	79,8	126,94
Fishing and fish farming	918	3,21 %	10,4	29,50
Industry, mining, quarrying, oil/gas extraction	12 501	0,80 %	125,6	100,32
Electricity, gas, steam and hot water supply	3 091	0,96 %	42,4	29,73
Construction	2 186	0,57%	10,5	12,46
Real estate activities	85	0,57 %	0,1	0,48
Transport and storage, transport via pipelines	3 588	0,33 %	29,2	11,86
Wholesale and retail trade, repair of motor vehicles	1 104	0,83 %	12,3	9,19
Other service activities	508	0,12 %	2,5	0,59
Accommodation and food services activities	116	3,26 %	5,1	3,78
Other	10	2,89 %	0,4	0,29
All industries	29 170	0,82 %	22,8	325,14

Links and references

Annual Report 2022, p. 138 and 140:
<https://www.ssf.no/investorinformasjon/>

In 2022, the bank formulated a CSR and sustainability policy specifically tailored to the corporate banking market. The policy

⁴ 'Key sectors' relative to different impact areas, i.e. those sectors whose positive and negative impacts are particularly strong, are particularly relevant here.

aims to outline the bank's commitment to becoming a driving force for the sustainable development of businesses in the region. It provides a clear framework by identifying the types of activities and businesses the bank does not finance, as well as stating its general requirements and expectations. Additionally, sector-specific requirements and expectations are outlined to provide a comprehensive understanding of the bank's stance.

c) Context: What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clients operate?⁵ Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis.

This step aims to put your bank's portfolio impacts into the context of society's needs.

In 2022, the bank conducted an impact analysis to identify the primary sustainability concerns and priorities of our stakeholders. Through surveys with customers and employees, as well as engaging in dialogues with major shareholders, suppliers, and other partners, it became evident that shareholders, employees, and customers alike expected the bank to prioritize sustainability efforts. Stakeholders were invited to outline the sustainability topics they deemed most significant for the bank. To further explore these topics, we integrated the survey responses into a matrix. The themes identified as most material by both stakeholders and the bank are reported in the GRI index within our annual report and sustainability appendices.

In our main region, the key priorities related to sustainable development revolve around responsible lending. However, we encounter challenges such as a lack of sustainability awareness among our customers. To address this, we are actively engaged in educating our employees and providing informative guidance to our customers through effective advisory services, well-curated online resources, and participation in customer events. In summary, our dedicated focus lies in enhancing the competencies of our entire workforce, including the board, while offering robust guidance to our valued customers.

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<https://www.ssf.no/investorinformasjon/>

Based on these first 3 elements of an impact analysis, what positive and negative impact areas has your bank identified? Which (at least two) significant impact areas did you prioritize to pursue your target setting strategy (see 2.2)⁶? Please disclose.

When it comes to the topic of responsible lending practices, we have established two key priorities. Firstly, we are dedicated to enhancing the knowledge and expertise of both our employees and customers. To achieve this, we have taken several steps as outlined in our sustainability strategy. One of our objectives was to provide our advisors with the necessary skills to guide corporate clients in their sustainability efforts. As part of this initiative, we conducted comprehensive training programs for our advisors in autumn 2022. Additionally, we implemented e-learning courses on climate risk for employees in the corporate market, with an impressive completion rate of 50 out of 65. Moreover, we organized a two-day professional gathering in October 2022 for representatives from the corporate market. The event focused on the ESG and climate risk module and

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⁵ Global priorities might alternatively be considered for banks with highly diversified and international portfolios.

⁶ To prioritize the areas of most significant impact, a qualitative overlay to the quantitative analysis as described in a), b) and c) will be important, e.g. through stakeholder engagement and further geographic contextualisation.

saw the participation of 25 out of 26 representatives. To ensure accessibility and knowledge sharing, we made the recording of the event available for all employees to review.

Secondly, we are committed to offering products that foster sustainable investments for both retail and corporate markets. In our sustainability strategy, we have set specific targets for the development and expansion of these products, aiming to increase both their quality and quantity.

d) For these (min. two prioritized impact areas): Performance measurement. Has your bank identified which sectors & industries as well as types of customers financed or invested in are causing the strongest actual positive or negative impacts? Please describe how you assessed the performance of these, using appropriate indicators related to significant impact areas that apply to your bank's context.

In determining priority areas for target-setting among its areas of most significant impact, you should consider the bank's current performance levels, i.e. qualitative and/or quantitative indicators and/or proxies of the social, economic and environmental impacts resulting from the bank's activities and provision of products and services. If you have identified climate and/or financial health&inclusion as your most significant impact areas, please also refer to the applicable indicators in the [Annex](#).

If your bank has taken another approach to assess the intensity of impact resulting from the bank's activities and provision of products and services, please describe this.

The outcome of this step will then also provide the baseline (incl. indicators) you can use for setting targets in two areas of most significant impact.

We have conducted an analysis of both our retail market (PM) and corporate market (BM) loan portfolios. Within the retail market, it is evident that properties with a low or poor energy rating, which we finance, have higher greenhouse gas emissions compared to properties with energy ratings of A and B. One of our challenges is the significant number of properties in our portfolio without an energy rating. Therefore, we are committed to increasing the number of properties with energy ratings to improve data quality and gain a clear understanding of our progress in reducing the climate risk associated with the properties we finance. An excellent indicator of our progress in this area is our "green mortgage" product, which is specifically designed for properties with energy ratings of A or B. We have already surpassed our initial targets for this product and plan to further increase our goals in 2023 as part of our strategy.

