

Climate Change

Course Content

Topic	Indicative content
1. The interrelationship of climate, pollution and biodiversity change with banking activities.	<ul style="list-style-type: none"> • The climate system and the drivers of climate change and global warming. • Pollution and biodiversity impacts, their relationship to climate change and the need for impact reduction and nurturing of natural capital. • Societal and Governmental drivers that reflect the need to change human consumption patterns. • Intergovernmental initiatives intended to reduce human impact on the planet. • The concept of resilience in a banking context. • The role of banking in supporting the sustainability needs of global society. • The concepts of materiality and impact – from an “outside-in” to “inside-out” perspective and how dynamic materiality adds a complementary perspective.
2. Challenges and risks faced by the banks in supporting positive impacts upon climate and nature.	<ul style="list-style-type: none"> • The challenges faced by global society in changing human consumption patterns. • Exploring barriers to change from a banking perspective. • The risk implications for banking industry with focus on: <ul style="list-style-type: none"> - Market - Transition - Physical - Liability - Reputation
3. Opportunities presented to the banking sector in supporting positive impacts for climate and nature.	<ul style="list-style-type: none"> • Socio-economic systems requiring transformative, nature-positive change: <ul style="list-style-type: none"> - Food, land and ocean - Infrastructure and the built environment - Energy and extractives. • Target setting: approaches to measuring the alignment of lending and investment portfolios with the Paris Climate Agreement and setting targets to align portfolios with the Paris goals, including the work of the Net Zero Banking Alliance (NZBA). • High priority sectors from a dependencies and, where appropriate, impacts perspective. • Banks and business customers: engaging clients on climate transition and developing actions plans that support the net zero climate target. • Banks and retail customers: influencing individual consumer choices that support sustainability. • Sustainability within banking operations.

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Course content (continued)

Topic

Indicative content

4. Approaches to developing sustainable financing solutions for a range of industry sectors.

- Analysing sustainable needs for commercial and institutional customers
 - Analysing sustainable needs for retail customers
 - Examples of sustainable solutions implemented for socio-economic systems:
 - Food, land and ocean
 - Infrastructure, the built environment and real estate
 - Energy and extractives
 - Transport.
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5. How banks' activities are measured in terms of impact on the natural world.

- Monitoring of bank' portfolio emissions reporting and disclosure.
- ESG and Corporate Governance
- TCFD and an introduction to climate stress testing
 - Physical risks
 - Transition risks
 - The use of ENCORE, SBTi, CDP.