

**UN**  
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Principles for  
Responsible Banking

# Reporting and Self-Assessment Template

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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.

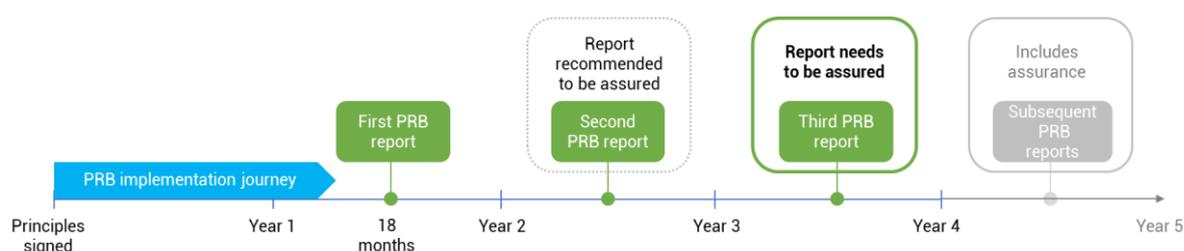
Three [Key Steps](#) are critical to showing that your bank is fulfilling its commitments as a signatory of the PRB, i.e. Impact Analysis, Target Setting & Implementation and Assured Reporting/Accountability. The sections in the Reporting and Self-Assessment Template that relate to the 3 Key Steps also 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 report<sup>1</sup>.



### 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.

<sup>1</sup> 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](#) 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.

### Response

*Banco de la Nación Argentina (hereinafter "the Bank") has been focusing on supporting micro, small and medium enterprises for 131 years, which businesses are relevant for the developmet of the country and foreign trade, especially promoting the export of goods, services and technology.*

*For supporting purposes, the Bank grants companies which produce goods and services credits for investment and working capital, guarantees and financing. Moreover, it grants personal and mortgage loans for housing and related products.*

*It has a wide presence at a national and international level, with 777 assistance channels throughout the country, thus promoting the development of various regional economies. In addition, the Bank has 10 operative branches abroad, placed in New York and Miami (USA); Madrid (Spain); São Paulo (Brazil); Montevideo (Uruguay); Santa Cruz de la Sierra (Bolivia); and Asunción (Paraguay), to which Concepción, Encarnación and Villarrica subagencies report, and a representative office in Beijing (China). Furthermore, apart from on-site assistance, it asists customers through telephone and other digital channels, thus being more accessible and inclusive.*

*As regards the customer portfolio, in relation to holders of active products, 89.07% pertains to individuals, 0.87% to entities (including the financial sector), 0.02% pertains to the public sector and 10.04% pertains to court-ordered deposits, charge-offs and joint-account holders.*

*As regards geographic distribution, 30.47% pertains to Buenos Aires, 14.26% to the City of Buenos Aires, and the rest is distributed throught the country, covering 22 provinces, with Córdoba standing out (8.10%), followed by Santa Fe (7.36%), Mendoza (6.49%), Tucumán (3.60%) and Entre Ríos (3,01%), and the rest representing 1.51%.*

### Links and references

[2022 Sustainability Report \(p. 8, 50-53\)](#)

## 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: -----
- Any applicable regulatory reporting requirements on social risk assessments, e.g. on modern slavery - please specify which ones: -----
- None of the above

### Response

*The Bank designs products and financial services which contribute to sustainable development, taking into consideration corporate social responsibility, community growth, climate change mitigation and the preservation of the environment as key elements. As a result, it creates opportunities for the development of a sustainable future, in coordination with government agencies, civil organizations, entities and different communities.*

*In this regard, it promotes the 2030 Agenda, thus contributing to compliance with the Sustainable Development Goals (SDGs) based on a Sustainability Policy, which contemplates environmental and social priorities within the business.*