Regarding the corporate market, as mentioned earlier, we have conducted an industry-specific analysis of our exposure. We have observed that the agricultural sector, in particular, has higher emission levels compared to other industries. In response, we have taken active steps to support our customers in the agricultural industry with our "Green Agriculture Loan," aimed at facilitating their transition to more sustainable practices. For other industries, we have prepared industry reports to identify the impact of macroeconomic events, changes in national policies, and other factors on our portfolio's development. To assist our corporate customers in making sustainable investments, we offer the "green business loan" product.

<https://www.ssf.no/gro-ne-lan/gront-bustadlan/>

<https://www.ssf.no/bed-rift/naeringslan/gront/>

<p>This product is available to customers who make investments aligned with the support they receive from Enova or Innovation Norway. The development of this loan product will serve as an indicator of the progress our customers are making towards green investments.</p>	
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Self-assessment summary:

Which of the following components of impact analysis has your bank completed, in order to identify the areas in which your bank has its most significant (potential) positive and negative impacts?⁷

- | | | | |
|--------------------------|---|--------------------------------------|-----------------------------|
| Scope: | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> In progress | <input type="checkbox"/> No |
| Portfolio composition: | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> In progress | <input type="checkbox"/> No |
| Context: | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> In progress | <input type="checkbox"/> No |
| Performance measurement: | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> In progress | <input type="checkbox"/> No |

Which most significant impact areas have you identified for your bank, as a result of the impact analysis?

Climate change mitigation, climate change adaptation, resource efficiency & circular economy, biodiversity, financial health & inclusion, human rights, gender equality, decent employment, water, pollution, other: please specify

How recent is the data used for and disclosed in the impact analysis?

- Up to 6 months prior to publication
- Up to 12 months prior to publication
- Up to 18 months prior to publication
- Longer than 18 months prior to publication

Open text field to describe potential challenges, aspects not covered by the above etc.:
(optional)

⁷ You can respond “Yes” to a question if you have completed one of the described steps, e.g. the initial impact analysis has been carried out, a pilot has been conducted.

2.2 Target Setting (Key Step 2)

Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis.

The targets⁸ have to be Specific, Measurable (qualitative or quantitative), Achievable, Relevant and Time-bound (SMART). Please disclose the following elements of target setting (a-d), for each target separately:

a) Alignment: which international, regional or national policy frameworks to align your bank’s portfolio with⁹ have you identified as relevant? Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks.

You can build upon the context items under 2.1.

We have set objectives and implemented measures within our sustainability strategy across all fields. These encompass goals for both the private and business markets, as well as initiatives aimed at enhancing the skills of our employees, as well as private and corporate customers. We specifically align with the EU Taxonomy framework and have reported accordingly. We have taken into account the taxonomy's qualification criteria for all our green loans to the best of our abilities. Please go to our green bond framework for more information.

Annual report 2022, p. 133 “Taxonomy-related information”

Green Bond Framework: [Grønt rammeverk](#) | [SSF](#)

b) Baseline: Have you determined a baseline for selected indicators and assessed the current level of alignment? Please disclose the indicators used as well as the year of the baseline.

You can build upon the performance measurement undertaken in 2.1 to determine the baseline for your target.

A package of indicators has been developed for climate change mitigation and financial health & inclusion to guide and support banks in their target setting and implementation journey. The overview of indicators can be found in the [Annex](#) of this template.

If your bank has prioritized climate mitigation and/or financial health & inclusion as (one of) your most significant impact areas, it is strongly recommended to report on the indicators in the Annex, using an overview table like below including the impact area, all relevant indicators and the corresponding indicator codes:

<i>Impact area</i>	<i>Indicator code</i>	<i>Response</i>
<i>Climate change mitigation</i>	...	
	...	
	...	

<i>Impact area</i>	<i>Indicator code</i>	<i>Response</i>
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⁸ Operational targets (relating to for example water consumption in office buildings, gender equality on the bank’s management board or business-trip related greenhouse gas emissions) are not in scope of the PRB.

⁹ Your bank should consider the main challenges and priorities in terms of sustainable development in your main country/ies of operation for the purpose of setting targets. These can be found in National Development Plans and strategies, international goals such as the SDGs or the Paris Climate Agreement, and regional frameworks. Aligning means there should be a clear link between the bank’s targets and these frameworks and priorities, therefore showing how the target supports and drives contributions to the national and global goals.

<i>Financial health & inclusion</i>	...	
	...	
	...	

In case you have identified other and/or additional indicators as relevant to determine the baseline and assess the level of alignment towards impact driven targets, please disclose these.

We have a main strategy and a sustainability strategy that encompass overall goals for the bank, including achieving net-zero emissions by 2050, as well as more specific goals for our own operations and all other areas such as corporate markets, retail markets, technology, and IT, among others. This strategy document outlines the goals and actions that guide our work and serve as the foundation and guiding principles for our sustainability efforts.

Sustainability strategy:
<https://www.ssf.no/ber-ekraftsportal/berekrafts-bibliotek/>

c) SMART targets (incl. key performance indicators (KPIs)¹⁰): Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place). Which KPIs are you using to monitor progress towards reaching the target? Please disclose.

The Bank's objective is to incorporate climate risk management across all facets of its activities. Our comprehensive strategy, including our sustainability approach, provides guidelines for effectively handling climate-related risks and opportunities, as well as outlines our roadmap to achieve carbon neutrality by 2050. This endeavor will necessitate modifications to different aspects of our operations. In this section, we present our progress in meeting the Bank's self-imposed climate-related targets.

