

1st Edition

Net Zero Strategy Standard for the Financial Sector

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www.greenCloud.io

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Forbes



13 CLIMATE
ACTION



An elderly man with a serious expression, wearing a dark suit, white shirt, and teal tie, holds a small globe of the Earth in his hands. The globe shows the Americas and is covered in green and white textures. The background is a lush, misty jungle with various tropical plants and trees. The overall tone is somber and contemplative.

Conscious action shapes capital.

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Preface

Dear readers,

It is an honor to once again introduce the **Net Zero Strategy Standard** for the financial sector, on behalf of **GreenCloud®**. This document takes on even greater significance when considering the insights revealed in a recent study published by McKinsey & Company.

The study emphasizes the importance of engaging the financial sector in the transition towards a low-emissions economic model to secure a sustainable future for future generations. It is estimated that this transition will require a massive annual investment of approximately USD 9.2 trillion in physical assets globally, a substantial increase from the current USD 5.8 trillion. It is crucial to allocate an additional USD 3.5 trillion each year, representing a 61.4% increase, exclusively towards low-emissions assets.

While this transition presents an initial challenge and burden to the global economy, with a progressive increase in GDP spending up to 9% by 2030, it is crucial to understand that only through this commitment can we effectively reduce emissions and address climate change. It is imperative to direct the majority of this investment towards low-emissions physical assets in the energy and land-use sectors.

By embracing this challenge, we lay the groundwork for a prosperous and sustainable future, safeguarding our planet for future generations. The Net Zero Strategy Standard for the financial sector emerges as a fundamental tool to guide financial institutions in this transition. By adopting this standard, institutions can take concrete and strategic actions, contributing to climate change mitigation and the construction of a more equitable and resilient world.

In summary, the Net Zero Strategy Standard for the financial sector is a necessary and timely response to the challenges posed by climate change. By engaging the financial sector in this transition towards a low-emissions economic model, we work towards a sustainable and prosperous future for all.

We appreciate your readership and hope that this standard proves to be a valuable tool on your path to sustainability and carbon neutrality.

Sincerely,

Juan Claudio De Oliva Maya Cuellar | CEO & Founder de GreenCloud®



1. Introduction

This standard has been developed by GreenCloud® of Costa Rica with the aim of providing a robust and practical guide for financial institutions, private banks, and multilateral banks that wish to develop a Net Zero strategy on their path towards decarbonization and climate change mitigation. This standard is based on the premise that financial institutions play a crucial role in the transition towards a low-carbon economy and the promotion of sustainable financial practices.

2. Founder's words

As the founder of this initiative, I have dedicated time and effort to the development of this standard with the aim of providing a practical and concise tool for financial institutions that wish to align themselves with emission reduction goals and contribute effectively to the fight against climate change. I recognize the importance of financial institutions taking a leadership role in adopting sustainable practices and promoting an economy resilient to climate change.

MBIT. & Engineer. Juan Claudio De Oliva Maya | **CEO & Founder of GreenCloud®**

3. Reason for implementing this voluntary, science-based standard

The urgency and magnitude of climate change require decisive and coordinated action across all sectors of society. Financial institutions have the capacity and responsibility to promote the transition towards a low-emission economic model and carbon-neutral operations in multiple sectors. This standard has been developed with the purpose of providing a clear and practical guide that facilitates financial institutions in implementing Net Zero strategies, strengthening their commitment to sustainability, and contributing to the transformation of the global economy.

4. Scope of application

This standard applies to financial institutions, including private banks and multilateral banks, that seek to develop a Net Zero strategy to reduce greenhouse gas emissions (GHG) and contribute to climate change mitigation.