*Moreover, it adheres to international best practices and sustainability guidelines, with a strong commitment to being a responsible banking, which conducts business in a transparent and ethical manner, generating value in persons', entities' and communities' economy throughout the country. Within the Bank's initiatives, it should be mentioned as follows: Sustainable Development Goals (SDGs), Sustainable Finance Protocol, UN Global Compact, ISO 26000 and the Principles for Responsible Banking.*

*The Bank prepares on an annual basis a review of its contribution to the SDGs and to the goals prioritized by the National Government, using domestic indicators as a follow-up framework and adjusting follow-up indicators to financial activity, for the purposes of publishing, through a thorough analysis, its impact and contribution to the 2030 Agenda.*

### Links and references

[2022 Sustainability Report \(p. 32-35,72\)](#)

## 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 regularly and fulfil the following requirements/elements (a-d)<sup>2</sup>:

**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.

#### Response

*During 2023, the Bank performed the first impact analysis, covering 22% of the Bank's portfolio<sup>3</sup>:*

- *Individual Banking, with information on checking accounts, savings accounts (payroll, pension and social), loans granted, and with the amount analysed representing 12% of the Bank's gross income (not including Open Portfolio);*
- *Banking for Companies' Large Companies and SMEs segments, including agriculture, livestock, manufacturing, among others, representing 10% of the Bank's gross income.*

#### Links and references

**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 & industries<sup>4</sup> 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.

<sup>2</sup> Further guidance can be found in the [Interactive Guidance on impact analysis and target setting](#).

<sup>3</sup> Analysis performed with information corresponding to fiscal year 2022.

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

Response	Links and references
<p>The areas covered by the analysis were as follows:</p> <p><u>Individual Banking:</u></p> <ul style="list-style-type: none"> <li>- Deposits: <ul style="list-style-type: none"> <li>o Savings Accounts: 99.06%</li> <li>o Credit Cards and Checks: 0.94%</li> </ul> </li> <li>- Unperforming loans: <ul style="list-style-type: none"> <li>o Consumer loans and overdrafts: 76.31%</li> <li>o Mortgage loans: 4.88%</li> <li>o Loans related to automobiles: 0.37%</li> <li>o Loans related to education: 0.01%</li> <li>o Other specialized loans: 2.76%</li> <li>o Target products – low-income segments: 0.02%</li> <li>o Target products – senior segment: 15.65%</li> </ul> </li> </ul> <p><u>Banking for Companies:</u> includes impact analysis in 50 sectors and industries, among which the most significant are listed, representing 62.82% of total:</p> <ul style="list-style-type: none"> <li>- Manufacture of food products: 17.13%</li> <li>- Mixed agriculture: 10.51%</li> <li>- Wholesale trade, except for automobiles and motorcycles: 9.68%.</li> <li>- Crops of cereals (except rice), leguminous and oleaginous plants: 6.61%</li> <li>- Retail sale of food in non-specialized food establishments: 6.56%</li> <li>- Activities of members' organizations: 6.41%</li> <li>- Activities of business, employers and professional organizations: 5.92%.</li> </ul>	

**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? 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.*

Response	Links and references
<p><i>The context analysis was performed on the first semester of 2023. The UNEP Fi Portfolio Impact Analysis Tool for Banks "Context Module" was used, which included the use of data sources as a UN Global SDG Database, the World Health Organization, World Resources Institute, World Economic Forum and other domestic and local sources, among others.</i></p> <p><i>As a result of the analysis, the Bank identified as priority areas for Argentina the following:</i></p> <ul style="list-style-type: none"> <li><i>-Availability, accessibility, affordability and quality of resources and services.</i></li> <li><i>-Healthy economies.</i></li> <li><i>-Biodiversity and healthy ecosystems.</i></li> <li><i>-Circularity</i></li> </ul>	

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)? Please disclose.