Goals	Performance (as of 31.12.2022)
By the end of 2023, we shall have issued over NOK 5 billion of green covered bonds and NOK 1 billion of green senior bonds	Green covered bonds: NOK 1.9 billion Green senior bonds: NOK 200 million

Retail Market
 The Bank aims to offer a wide range of sustainable investment products, leading to a significant increase in green product volume.

Sustainability chapter in Annual Report 2022, TCFD, Taxonomy-related information

¹⁰ Key Performance Indicators are chosen indicators by the bank for the purpose of monitoring progress towards targets.

Targets	Performance (as of 31.12.2021)	Performance (as of 31.12.2022)
By the end of 2023, we shall have NOK 2.5 billion of green mortgages and green home improvement loans	Green mortgages: NOK 730 million Green home improvement loans: NOK 1.5 million	Green mortgages: NOK 2.6 billion Green home improvement loans: NOK 7 million

The Bank has also prioritized sustainability for both customers and advisers. Retail market advisers have completed climate risk e-learning courses, and sustainability has been a key focus in training events for advisers, especially related to investment funds and savings products.

Corporate Market

As previously mentioned, our loan portfolio in the corporate market presents the greatest climate-related risks and opportunities. To mitigate these risks, we have conducted ESG and climate risk analyses for credit applications exceeding NOK 3 million. Based on these analyses, we classify the ESG, and climate risk as follows:

Classification	Volume of loans	as a % of loans to CM
Climate risk and ESG		
High risk	23 559 076	0,20%
Moderate risk	2 771 133 490	18,10%
Low risk	5 425 414 493	35,5%
Very low risk	720 918 451	4,70%
Unclassified	6 328 622 348	41,40%
Total loans to CM	15 269 647 858	100%

In alignment with our sustainability strategy, our objective is to equip our corporate customers with expert sustainability advice. To achieve this, we aimed to complete the training of our customer advisers by autumn 2022. This year, our corporate banking employees have undergone an e-learning course on climate risk, with 50 out of 65 completing it. In October 2022, the Bank conducted a two-day training event for corporate banking employees, focusing on the ESG and climate risk module, which was revised with enhanced questions. Out of 26 representatives, 25 attended the training event, and a recorded video was made available for all employees.

We have conducted a comprehensive analysis of greenhouse gas (GHG) emissions from our loan portfolio. This analysis has been instrumental in enabling the Bank to exert pressure on high-emission sectors by imposing stricter requirements and setting expectations. This work will continue in 2023 as we strive to establish more detailed sector-specific emission reduction targets for 2030 and 2050.

<p>Additional information regarding our sector requirements and expectations can be found in our Corporate Social Responsibility (CSR) and sustainability policy, accessible in the Bank's sustainability library.</p> <p>To gauge the proportion of our loan portfolio meeting the criteria for sustainability as per the EU taxonomy, please refer to the section on taxonomy-related information.</p> <p>Own Operations</p> <p>The Bank has set a target to become fossil fuel-free by 2030. In 2022, we achieved a 9.9% reduction (equivalent to 1.5 tCO₂e) in Scope 1 emissions, which encompass fossil fuel consumption. This reduction was primarily attributed to the elimination of some fossil fuel vehicles from our fleet. Additionally, we decreased our Scope 2 emissions, related to electricity consumption, by 181.1 MWh from 2021 to 2022. In 2022, the Bank obtained guarantees of origin for its electricity consumption. However, our Scope 3 emissions, encompassing business travel, increased by 78.1% compared to 2021 due to a rise in travel following the reopening of society after the pandemic.</p> <p>In 2022, the Bank successfully renewed its Eco-Lighthouse certification, reaffirming our commitment to environmental sustainability.</p>	
<p>d) <u>Action plan:</u> which actions including milestones have you defined to meet the set targets? Please describe.</p> <p>Please also show that your bank has analysed and acknowledged significant (potential) indirect impacts of the set targets within the impact area or on other impact areas and that it has set out relevant actions to avoid, mitigate, or compensate potential negative impacts.</p>	
<p>In the text above, we have elaborated on the objectives we have regarding net-zero emissions by 2050, the volume of green products, bonds, etc. However, we have also achieved certain goals that we aim to continue delivering on: achieving a gender balance of 60/40 at all leadership levels in the bank, becoming fossil-free in our own operations by 2030, and so on.</p> <p>We are committed to continuously enhancing our sustainability efforts within the bank. Moving forward, we aim to improve and expand our reporting to meet the upcoming EU directive, CSRD. We will specifically focus on natural risks, which will be as significant as climate risks. We will develop an action plan to reduce greenhouse gas emissions from both our own operations and our clients' activities by 2030 and 2050.</p>	<p><i>Sustainability strategy:</i> https://www.ssf.no/berkraftsportal/berekraftsbibliotek/</p>

Self-assessment summary

Which of the following components of target setting in line with the PRB requirements has your bank completed or is currently in a process of assessing for your...

	... first area of most significant impact: ... (please name it)	... second area of most significant impact: ... (please name it)	(If you are setting targets in more impact areas) ... your third (and subsequent) area(s) of impact: ... (please name it)
Alignment	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
Baseline	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
SMART targets	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
Action plan	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No

2.3 Target implementation and monitoring (Key Step 2)

For each target separately:

Show that your bank has implemented the actions it had previously defined to meet the set target.