5. Approach to Net Zero strategy

The Net Zero strategy is based on the following GHG reduction initiatives/projects, aligned with ISO 14064-1, GHG Protocol, and IPCC standards:

- a. **Financing investments in low-carbon technologies:** Investing in technologies that improve energy efficiency and offering financial products that facilitate the transition to a low-carbon economy. Driving financial innovation for climate change mitigation and adaptation. (Impact level: 40%)
- b. **Financial transportation and logistics:** Digitizing financial operations and optimizing processes through technologies like blockchain and artificial intelligence to reduce the need for physical transportation. (Impact level: 10%)
- c. **Internal and operational processes:** Implementing internal policies to optimize resource usage, promoting a culture of recycling and waste reduction, and implementing eco-friendly and efficient IT solutions. (Impact level: 10%)
- d. **Capital transportation:** Optimizing capital flows to reduce transaction time and costs and promoting investments in low-carbon infrastructure. (Impact level: 10%)
- e. **Emissions neutralization in financial operations:** Offsetting emissions generated by financial operations through investments in carbon projects and promoting the inclusion of carbon neutrality clauses in financial contracts. (Impact level: 10%)
- f. **Training and awareness:** Providing sustainability and climate change training for financial personnel, promoting a corporate culture of sustainable finance, and obtaining certifications in green finance. (Impact level: 5%)
- g. **Research and development in green finance:** Investing in R&D to develop new financial tools that facilitate the transition to a low-carbon economy and fostering research in finance and climate change. (Impact level: 10%)
- h. **Communication and awareness:** Communicating the green and sustainable initiatives of the financial institution to clients, establishing emissions reporting systems, and tracking progress towards sustainability commitments. (Impact level: 5%)

6. Monitoring and evaluation

To ensure the effectiveness of the Net Zero strategy, it is recommended to monitor the following suggested key performance indicators (KPIs):

- a. Number of specific projects implemented in each GHG reduction initiative.*
- b. Level of compliance with GHG reduction commitments.*
- c. Reduction of GHG emissions within the financial institution's scope.*
- d. Level of engagement of key stakeholders in communication and awareness initiatives.*
- e. Number of strategic partnerships established with organizations and networks for promoting sustainable finance.*
- f. Visibility and reach of communication and awareness initiatives.*
- g. Number of collaborations with academic institutions and research on sustainable finance.*
- h. Impact of climate risk analysis tools on financial decision-making.*
- i. Level of customer satisfaction with sustainable financial products and services.*

7. Implementation and continuous improvement

Financial institutions should implement this Net Zero strategy and establish mechanisms for review and continuous improvement to ensure its effectiveness and alignment with climate change mitigation goals. Active participation of employees, management, and shareholders is recommended in the implementation and monitoring of the strategy.

8. Total Impact

The total impact on GHG mitigation of all the mentioned reduction initiatives/projects in the standard should equal 100%.

This standard provides a concise and practical guide for financial institutions that wish to develop a Net Zero strategy and contribute to climate change mitigation through their financial activities and products. Financial institutions are recommended to adapt this standard to their specific needs and contexts.

9. Compliance assessment guide

To assess compliance with this standard, the following evaluation approach is proposed:

- a. **Initial analysis and diagnosis:** Financial institutions should conduct a detailed analysis of their greenhouse gas (GHG) emissions and assess their impact on climate change. Additionally, they should evaluate their current level of integration of sustainable financial practices and establish clear goals and objectives for emission reduction.
- b. **Development of the Net Zero strategy:** Financial institutions should develop a Net Zero strategy that includes specific initiatives for each stage of the value chain, as detailed in the standard. This strategy should be aligned with global emission reduction goals and set ambitious and measurable targets.
- c. **Implementation of initiatives and projects:** Financial institutions should implement the projects and initiatives described in the standard, allocating adequate resources and establishing clear action plans. Collaboration with key stakeholders such as organizations, networks, academic institutions, and media should be ensured to amplify the impact of the initiatives.
- d. **Monitoring and evaluation:** Financial institutions should establish monitoring and evaluation mechanisms to measure progress towards emission reduction goals and assess the impact of implemented initiatives. Specific key performance indicators (KPIs) for each initiative, as detailed in the standard, are suggested.
- e. **Continuous improvement:** Financial institutions should conduct periodic reviews of their Net Zero strategy and implemented initiatives, identifying areas for improvement and updating goals and objectives as the transition to a low-carbon economy progresses.

10. Application and acceleration of transformation

The implementation of this standard by financial institutions can accelerate the transformation towards a low-emission economic model and carbon-neutral operations in various sectors.