Response	Links and references
<p><i>Based on the impact analysis through the tool, the Bank identified the areas "Availability, accessibility, affordability and quality of resources and services" and "Healthy economies" as the areas of greatest impact, given the size of their operations.</i></p>	

**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.*

Response	Links and references

*The Bank's customers are distributed among the private sector (individuals and companies), the public sector, the financial sector, court-ordered deposits, charge-offs and joint-account holders. It offers a broad portfolio of products for all segments that includes personal loans, credit cards, checking accounts, savings accounts, service packages, time deposits, financing and deposits. Through 777 branches, it operates to increase access to financial services for more than 30 million people throughout the country.*

*In this regard, it attends to the needs of micro, small and medium enterprises, assisting agriculture and livestock production, commerce, industry, mining, tourism, services and technology, supporting regional development with products and services for productive activities of each area of the country.*

*Based on the analysis performed, the Bank has identified those sectors where it has the greatest impact. On one hand, individuals, focusing on those pertaining to vulnerable sectors and/or people with less financial accessibility. On the other hand, large companies, focusing on SMEs and the possibility of generating a greater impact on the development of communities.*

*As part of the analysis performed, the Bank has prepared a situation diagnosis based on how it affects the economy, the planet and people, and which are the indicators in effect which contribute to the maximization of positive impacts and the minimization of negative impacts. The Bank's current performance analysis was the basis for the selection of the indicators and goals under analysis.*

*For example, as part of the actions taken within the framework of the launching of the REGISTRADAS Program, the Bank has indicators in place that measure progress in payroll accounts, credit cards and loans granted. Particularly, in 2022, 22,055 payroll accounts were opened and 1,309 credit cards and 712 loans for ARS 109 million were granted. Moreover, as regards the development of SMEs and entrepreneurs, the Bank has performance indicators in place that show the number and amount of loans granted. In particular, in 2022, it granted 45,722 loans to small and medium enterprises.*

[2022 Sustainability Report \(p. 55, 61-63, 103\)](#)

## 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?<sup>5</sup>

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 type="checkbox"/> Yes	<input checked="" 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)

The SMART targets will be defined during the next semester of 2024, based on the relevant data for fiscal year 2022.

<sup>5</sup> 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 targets 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 with<sup>6</sup> 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.*

### Response

*Given its strong commitment to contribute to the preservation of social, economic and environmental capital for present and future generations, the Bank implements national and international good practices in relation to sustainability. It is accountable and bases its performance on guidelines and ongoing enhancement processes. As regards international guidelines and standards, the Bank implements the Sustainable Development Goals, the Principles of the UN Global Compact, ISO 26000 and the Principles for Responsible Banking.*

*Moreover, as part of its commitment to sustainability, it adheres to the Sustainable Finance Protocol of the Banking Industry in Argentina, which aims at facilitating and promoting the implementation of international best practices and policies that promote the integration of economic, social and environmental factors in order to move towards Sustainable Development.*

### Links and references

[2022 Sustainability Report \(p. 33\)](#)

**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<sup>7</sup>.*

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:

Impact area	Indicator code	Response
Climate change mitigation	...	
	...	
	...	

<i>Impact area</i>	<i>Indicator code</i>	<i>Response</i>
<i>Financial health &amp; 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.

<i>Response</i> <i>The Bank is in the process of establishing the baseline for its targets.</i>	<i>Links and references</i>
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<b>c) SMART targets</b> (incl. key performance indicators (KPIs) <sup>8</sup> ): 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.	
<i>Response</i> <i>The Bank is in the process of establishing its strategic objectives.</i>	<i>Links and references</i>
<b>d) Action plan:</b> which actions including milestones have you defined to meet the set targets? Please describe.	
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.	
<i>Response</i> <i>The Bank is in the process of establishing its strategic objectives and subsequently establish an action plan to achieve them.</i>  <i>Notwithstanding this process, the Bank is already conducting and managing related actions that have an impact on the selected areas and are reported in the Sustainability Report. These include credit lines for SMEs and entrepreneurs, assistance to retirees and pensioners, and advice on inclusive products for vulnerable sectors, among other.</i>	<i>Links and references</i> <a href="#"><u>2022 Sustainability Report (p. 57, 61, 101)</u></a>

## Self-assessment summary

<sup>6</sup> 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.