Report on your bank's progress since the last report towards achieving each of the set targets and the impact your progress resulted in, using the indicators and KPIs to monitor progress you have defined under 2.2.

Or, in case of changes to implementation plans (relevant for 2nd and subsequent reports only): describe the potential changes (changes to priority impact areas, changes to indicators, acceleration/review of targets, introduction of new milestones or revisions of action plans) and explain why those changes have become necessary.

Sustainability is an integral part of our main strategy. The strategy is adopted annually by the board and provides overarching guidance for our sustainability efforts.

We have a cross-functional sustainability group led by the sustainability officer. Sustainability is intended to be integrated into all routines and policies within the bank, and it should be a natural part of the bank's operations. Each department is responsible for considering sustainability in their work.

The sustainability group has developed a separate strategy for the bank's sustainability efforts, outlining goals and initiatives for each

Sustainability strategy:
<https://www.ssf.no/ber-ekraftsportal/berekraftsbibliotek/>

<p>department. The strategy has been approved by the bank's executive management, and the sustainability group is responsible for implementing the plan and keeping it up to date. This is not intended to be a static document and will be updated with new goals and initiatives.</p>	
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Principle 3: Clients and Customers



We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

3.1 Client engagement

Does your bank have a policy or engagement process with clients and customers¹¹ in place to encourage sustainable practices?

Yes In progress No

Does your bank have a policy for sectors in which you have identified the highest (potential) negative impacts?

Yes In progress No

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities¹². It should include information on relevant policies, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

This should be based on and in line with the impact analysis, target-setting and action plans put in place by the bank (see P2).

We intend to be a driving force and collaborator with our customers and partners when it comes to the green transition. Regarding lending, both in the private and business markets, we will offer green products that incentivize green investments. This is where we rely heavily on customer advisors who have expertise in sustainability and are knowledgeable and confident when dealing with customers in this area. We have already published our corporate social responsibility and sustainability policy for the business market, and we also have plans to publish a similar policy for the private market in the near future. These documents outline the bank's stance on certain industries and activities in the business sector. There may be industries that we choose not to finance, while others may have expectations and requirements placed upon them due to high emission levels. We also actively engage in external meetings with customers, where we inform them about the bank's position and the bank's requirements and expectations regarding sustainability, both now and in the future. This is important to keep our customers informed about the upcoming changes.

Corporate social responsibility and sustainability policy:
<https://www.ssf.no/be/rekraftsportal/berekraftsbibliotek/>

¹¹ A client engagement process is a process of supporting clients towards transitioning their business models in line with sustainability goals by strategically accompanying them through a variety of customer relationship channels.

¹² Sustainable economic activities promote the transition to a low-carbon, more resource-efficient and sustainable economy.

3.2 Business opportunities

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how you have worked on these in the reporting period. Provide information on existing products and services, information on sustainable products developed in terms of value (USD or local currency) and/or as a % of your portfolio, and which SDGs or impact areas you are striving to make a positive impact on (e.g. green mortgages – climate, social bonds – financial inclusion, etc.).

We have addressed this in chapter 2.2.c), where we have presented green products and their development. We continuously work on further developing these products to assist our customers in the transition to a green economy. Some of the goals we set in 2022 have already been achieved, and we are currently working on updating our goals and volume limits for certain green products and bonds.

Principle 4: Stakeholders



We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

4.1 Stakeholder identification and consultation

Does your bank have a process to identify and regularly consult, engage, collaborate and partner with stakeholders (or stakeholder groups¹³) you have identified as relevant in relation to the impact analysis and target setting process?

Yes In progress No

Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.

In 2022, the Bank carried out a materiality assessment to uncover which environmental, social and governance (ESG) issues are important to our stakeholders. In conjunction with this analysis, it carried our surveys of our retail customers and employees, and consulted with our biggest shareholders, suppliers and other partners. The survey results clearly showed that our owners, employees and customers expected

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¹³ Such as regulators, investors, governments, suppliers, customers and clients, academia, civil society institutions, communities, representatives of indigenous population and non-profit organizations

the Bank to put sustainability high on the agenda. In the survey, stakeholders were asked to list which sustainability topics they considered most material for the Bank. In order to understand which topics are material, we have put the responses to the survey in a matrix. The topics considered most material for the stakeholders and the Bank are reported in the GRI index in the annual report and in the sustainability appendix.



Principle 5: Governance & Culture



We will implement our commitment to these Principles through effective governance and a culture of responsible banking

5.1 Governance Structure for Implementation of the Principles

Does your bank have a governance system in place that incorporates the PRB?

Yes In progress No

Please describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the Principles. This includes information about

- which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to),
- details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as
- remuneration practices linked to sustainability targets.

Corporate social responsibility and sustainability are an integral part of the Bank's operations, and responsibility for them is allocated through the various strategies, actions and activities planned and implemented by the Bank. The Bank's overall strategy, which is adopted by the Board of Directors each year, provides a framework for our work on sustainability. "In 2023, we will clarify our positions and perhaps adopt some new ones. We must ensure that we are catalysts for change, because we have a responsibility to promote sustainable development", the 2023 strategy states. In 2022, the Bank also adopted a separate sustainability strategy with specific goals and actions that run through to 2024.

We have an interdisciplinary sustainability group headed by a sustainability officer.