By adopting sustainable financial practices, fostering innovation, promoting collaboration, and effectively communicating green and sustainable initiatives, financial institutions can positively influence the decision-making of economic actors and accelerate the adoption of sustainable technologies and practices.

Conclusion

This standard provides a solid and concise guide for financial institutions, private banks, and multilateral banks seeking to adopt a Net Zero strategy and contribute to climate change mitigation. By complying with this standard, financial institutions can strengthen their commitment to sustainability, generate a significant impact in emissions reduction, and promote an economy resilient to climate change. The implementation of this standard represents an important step towards a sustainable and safer future for future generations.

ANNEXES



ANNEX 1

Guide for the "Sustainability Investment Financing" Strategy

Objective: The objective of this strategy is to drive financing for sustainable investments that contribute to reducing greenhouse gas emissions and promote the transition to a low-carbon economy.

Initiatives/Projects in this stage:

1. Green financing

Description: Create green financial products such as green bonds or green loans specifically used to finance projects that have a positive environmental impact and help reduce greenhouse gas emissions.

Impact Level on GHG mitigation (%): 30%

Objective Code: 001

2. Investment in clean technologies

Description: Invest in clean and low-carbon technologies that reduce greenhouse gas emissions. This may include financing renewable energy projects, energy storage, energy efficiency, and carbon capture and storage.

Impact Level on GHG mitigation (%): 30%

Objective Code: 002

3. Financing energy efficiency

Description: Offer loans or credits to businesses to implement energy efficiency measures in their operations, which can significantly reduce their greenhouse gas emissions.

Impact Level on GHG mitigation (%): 20%

Objective Code: 003

4. Support for transitioning to a low-carbon economy

Description: Provide financial advice and financial products to companies that are in the process of transitioning to a low-carbon economy. This may involve restructuring

business operations, investing in new technologies or processes, and implementing sustainable business practices.

Impact Level on GHG mitigation (%): 10%

Objective Code: 004

5. Investments in carbon offset projects

Description: Invest in projects that offset carbon emissions, such as reforestation or ecosystem conservation projects. These projects can help absorb CO₂ from the atmosphere and mitigate the effects of climate change.

Impact Level on GHG mitigation (%): 10%

Objective Code: 005

Compliance Assessment Guide:

Analysis and diagnosis: Conduct a comprehensive analysis of greenhouse gas emissions associated with current financial investments and establish clear emission reduction goals.

Development of green financial products: Create specific financial products for sustainable investments, considering the selection of projects with high GHG mitigation potential.

Financial advisory: Provide financial advice to clients seeking to transition to a low-carbon economy, identifying investment opportunities and financial strategies aligned with sustainability.

Evaluation and monitoring: Establish evaluation and monitoring mechanisms for funded projects, verifying their actual contribution to emission reduction and alignment with sustainability goals.

Reporting and disclosure: Publish transparent reports on sustainable investments made and the achieved impacts in terms of emission reduction, facilitating accountability and generating trust among stakeholders.

Collaboration and partnerships: Establish collaborations with other financial institutions, environmental organizations, and relevant actors to promote the adoption of sustainable financial practices and share best practices.

The application of this assessment guide will enable financial institutions to promote financing for sustainable investments, accelerate the transition to a low-carbon economy, and significantly contribute to the reduction of greenhouse gas emissions.

***Juan Claudio De Oliva Maya, Founder of the Guide for Financial Institutions Strategies towards a Net Zero Model.**

ANNEX 2

Guide for the "Financial Transportation and Logistics" Strategy

Objective: The objective of this strategy is to promote the adoption of sustainable practices in the transportation and financial logistics sector to reduce greenhouse gas emissions and optimize operational efficiency.

Initiatives/Projects in this stage:

1. Financing of efficient transportation fleets

Description: Offer loans and financing to logistics companies for the renewal of their fleets with more efficient, electric, or hybrid vehicles, which can significantly reduce GHG emissions.

Impact Level on GHG mitigation (%): 30%

Objective Code: 001

2. Investment in sustainable logistics infrastructure

Description: Invest in the development of logistics infrastructure that minimizes environmental impact, such as energy-efficient warehouses or efficient multimodal transportation systems.