<sup>7</sup> On this occasion, as the Bank is in the process of defining the SMART targets, a priori, we do not have information on the impact areas to complete the Annex, which is why it is not completed in this document and this section is in the original English version.

<sup>8</sup> Key Performance Indicators are chosen indicators by the bank for the purpose of monitoring progress towards targets.

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...			
	Availability, accessibility, affordability and quality of resources and services	Healthy Economies	(If you are setting targets in more impact areas) ...your third (and subsequent) area(s) of impact: ... (please name it)
Alignment	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" 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 checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" 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 checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" 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 checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" 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 2<sup>nd</sup> 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.

<p><i>Response</i></p> <p><i>The Bank is in the process of defining its strategic objectives, in order to subsequently establish an action plan to ensure compliance therewith.</i></p>	<p><i>Links and references</i></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 customers 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 activities<sup>9</sup>). 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).*

#### Response

*The Bank makes efforts to include sustainability policies, processes, practices and standards both into the financing of activities and investments, as well as within the institution; and to finance market proposals and projects that aim at achieving a sustained growth, with direct and indirect support to the SDGs framework.*

*In this regard, it has a Sustainability Policy in place which purpose is to create a systemic relationship for the effective development of programs, processes and actions at a centralized level taking into consideration the significant federal impact of each of these initiatives. Among the key elements are sustainable finance and financial inclusion. The Sustainability Committee assists the Board of Directors as regards the Sustainability Strategy, seeking to integrate ethical, social and environmental criteria into its business through financial assistance.*

*In particular, it seeks to accompany the transition to a low-carbon economy and to mitigate the impact of climate change, through energy efficiency measures and cutting back on greenhouse gas emissions from the main polluters in the industry.*

#### Links and references

[2022 Sustainability Report \(p. 33, 38\)](#)

Moreover, the Bank has set up an interarea group for the creation of a Framework for the Development of Financial Instruments Aligned with the SDGs (Sustainable Development Goals), which sets forth the guidelines and principles for the Bank to develop, launch and manage debt and credit instruments classified as green, social, sustainable and aligned with the SDGs.

### 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.).

#### Response

The Bank has products and services in place related to sustainable finance for the promotion of the SDGs. Currently, we are defining SMART targets after having performed the impact analysis pursuant to the tools provided by UNEP FI.

For example, in 2022, the Bank continued with technical assistance under the project "Promoting green finance to foster sustainable development in Argentina" implemented by SMS Latinoamérica and financed by the "Green Recovery Challenge Fund" under the UK PACT programme of the Foreign, Commonwealth & Development Office (FCDO) of the United Kingdom, beginning in 2021.

In addition, the Bank offers products that promote accessibility, financial inclusion, equal opportunities, and the creation of proper spaces for the financial development of SMEs and entrepreneurship, inter alia.

#### Links and references

[2022 Sustainability Report \(p. 38\)](#)

## Principle 4: Stakeholders



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

<sup>9</sup> Sustainable economic activities promote the transition to a low-carbon, more resource-efficient and sustainable economy.

#### 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 groups<sup>10</sup>) 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.

##### Response

*The Bank keeps a fluent relationship with all those stakeholders that are directly or indirectly impacted by its activities and products. The stakeholders identified are personnel, board of directors, customers, suppliers, community, chambers and associations, government and controlling bodies.*

*They are consulted during the materiality analysis process to define the Bank's materiality matrix, prioritizing the relevant issues considered to be addressed in the Sustainability Report, to be managed as part of the Sustainability Strategy.*

##### Links and references

[2022 Sustainability Report \(p. 35-37\)](#)

<sup>10</sup> Such as regulators, investors, governments, suppliers, customers and clients, academia, civil society institutions, communities, representatives of indigenous population and non-profit organizations.