The sustainability group has developed a strategy for our work on sustainability, including goals and actions for all areas of operations. The strategy has been adopted by the bank's senior management team, and the sustainability group is responsible for monitoring progress and updating the plan. The strategy is not a static document; it will be continuously updated with new goals and actions. You can read about our goals and actions at www.ssf.no/berekraft/berekriftsstrategi/.

www.ssf.no/berekraft/berekriftsstrategi/.

5.2 Promoting a culture of responsible banking:

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, e-learning, sustainability trainings for client-facing roles, inclusion in remuneration structures and performance management and leadership communication, amongst others).

We offer mandatory e-learning courses on sustainability to all employees, covering topics such as introduction to sustainability and climate risk etc. In the fall of 2022, we conducted additional training and workshops with consultants in the corporate market on climate risk and ESG modules. In spring 2023, we organized a climate competition with Ducky, where the bank competed internally and externally against other companies to reduce personal CO2-emissions. We have plans to engage in more action-oriented activities focused on sustainability in the coming year.

Links and references

5.3 Policies and due diligence processes

Does your bank have policies in place that address environmental and social risks within your portfolio?¹⁴ Please describe.

Please describe what due diligence processes your bank has installed to identify and manage environmental and social risks associated with your portfolio. This can include aspects such as identification of significant/salient risks, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures you have in place to oversee these risks.

We have carried out ESG and climate risk analyses for credit applications for amounts exceeding NOK 3 million.

Climate risk is covered by the Bank's steering documents for risk and credit management. This is managed at the Board level, and there are clear guidelines for assessing and managing the consequences of climate change. This is particularly important for the corporate portfolio, which is most exposed to climate risk. The risk management and compliance department is responsible for incorporating climate risk into the overall risk management framework.

Sustainability shall be included in all areas of the risk management strategy. The sustainability working group puts climate risk on the agenda and ensures that it is a priority in all of the Bank's technical areas. Processes for identifying, assessing and managing climate risk are well integrated into the Bank's overall risk management, and will keep up with developments. The Bank will continue to focus on this, as well as gradually starting to focus on disaster risk. Dedicated members of the sustainability working group shall be responsible for this.

Links and references

Self-assessment summary

Does the CEO or other C-suite officers have regular oversight over the implementation of the Principles through the bank's governance system?

¹⁴ Applicable examples of types of policies are: exclusion policies for certain sectors/activities; zero-deforestation policies; zero-tolerance policies; gender-related policies; social due diligence policies; stakeholder engagement policies; whistle-blower policies etc., or any applicable national guidelines related to social risks.

Yes No

Does the governance system entail structures to oversee PRB implementation (e.g. incl. impact analysis and target setting, actions to achieve these targets and processes of remedial action in the event targets/milestones are not achieved or unexpected neg. impacts are detected)?

Yes No

Does your bank have measures in place to promote a culture of sustainability among employees (as described in 5.2)?

Yes In progress No

Principle 6: Transparency & Accountability



We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

6.1 Assurance

Has this publicly disclosed information on your PRB commitments been assured by an independent assurer?

Yes Partially No

If applicable, please include the link or description of the assurance statement.

Response

Links and references

6.2 Reporting on other frameworks

Does your bank disclose sustainability information in any of the listed below standards and frameworks?

- GRI
- SASB
- CDP
- IFRS Sustainability Disclosure Standards (to be published)
- TCFD
- Other:

Response

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6.3 Outlook

What are the next steps your bank will undertake in next 12 month-reporting period (particularly on impact analysis¹⁵, target setting¹⁶ and governance structure for implementing the PRB)? Please describe briefly.

We will in the next 12 month-reporting period work on the data quality for our emissions. And look at how we can reduce our negative impact.

Links and references

¹⁵ For example outlining plans for increasing the scope by including areas that have not yet been covered, or planned steps in terms of portfolio composition, context and performance measurement

¹⁶ For example outlining plans for baseline measurement, developing targets for (more) impact areas, setting interim targets, developing action plans etc.

6.4 Challenges

Here is a short section to find out about challenges your bank is possibly facing regarding the implementation of the Principles for Responsible Banking. Your feedback will be helpful to contextualise the collective progress of PRB signatory banks.

What challenges have you prioritized to address when implementing the Principles for Responsible Banking? Please choose what you consider the top three challenges your bank has prioritized to address in the last 12 months (optional question).

If desired, you can elaborate on challenges and how you are tackling these:

- | | |
|--|--|
| <input type="checkbox"/> Embedding PRB oversight into governance | <input type="checkbox"/> Customer engagement |
| <input type="checkbox"/> Gaining or maintaining momentum in the bank | <input type="checkbox"/> Stakeholder engagement |
| <input type="checkbox"/> Getting started: where to start and what to focus on in the beginning | <input checked="" type="checkbox"/> Data availability |
| <input checked="" type="checkbox"/> Conducting an impact analysis | <input checked="" type="checkbox"/> Data quality |
| <input checked="" type="checkbox"/> Assessing negative environmental and social impacts | <input type="checkbox"/> Access to resources |
| <input type="checkbox"/> Choosing the right performance measurement methodology/ies | <input checked="" type="checkbox"/> Reporting |
| <input checked="" type="checkbox"/> Setting targets | <input type="checkbox"/> Assurance |
| <input type="checkbox"/> Other: ... | <input type="checkbox"/> Prioritizing actions internally |

If desired, you can elaborate on challenges and how you are tackling these:

Annex

A set of indicators has been produced for the impact areas of climate mitigation and financial health & inclusion. These indicators will support you in your reporting and in showing progress against PRB implementation. Banks are expected to set targets that address minimum two areas of most significant impact within the first four years after signing the PRB. That means that Banks should ultimately set targets using impact indicators. Acknowledging the fact that banks are in different stages of implementation and on different levels of maturity and therefore might not be able to report on impact from the beginning, a Theory of Change approach has been used to develop the set of indicators below.¹⁷ The Theory of Change shows the **pathway to impact** and considers the relationship between inputs, actions, outputs, and outcomes in order to achieve impact. The Theory of Change for climate mitigation can be found [here](#), the Theory of Change for financial health & inclusion can be found [here](#).