Impact Level on GHG mitigation (%): 25%

Objective Code: 002

3. Credits for logistics information technologies

Description: Support the adoption of information technologies that optimize logistics operations and reduce GHG emissions, such as fleet management systems, route optimization software, and real-time tracking technologies.

Impact Level on GHG mitigation (%): 20%

Objective Code: 003

4. Support for transitioning to low-carbon fuels

Description: Provide financial products to transportation and logistics companies to transition to cleaner fuels such as liquefied natural gas (LNG), hydrogen, or biofuels.

Impact Level on GHG mitigation (%): 15%

Objective Code: 004

5. Investments in carbon offsetting

Description: Invest in projects that offset carbon emissions produced by transportation and logistics operations, such as reforestation projects, ecosystem conservation, or carbon capture and storage technologies.

Impact Level on GHG mitigation (%): 10%

Objective Code: 005

Compliance Assessment Guide:

Analysis and diagnosis: Conduct a detailed analysis of greenhouse gas emissions associated with current transportation and logistics operations and establish clear reduction targets.

Financing of efficient fleets: Offer favorable loan and financing conditions to logistics companies for the acquisition of more efficient and low-emission vehicles.

Investment in sustainable infrastructure: Finance projects for the development of logistics infrastructure that incorporate sustainability criteria and promote energy efficiency and emission reduction.

Credits for logistics information technologies: Establish special lines of credit for the acquisition and implementation of information technologies that optimize logistics operations, reduce energy consumption, and emissions.

Support for transitioning to low-carbon fuels: Provide financial advice and products to support the transition of transportation and logistics companies to cleaner and low-emission fuels.

Investments in carbon offsetting: Establish financing mechanisms for carbon offset projects that allow transportation and logistics companies to neutralize their emissions and contribute to climate change mitigation.

The application of this assessment guide will enable financial institutions and multilateral banks to promote sustainability in the transportation and logistics sector, accelerate the adoption of low-carbon technologies and practices, and significantly contribute to the reduction of greenhouse gas emissions.

***Juan Claudio De Oliva Maya, Founder of the Guide for Financial Institutions Strategies towards a Net Zero Model.**

ANNEX 3

Guide for the "Internal and Operational Processes" Strategy

Objective: The objective of this strategy is to promote sustainable practices in the internal and operational processes of financial institutions and multilateral banks to reduce greenhouse gas emissions and optimize resource efficiency.

Initiatives/Projects in this stage:

1. Implementation of remote work practices

Description: Support the implementation of remote and virtual work practices to reduce GHG emissions associated with employee commuting. This may include financing for IT infrastructure and training.

Impact Level on GHG mitigation (%): 20%

Objective Code: 001

2. Financing for energy efficiency in facilities

Description: Provide loans or credits for companies to improve the energy efficiency of their facilities by implementing technologies such as LED lighting, energy management systems, or efficient heating and cooling systems.

Impact Level on GHG mitigation (%): 25%

Objective Code: 002

3. Investment in renewable energy for own operations

Description: Invest in the installation of renewable energy systems, such as solar panels or wind turbines, in the facilities to reduce GHG emissions and decrease reliance on fossil fuels.

Impact Level on GHG mitigation (%): 25%

Objective Code: 003

4. Financing for process digitization

Description: Offer financing for companies to digitize their processes, reducing the need for paper and decreasing GHG emissions associated with paper production and transportation.

Impact Level on GHG mitigation (%): 15%

Objective Code: 004

5. Investment in environmental management systems

Description: Support the implementation of environmental management systems that help monitor, control, and reduce GHG emissions in daily operations.

Impact Level on GHG mitigation (%): 15%

Objective Code: 005

Compliance Assessment Guide:

Emissions diagnosis: Conduct a diagnosis of GHG emissions generated by current internal and operational processes and establish clear reduction targets.

Remote work practices: Promote the adoption of remote and virtual work practices by providing necessary technological tools and training for implementation.

Energy efficiency in facilities: Facilitate loans or credits to companies for the implementation of energy efficiency measures in their facilities, promoting the use of more efficient and sustainable technologies.