## 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.

#### Response

*The Bank is committed to implementing the Project "PNUD ARG20/003, "Modernization of Banco de la Nación Argentina: integrity and efficiency at the service of Human Development"; for the purposes of developing a comprehensive process of institutional strengthening and technological modernization. As the first task of such project, and in line with a sustainable future, the Bank's top authority entered into an agreement with UNEP FI for the implementation of the Principles for Responsible Banking in September 2020.*

*The Sustainability Committee assists the Board of Directors in relation to the Sustainability Strategy of the Bank, ensuring the inclusion of ethical, social and environmental criteria in the business. In addition, such Committee addresses the progress of the PNUD ARG20/003 project and the implementation of the Principles for Responsible Banking.*

*Moreover, the Bank has a specific area in place named Investment Banking, which purpose is to coordinate the activities relating to the issuance of its own debt and third-party debt, for the purposes of accompanying sustainable economic development, taking into consideration the requirements of the modern productive system.*

#### Links and references

[2022 Sustainability Report \(p. 34\)](#)

[Corporate Governance Code \(p.24\)](#)

## 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).

Response	Links and references
<p><i>The Bank has the Malvinas Argentinas Training Institute (ICMA) in place, through which it accompanies professional development via ongoing training, by way of training programs, thus strengthening the skills required for each function, professionalizing management and contributing to business growth.</i></p> <p><i>During 2022, the new 2022-2024 Training Plan was implemented and conducted by ICMA, which aims at contributing to organizational growth, by planning and structuring knowledge. It also helps to identify and manage the training of new generations of leaders, contributing to their development via innovative training and upgrading programs.</i></p> <p><i>The Training Plan includes an induction course which addresses topics such as sustainability, leadership program, career plan, trainings on gender and diversity focused on human rights, and trainings on customer service with a gender and inclusion perspective, inter alia.</i></p> <p><i>Moreover, in 2022, the Bank created the Network of Financial Facilitators, composed of more than 950 workers of every branch in the country, aimed at assisting people outside the financial system and being present in each local community. During 2022, 117 financial education workshops were held in 14 provinces, reaching 3,944 persons and completing 5,435 hours of training.</i></p>	<p><a href="#">2022 Sustainability Report (p. 77, 102)</a></p>

## 5.3 Policies and due diligence processes

Does your bank have policies in place that address environmental and social risks within your portfolio?<sup>11</sup> 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.

Response	Links and references
<p><i>The Board of Directors of the Bank, through the Integral Risk Management Committee, promotes the development of integral management through the analysis of added risk exposure, intended for the whole Organization as a tool for management, apart from regulatory compliance.</i></p>	<p><a href="#">2022 Sustainability Report (p. 27, 38)</a></p>

<sup>11</sup> 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.

*As regards social and environmental risks, in 2022, the Bank participated in the creation of a Guide for the implementation of Environmental and Social Risk Management Systems (ESRMS) for banking institutions which adhere to the Sustainable Finance Protocol. The document aims at offering good practices for the implementation and methodical management of ESRMS in investment and credit in Argentina.*

*Moreover, it participated in the national survey of sustainable finance and climate change in Argentina for the banking sector held by the Technical Roundtable on Sustainable Finance.*

*As regards project assessment, the Bank complies with SDGs. Moreover, the monitoring of compliance with environmental and social standards regulating the activities of companies/projects to execute is part of the analysis. In 2022, the Bank prepared an awareness plan for compliance with SDGs for its members and users and takes into consideration the regulations of each activity when conducting evaluations. Moreover, the Bank has set up an interarea group for the creation of a Development of Financial Instruments in line with SDGs Framework, which sets forth the guidelines and principles for the Bank to develop, launch and manage debt and credit instruments classified as green, social, sustainable and aligned with the SDGs.*

### **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?

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.

<i>Response</i>	<i>Links and references</i>
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## 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: ....

<i>Response</i> <i>Other: Global Compact</i>	<i>Links and references</i>
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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 analysis<sup>12</sup>, target setting<sup>13</sup> and governance structure for implementing the PRB)? Please describe briefly.