How to use: Both practice (action, outcome and output) and impact performance need to be understood because practice is the conduit for achieving desired impacts (including targets). The Theory of Change allows to identify metrics and set targets which align with a bank's maturity. The indicators below are all connected to a bank's impact and can be considered as steps towards measuring impact. Some of the practice indicators (on the action, output, and outcome levels respectively) are connected to portfolio composition and financial targets¹⁸ (highlighted in **green**) or to client engagement¹⁹ targets (highlighted in **blue**), which enable your overall target. If your bank has prioritized climate mitigation and/or financial health & inclusion as (one of) your most significant impact areas, it is strongly recommended to report on the indicators in the Annex to measure your performance and baseline.²⁰ Once you have set the target, you can use the indicators as guidance for your action plan as well as defining Key Performance Indicators (KPIs) which you can then use to measure progress against the set targets.

¹⁷ It is not required from banks to work with the Theory of Change concept internally. In fact, the Theory of Change has been used to structure the requirements of setting SMART targets using relevant indicators.

¹⁸ Financial targets also aim for real economy outcomes but are not directly expressed as such. Instead, they are expressed with financial indicators and metrics, e.g., to redirect flows of lending and investments to sectors, activities or projects aligned with SDGs and/or related to the selected impact area. Banks can also set financial targets related to specific types of customers e.g., low-income customers or female entrepreneurs.

¹⁹ Client engagement targets involve engaging relevant clients and customers to enable your overall target. The purpose of client engagement is to support clients towards transitioning their business models in line with sustainability goals by strategically accompanying them through a variety of customer relationship channels.

²⁰ You might not be able to report on all indicators and/or or levels of practice (i.e. from left to right), in which case you should report on all applicable indicators on the respective level of practice no matter if it is an action, output or outcome indicator.

- **For Signatories of the Net-Zero Banking Alliance:** please report on the climate targets set as required in the [Guidelines for Climate Target Setting](#). As a member of the Alliance, you are required to publish first 2030 targets for priority sectors within 18 months and further sectoral targets within 36 months after signing. You can use the PRB template to disclose the required climate target information if its publication date is in line with the committed NZBA timeframe.

- **For Signatories of the Collective Commitment to Financial Health & Inclusion:** please report on financial health and/or financial inclusion targets set as required in the [Financial Health and Inclusion Commitment Statement](#). As a signatory to the Commitment, you have agreed to set a SMART ambitious target within 18 months after signing. To facilitate your process, please refer to the [Guidance on Target Setting for Financial Health and Inclusion](#) and the [Core Indicators](#) to measure financial health and inclusion. Keep in mind that signatories of the Commitment are encouraged to measure as many indicators as possible from the Core Set or their equivalent to be able to set a SMART impact driven target.

Impact area	Practice ²¹ (pathway to impact)									Impact ²²		
	1. Action indicators			2. Output indicators			3. Outcome indicators			4. Impact indicators		
	Code	Indicator	Response options & metrics	Code	Indicator	Response options & metrics	Code	Indicator	Response options & metrics	Code	Indicator	Response options & metrics
A. Climate change mitigation	A.1.1	Climate strategy: Does your bank have a climate strategy in place?	Yes / In progress / No	A.2.1	Client engagement process: Is your bank in an engagement process with clients regarding their strategy towards a low(er)-carbon business model (for business clients), or towards low(er)-carbon practices (for retail clients)?	Yes / Setting it up / No; If yes: Please specify for which clients (types of clients, sectors, geography, number of clients etc.)	A.3.1	Financial volume of green assets/low-carbon technologies: How much does your bank lend to/invest in green assets / loans and low-carbon activities and technologies?	bln/mn USD or local currency, and/or % of portfolio; <i>please specify</i> the definition of green assets and low-carbon technologies used	A.4.1	Reduction of GHG emissions: how much have the GHG emissions financed been reduced?	% over time; baseline and tracking GHG emissions in kg of CO ₂ e (or applicable metrics) ²³
	A.1.2	Paris alignment target: Has your bank set a long-term portfolio-wide Paris-alignment target? To become net zero by when?	Yes / In progress / No; If yes: - please specify: to become net zero by when? - Emissions baseline / base year: What is the emissions baseline / base	A.2.2	Absolute financed emissions: What are your absolute emissions (financed emissions = scope 3, category 15) in your lending and/or	Total GHG emissions or CO ₂ e <i>(please also disclose what is excluded for now and why)</i>	A.3.2	Financial volume lent to / invested in carbon intensive sectors and activities and transition finance: How much does your bank lend to / invest in carbon-	bln/mn USD or local currency, and/or % of portfolio	A.4.2	Portfolio alignment: How much of your bank's portfolio is aligned with Paris (depending on the target set [A.1.2] either 1.5 or 2 degrees)?	% of portfolio (please specify which portfolio; for corporate and business clients: % of sectors financed)

²¹ Practice: the bank's portfolio composition in terms of key sectors, its client engagement, and its relevant policies and processes, and, if applicable, its advocacy practices