Investment in renewable energy: Financially support the installation of renewable energy systems on the premises, incentivizing the generation of clean energy and reducing GHG emissions.

Process digitization: Provide financing for process digitization, including the implementation of systems and technologies that reduce paper consumption and improve operational efficiency.

Environmental management systems: Promote the adoption of environmental management systems that allow for the measurement, control, and reduction of GHG emissions, establishing performance indicators and goals for continuous improvement.

The implementation of this guide will enable financial institutions and multilateral banks to optimize their internal and operational processes, reduce their carbon footprint, and significantly contribute to climate change mitigation. Moreover, by adopting sustainable practices, these institutions will serve as examples of leadership and can influence other sectors to accelerate the transition to a low-carbon economy and more sustainable operations.

***Juan Claudio De Oliva Maya, Founder of the Guide for Financial Institutions Strategies towards a Net Zero Model.**

ANNEX 4

Guide for the "Capital Transportation" Strategy

Objective: The objective of this strategy is to promote sustainable and low-carbon investments in the financial sector and multilateral banks, focusing on projects that reduce greenhouse gas (GHG) emissions and promote the transition to a low-carbon economy.

Initiatives/Projects in this stage:

1. Promotion of green investments

Description: Promote investment in green assets or green bonds that finance projects with a positive impact on GHG mitigation. This can include the creation of green investment funds or the issuance of green bonds by the financial institution.

Level of Impact on GHG mitigation (%): 30%

Objective Code: 001

2. Digitalization of financial transactions

Description: Implement and finance technologies that enable the digitalization of financial transactions, thereby reducing the use of paper and the emissions associated with its production and transportation. This can include investments in digital infrastructure and blockchain.

Level of Impact on GHG mitigation (%): 25%

Objective Code: 002

3. Investments in Fintech technologies

Description: Support the development and adoption of Fintech technologies that enable more efficient and environmentally friendly financial transactions.

Level of Impact on GHG mitigation (%): 20%

Objective Code: 003

4. Development of low-carbon financial products

Description: Create and promote financial products that encourage investments in low-carbon technologies and projects, such as green loans, renewable energy investment funds, or insurance for GHG mitigation projects.

Level of Impact on GHG mitigation (%): 15%

Objective Code: 004

5. Encouragement of investment in the circular economy

Description: Facilitate financing for companies that promote the circular economy, which can contribute to the reduction of GHG emissions by minimizing resource use and promoting recycling and reuse.

Level of Impact on GHG mitigation (%): 10%

Objective Code: 005

Evaluation Guide for Compliance:

Evaluation of green investments: Assess and promote investment in green assets and green bonds, establishing selection criteria and monitoring of funded projects.

Digitalization of financial transactions: Promote the adoption of digital technologies in financial transactions, encouraging the implementation of secure and efficient technological solutions.

Support for Fintech technologies: Identify and support Fintech technologies that enable greater efficiency in financial transactions, considering aspects of security, privacy, and sustainability.

Development of low-carbon financial products: Design and offer financial products that incentivize investment in GHG mitigation projects, facilitating access to financing and providing attractive incentives.

Promotion of the circular economy: Establish financing criteria that encourage the adoption of circular economy practices, evaluating the environmental impact and resource efficiency of funded projects.

The application of this guide in the financial sector and multilateral banks will accelerate the transformation to a low-carbon economic model with carbon-neutral operations. By adopting these initiatives, financial institutions can drive investment in sustainable projects, mitigate the effects of climate change, and contribute to the achievement of sustainable development goals.

***Juan Claudio De Oliva Maya, Founder of the Guide for Financial Institutions towards a Net Zero Model.**

ANNEX 5

Guide for the "Neutralization of Emissions in Financial Operations" Strategy

Objective: The objective of this strategy is to neutralize the emissions generated by financial operations and promote carbon neutrality within financial institutions. It aims to offset greenhouse gas (GHG) emissions through investment in carbon offset projects and the integration of carbon neutrality clauses in financial contracts.

Initiatives/Projects in this stage:

1. Investment in carbon offset projects

Description: Invest in projects that reduce or remove GHG emissions, such as reforestation or renewable energy projects, to compensate for the emissions generated by financial operations.