<i>Response</i> <i>The Bank's challenge is to establish its strategic objectives and SMART targets based on the impact analysis performed during 2023.</i>	<i>Links and references</i>
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<sup>12</sup> For example, outlining plans to increase the scope by including areas that have not yet been covered, or planned steps in terms of portfolio composition, context and performance measurement.

<sup>13</sup> 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 type="checkbox"/> Data availability               |
| <input type="checkbox"/> Conducting an impact analysis   | <input checked="" type="checkbox"/> Data quality         |
| <input type="checkbox"/> Assessing negative environmental and social impacts                   | <input type="checkbox"/> Access to resources             |
| <input checked="" type="checkbox"/> Choosing the right performance measurement methodology/ies | <input 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.<sup>14</sup> 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 targets<sup>15</sup> (highlighted in **green**) or to client engagement<sup>16</sup> 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.<sup>17</sup> 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.

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<sup>14</sup> 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.

<sup>15</sup> 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.

<sup>16</sup> 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.

<sup>17</sup> 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 <sup>18</sup> (pathway to impact)									Impact <sup>19</sup>		
	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	<b>Climate strategy:</b> Does your bank have a climate strategy in place?	Yes / In progress / No	A.2.1	<b>Client engagement process:</b> 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	<b>Financial volume of green assets/low-carbon technologies:</b> 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; please specify the definition of green assets and low-carbon technologies used	A.4.1	<b>Reduction of GHG emissions:</b> how much have the GHG emissions financed been reduced?	% over time; baseline and tracking GHG emissions in kg of CO <sub>2</sub> e (or applicable metrics) <sup>20</sup>
	A.1.2	<b>Paris alignment target:</b> 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 <b>net zero by when?</b> - <b>Emissions baseline / base year:</b> What is the emissions baseline / base	A.2.2	<b>Absolute financed emissions:</b> What are your absolute emissions (financed emissions = scope 3, category 15) in your lending and/or	Total GHG emissions or CO <sub>2</sub> e (please also disclose what is excluded for now and why)	A.3.2	<b>Financial volume lent to / invested in carbon intensive sectors and activities and transition finance:</b> How much does your bank lend to / invest in carbon-intensive	bln/mn USD or local currency, and/or % of portfolio	A.4.2	<b>Portfolio alignment:</b> 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)

<sup>18</sup> 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

<sup>19</sup> Impact: the actual impact of the bank's portfolio

<sup>20</sup> 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? - <b>Climate scenario used:</b> What climate scenario(s) aligned with the Paris climate goals has your bank used?		investment portfolio?			sectors and activities <sup>21</sup> ? How much does your bank invest in transition finance <sup>22</sup> ?			
<b>A.1.3</b>	<b>Policy and process for client relationships:</b> 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	<b>A.2.3</b>	<b>Sector-specific emission intensity</b> (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 <sub>2</sub> e/kWh, CO <sub>2</sub> e / m <sup>2</sup> ; kg of CO <sub>2</sub> e/USD invested, or kg of CO <sub>2</sub> e/revenue or profit					
<b>A.1.4</b>	<b>Portfolio analysis:</b> 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	<b>A.2.4</b>	<b>Proportion of financed emissions covered by a decarbonization target:</b> 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>					

<sup>21</sup> A list of carbon-intensive sectors can be found in the [Guidelines for Climate Target Setting](#).

<sup>22</sup> 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.

	<b>A.1.5</b>	<b>Business opportunities and financial products:</b> 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>B. Financial health</b>	<b>B.1.1</b>	# 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>B.2.1</b>	# 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>B.3.1</b>	% 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>B.4.1</b>	% 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 deanonymized 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	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

			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			financial health tools)			through the transactions of the customer, the results of the plan.			financial institution 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 with insurance 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.
<b>C. Financial Inclusion</b>	<b>C.1.1</b>	# 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	<b>C.2.1</b>	# 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	<b>C.3.1</b>	% 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>C.4.1</b>	% 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 deanonymous 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-	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			money accounts, 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)			