²² Impact: the actual impact of the bank's portfolio

²³ If possible and/or necessary, please contextualize the progress: Greenhouse gas emissions might even increase initially because the scope of measurements is extended and financed emissions from a growing proportion of the portfolio are measured, emission factors are updated etc. Emission reductions made by the clients should over time lead to a decrease in GHG emissions financed.

		year for your target? - Climate scenario used: What climate scenario(s) aligned with the Paris climate goals has your bank used?		investment portfolio?			intensive sectors and activities ²⁴ ? How much does your bank invest in transition finance ²⁵ ?			
A.1.3	Policy and process for client relationships: has your bank put in place rules and processes for client relationships (both new clients and existing clients), to work together towards the goal of transitioning the clients' activities and business model?	Yes / In progress / No	A.2.3	Sector-specific emission intensity (per clients' physical outputs or per financial performance): What is the emission intensity within the relevant sector?	Please specify which sector (<i>depending on the sector and/or chosen metric</i>): kg of CO ₂ e/ kWh, CO ₂ e / m ² ; kg of CO ₂ e/USD invested, or kg of CO ₂ e/revenue or profit					
A.1.4	Portfolio analysis: Has your bank analyzed (parts of) its lending and/or investment portfolio in terms of financed emissions (Scope 3, category 15); technology mix or carbon-intensive sectors in the portfolio?	Yes / In progress / No; <i>If yes:</i> please specify which parts of the lending and investment portfolio you have analyzed	A.2.4	Proportion of financed emissions covered by a decarbonization target: What proportion of your bank's financed emissions is covered by a decarbonization target, i.e. stem from clients with	% <i>(denominator: financed emissions in scope of the target set)</i>					

²⁴ A list of carbon-intensive sectors can be found in the [Guidelines for Climate Target Setting](#).

²⁵ Transition finance is defined as financing the transition towards a low-carbon future in alignment with the Paris climate goals. It entails any form of financial support for non-pure play green activities to become greener and reduce emissions.

	A.1.5	Business opportunities and financial products: Has your bank developed financial products tailored to support clients' and customers' reduction in GHG emissions (such as energy efficient mortgages, green loans, green bonds, green securitisations etc.)?	Yes / In progress / No; Please specify which ones, and what financial volume and/or % of the portfolio they account for		a transition plan in place?							
B. Financial health	B.1.1	# of products and services in the portfolio with a focus on financial health	Internal data based. Measures how many of the products and services in the portfolio have a financial health focus. We deem a product or service to have this focus when it facilitates decision making and supports financial health increase based on our definition of financial health. This covers products and services embedded with nudges to simplify decision making, round-up, high yield savings accounts, easy investment tools, etc.	B.2.1	# of individuals supported with dedicated and effective financial and/or digital education initiatives	Based on internal data. Measures the number of users (customers and non customers) of financial and/or digital skills-building initiatives offered by the bank. An initiative encompasses courses, programs, training videos, articles, SMS education campaigns, etc. Dedicated means that the initiative was specially created for a defined group of individuals (in many cases a prioritized group). Effective	B.3.1	% of individuals with a good and/or very good level of financial skills	Assessment based. Measures the percentage of individuals with a good and/or very good level of financial skills according to the assessment chosen by the financial institution. Should be measured on individuals benefitting from the bank's financial education initiatives.	B.4.1	% of customers with a high level of financial health	Survey and/or transactional data based. Measures the percentage of customers with a high level of financial health according to the score chosen by the financial institution.

						means that the bank has measured if the initiative is successful in generating the desired results of stronger financial skills, and thus, any individual that is supported with the initiative will achieve the desired results. A bank can't count a click as an individual so we encourage that the data is presented as # of individuals for deanonimized users and # of interactions for anonymized users.						
	B.1.2	% of relevant employees supported with effective training on financial inclusion, responsible credit and/or financial health	Based on internal data. Measures the percentage of relevant employees supported with effective training on financial inclusion, responsible credit and/or financial health. Including training to attend the needs of prioritized groups. Effective means that the bank has measured if the initiative is successful in generating the desired results of	B.2.2	% of customers actively using the online/mobile banking platform/tools	Transactional data based. Measures the percentage of customers logging in, at least once a month, to one of the following digital platforms (measure those applicable for your bank): Online internet banking and/or mobile phone banking and/or digital tools (including financial health	B.3.2	% of customers who use the bank's services to create a financial action plan with the bank	Transactional and/or survey data based. Measures the percentage of customers who create a financial action plan with the bank using the bank's services. A financial action plan is anything that helps the customer build financial resilience. It is done "with the bank" if the bank can visualize,	B.4.2	% of customers for which spending exceeded 90% of inflows for more than 6 months last year	Survey and/or transactional data based. Measures the percentage of customers with a transaction account and/or savings/investment accounts for which spending exceeded 90% of inflows for more than 6 months in the year within the reporting period compared to the total of customers within PRB scope. Focus on main financial institution

