

Topic	Indicative content
1. Contemporary strategic influences on banking.	<ul style="list-style-type: none">• The evolving finance marketplace: Globalisation 3.0 v regional protectionism.• Society's expectations for responsible business and the amplification of banks' responsibilities to support responsibility and sustainability in all aspects of their business activities.• The impact of wider society on banks as a source of risk, instability and opportunity.• The confluence of political, societal and regulatory initiatives and their influence on how banks integrate sustainability in their own business. Focus on banks' interplay with:<ul style="list-style-type: none">- Key global challenges and intergovernmental /regulatory responses e.g. the triple planetary crisis (climate change, biodiversity loss and pollution), planetary boundaries, rising inequality and the concept of just transition.- The role of the Principles of Responsible Banking in strategic decision-making.- Transitioning the real economy (changing business models of banks' corporate clients, consumer expectations)• The underlying influence of disruptive technology and innovation on banks.• Conflicting priorities? Financial system stability v risk and growth.• Business opportunities presented by the broader transition to sustainability and building compelling business cases for strategic change.
2. The role of a range of key players and policy and regulatory frameworks in aligning finance with the UN Sustainable Development Goals and the Principles for Responsible Banking.	<ul style="list-style-type: none">• UNFCCC, Paris Agreement• Global, EU and national policy responses, including focus on taxonomies for sustainable activities.• Finance sector alliances, e.g. UNEPFI, PRI, PRB, PSI, NZBA, GFANZ• The UN Sustainable Development Goals in focus.• The Principles for Responsible Banking in focus.• The role of intergovernmental bodies, governments, national and international NGOs and other organisations in supporting sustainability.• Trends and issues on the horizon• NGFS/Sustainable Insurance Forum/IMF/BIS/Coalition of Finance Ministers, G20 Sustainable Finance Working Group key developments.

Responsible Banking for Board Members and Executives

Course content (continued)

Topic

Indicative content

3. How responsible banking can be incorporated in corporate strategies, policies and procedures, both within the bank and also the customer base.

- The responsibilities of leadership to embed a culture of responsible banking.
- The Principles of Responsible Banking – organisational self-assessment of implementation progress.
- Analysis of the impact of portfolios, service and product propositions from a strategic and sustainability perspective.
- Setting realistic, timely and achievable strategic sustainability-oriented targets.
- Identification and nurturing of appropriate resources and collaboration to support change strategies.
- Identifying and anticipating objections, blockers and intransigence in practice.
- Measurement of impacts, outcomes and identifying the need to modify approaches in response.

4. The balance of science and risk-based approaches to evaluating the effectiveness of responsible banking in corporate strategies.

- Reviewing Governance and culture within your bank.
- Reviewing Governance and cultural direction within customers and customer groups.
- The concepts of materiality and impact – from an “outside-in” to “inside-out” perspective and how dynamic materiality adds a complementary perspective.
- Interrogating reporting data – analysing beyond the headlines and taking a balanced longer-term view.
- Interpreting the impact of climate-related physical and transition risks, and the impacts of these on the economy, society and the financial services sector.
- In-depth analysis of operational and credit risks.
- Considering strategy from an impact-based perspective v a risk perspective and identifying how impact and risk can converge.
- Framing questions in a responsible and sustainable context.
- Focus on reputational risk from an ESG perspective.
- Focus on regulatory risk from an ESG perspective.
- Forward-looking stress testing.
- Changing regulatory expectations. e.g. disclose transition pathways.