



## **GARP and UNEP Finance Initiative Share New Collaborative Paper on Climate Risk Management**

*Special joint report offers insights into creating board-level climate dashboards*

JERSEY CITY, NJ, July 12, 2022 – The thought leadership arm of the Global Association of Risk Professionals (GARP), GARP Risk Institute (GRI), published a special climate risk report today created in collaboration with the United Nations Environment Programme Finance Initiative (UNEP FI).

Titled "[Steering the Ship: Creating Board-Level Climate Dashboards for Banks](#)," the paper offers a comprehensive framework for establishing board-level climate dashboards that can be used to report decision-useful climate information and metrics. Developed through insights from 50 top financial institutions, including BNP Paribas, Bradesco, ING, MUFG, Santander, TD Bank and Wells Fargo, it covers the "what," "why," and "how" of creating a climate dashboard while addressing some of the key related challenges banks are facing.

Within companies, boards play a pivotal role in steering their organization through the increasingly complex and challenging climate risk landscape. According to [GARP's 2021 Climate Risk Management Survey](#), 92% of financial institutions report that their boards have oversight over climate risk management. But some supervisory reports have noted that boards lack appropriate management information and metrics with which to perform this oversight.

"As climate change risks increase worldwide, company boards will be critical in ensuring their firms remain resilient and on a path to net zero," said Jo Paisley, president of GRI. "It is the board's responsibility to decide how it intends to oversee risk management policies and practices, and a climate dashboard is likely to become an increasingly useful way for the board to discharge this responsibility."

The report clarifies the different types of boards within banks to ensure a common understanding of terminology, before discussing the range of perspectives that a bank board should consider, with examples of information relevant to each. It examines common challenges that banks face in creating dashboards, but also provides concrete direction for how to structure an effective climate dashboard, providing high-level and detailed examples of dashboards – both hypothetical and from published reports.

"Bank boards now have the tools to understand the impacts climate change will have on their business," said Maxine Nelson, senior vice president of GRI. "A board-level dashboard with key climate metrics is an excellent way to start to convey the breadth and depth of issues that

banks increasingly need to navigate and to help them align their business with the goals of the Paris Agreement.”

To access the full paper, visit [GARP’s Climate Risk Resource Center](#).

## **About the Global Association of Risk Professionals**

The Global Association of Risk Professionals is a non-partisan, not-for-profit membership organization focused on elevating the practice of risk management. GARP offers the leading global certification for risk managers in the Financial Risk Manager (FRM®), as well as the Sustainability and Climate Risk (SCR®) Certificate and ongoing educational opportunities through Continuing Professional Development. Through the GARP Benchmarking Initiative and GARP Risk Institute, GARP sponsors research in risk management and promotes collaboration among practitioners, academics, and regulators.

Founded in 1996, governed by a Board of Trustees, GARP is headquartered in Jersey City, N.J., with offices in London, Beijing, and Hong Kong. Find more information on [garp.org](#) or follow GARP on [LinkedIn](#), [Facebook](#), and [Twitter](#).

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