			stronger skills, and thus, any individual that is supported with the initiative will achieve the desired results. Relevant employees are those the bank prioritizes in the training program due to their direct impact on the customers' financial health			tools)			through the transactions of the customer, the results of the plan.			customers.
	B.1.3	# of partnerships active to achieve financial health and inclusion targets	Based on internal data. Measures the number of partnerships currently active to achieve financial health and inclusion targets. By active we mean that are currently undergoing actions and generating results. We suggest disclosing the results of the partnerships in the commentary of the reports.				B.3.3	% of customers using overdraft regularly	Transactional data based. Measures the percentage of customers using the overdraft option in their accounts or credit cards, regularly. Overdraft can be used to handle unexpected emergencies but more than 1/3 of the year (banks may deviate if proper reasons are provided) denotes regularity and a precursor to lower financial health	B.4.3	% of customers that feel confident about their financial situation in the next 12 months	Survey based data. Measures the percentage of customers that answered positively to feeling confident about their financial situation in the next 12 months compared to the total number of customers surveyed. By confident we mean not feeling worried about their financial situation.
							B.3.4	% of customers with a non-performing loan	Transactional data based. Measures the percentage of customers with past-due loans ("past due"	B.4.4	% of customers with products connected to long-term saving and investment plans	Transactional and/or survey data based. Measures the percentage of customers with products

								defined by policies at each bank) compared to the total amount of customers with loans in the bank's lending portfolio.			connected to long-term saving and investment plans. "Long-term" will depend on each bank's definition.
						B.3.5	% of customers showing an increase or stable amounts in savings, deposit and/or investment account balances, quarter on quarter.	Transactional data based. Measures the percentage of customers showing an increase or stable amounts in savings and/or deposit AND/OR investment accounts balances, quarter on quarter.	B.4.5	% of customers that would struggle to raise emergency funds or cover a major unexpected expense	Survey based data. Measures the percentage of customers that would struggle to raise emergency funds or cover with insurance a major unexpected expense. We consider a major unexpected expense, one that the customer hadn't planned for and would require them to spend more than what they have available for secondary expenses in their monthly budget or 1/20th of the country's Gross National Income (banks may deviate if proper reasons are provided). A good example is: unforeseen medical bills, large appliance malfunctioning, car repair, etc. Survey based

																						using the question: "If a major unexpected expense arises, how can you cover it right now?" and give the multiple choice options of insurance, emergency funds, loan, credit card, family/friends, etc.
C. Financial Inclusion	C.1.1	# of products and services in the portfolio with a focus on financial inclusion	Internal data based. Measures how many of the products and services in the portfolio have a financial inclusion focus. We deem a product or service to have this focus when its design facilitates the access and usage by the prioritized customer. For example, no-fee savings account, low interest microloan, offline access or sim-based banking apps, etc	C.2.1	# of individuals supported with dedicated and effective financial and/or digital education initiatives	Based on internal data. Measures the number of users (customers and non customers) of financial and/or digital skills-building initiatives offered by the bank. An initiative encompasses courses, programs, training videos, articles, SMS education campaigns, etc. Dedicated means that the initiative was specially created for a defined group of individuals (in many cases a prioritized group). Effective means that the bank has measured if the initiative is	C.3.1	% of individuals with a good and/or very good level of financial skills	Assessment based. Measures the percentage of individuals with a good and/or very good level of financial skills according to the assessment chosen by the financial institution. Should be measured on individuals benefiting from the bank's financial education initiatives.	C.4.1	% of customers with 2 or more active financial products, from different categories, with the bank	Transactional data based. Measures the percentage of customers with 2 or more active financial products, from different categories, with the bank. By active we mean there's at least one usage per month. By category we mean credit/debt, savings/deposit/payment, insurance, investment, etc. Once a target has been set for this indicator, we encourage banks to ensure responsible selling policies or other initiatives so that the target doesn't become a toxic incentive.										

					successful in generating the desired results of stronger financial skills, and thus, any individual that is supported with the initiative will achieve the desired results. A bank can't count a click as an individual so we encourage that the data is presented as # of individuals for deanonymized users and # of interactions for anonymized users.						
	C.1.2	% of relevant employees supported with effective training on financial inclusion, responsible credit and/or financial health	Based on internal data. Measures the percentage of relevant employees supported with effective training on financial inclusion, responsible credit and/or financial health. Including training to attend the needs of prioritized groups. Effective means that the bank has measured if the initiative is successful in generating the desired results of stronger skills, and thus, any individual that is supported with the initiative	C.2.2	% of customers with effective access to a basic banking product	Transactional data based. Measures the percentage of customers with effective access to a basic banking product. By effective we mean the usage beyond first access. Basic banking products vary by bank. Good examples are: checking accounts, payment accounts, credit cards, saving accounts, deposit accounts, e-money accounts,	C.3.2	% of customers supported with dedicated customer journey/advisory services	"Transactional data based. Where dedicated customer journey/advisory services are in place for prioritized groups, this indicator measures the percentage of customers using such services. Depending on size of bank, either number or percentage can be the unit of measure.		

			will achieve the desired results. Relevant employees are those the bank prioritizes in the training program due to their direct impact on the customers' financial health			etc.						
	C.1.3	# of partnerships active to achieve financial health and inclusion targets	Based on internal data. Measures the number of partnerships currently active to achieve financial health and inclusion targets. By active we mean that are currently undergoing actions and generating results. We suggest disclosing the results of the partnerships in the commentary of the reports.	C.2.3	# of new customers per month	Transactional data based. Measures the number of new customers per month. Once the bank sets a target, this indicator can become a KPI to measure the percentage of new customers from the prioritized groups, per month.	C.3.3 *	% of customers actively using the online/mobile banking platform/tools	Transactional data based. Measures the percentage of customers logging in, at least once a month, to one of the following digital platforms (measure those applicable for your bank): Online internet banking and/or mobile phone banking and/or digital tools (including financial health tools, if applicable)			