Level of Impact on GHG mitigation (%): 30%

Objective Code: 001

2. Integration of carbon neutrality clauses in financial contracts

Description: Incorporate clauses in financial contracts that require parties to neutralize the emissions generated by the financed activities. This can include the commitment to invest in carbon offset projects or the purchase of carbon credits.

Level of Impact on GHG mitigation (%): 25%

Objective Code: 002

3. Implementation of internal emissions reduction measures

Description: Implement measures within financial institutions to reduce emissions generated by their own operations. This can include energy efficiency improvements, waste reduction programs, and the promotion of sustainable practices among employees.

Level of Impact on GHG mitigation (%): 20%

Objective Code: 003

4. Promotion of carbon-neutral financial products

Description: Develop and promote financial products that are aligned with carbon neutrality principles, such as carbon-neutral loans or investment funds. These products aim to support projects with a low-carbon footprint and offset any remaining emissions.

Level of Impact on GHG mitigation (%): 15%

Objective Code: 004

5. Communication and awareness campaigns

Description: Launch communication and awareness campaigns to educate clients and stakeholders about the importance of carbon neutrality and the measures taken by the financial institution to neutralize emissions. This can include reporting on the institution's carbon neutrality progress.

Level of Impact on GHG mitigation (%): 10%

Objective Code: 005

Evaluation Guide for Compliance:

Carbon offset investment evaluation: Assess the investment in carbon offset projects, ensuring their credibility, effectiveness, and alignment with recognized standards.

Integration of carbon neutrality clauses: Monitor the integration of carbon neutrality clauses in financial contracts and verify their compliance.

Internal emissions reduction measures: Establish and track the implementation of measures to reduce emissions generated by internal operations, setting targets and monitoring progress.

Promotion of carbon-neutral financial products: Evaluate the development and adoption of carbon-neutral financial products, assessing their impact on reducing emissions and their alignment with carbon neutrality principles.

Communication and awareness campaigns: Monitor the effectiveness and reach of communication and awareness campaigns, evaluating their impact on promoting carbon neutrality and engaging stakeholders.

The application of this guide will enable financial institutions to neutralize the emissions generated by their operations and promote carbon neutrality in the financial sector. By investing in carbon offset projects, integrating carbon neutrality clauses, implementing emissions reduction measures, and promoting carbon-neutral financial products, institutions can contribute significantly to mitigating GHG emissions and advancing the transition to a sustainable and low-carbon economy.

***Juan Claudio De Oliva Maya, Founder of the Guide for Financial Institutions towards a Net Zero Model.**

Part II- Guide for the "Neutralization of Emissions in Financial Operations" Strategy

Objective: The objective of this strategy is to neutralize the greenhouse gas (GHG) emissions generated by financial operations through investment in carbon offset projects and the development of in-house carbon removal projects.

Initiatives/Projects in this stage:

1. Investment in carbon offset projects

Description: Invest in carbon credits from certified carbon offset projects following recognized standards such as VERRA, Gold Standard, or MDLs. These projects can include reforestation, ecosystem conservation, and investment in renewable energy.

Level of Impact on GHG mitigation (%): 35%

Objective Code: 001

2. Development of in-house carbon removal projects

Description: Explore the possibility of developing in-house carbon removal projects, especially if the company has extensive land and forest areas. This may involve implementing sustainable forestry practices, regenerating degraded ecosystems, and carbon capture and storage.

Level of Impact on GHG mitigation (%): 45%

Objective Code: 002

3. Development of REDD+ credit project

Description: Participate in the REDD+ (Reducing Emissions from Deforestation and Forest Degradation) market by offering carbon credits from an in-house carbon removal project that neutralizes the emissions from internal operations. Additional removals can be offered in the market by avoiding deforestation and forest degradation in developing countries. These credits can be certified by organizations like VERRA. This type of project involves protecting and managing large forest areas, requiring significant cooperation and coordination with local communities, governments, and other stakeholders.

Level of Impact on GHG mitigation (%): 20%

Objective Code: 003

Evaluation Guide for Compliance:

Evaluation of carbon offset projects: Evaluate and select carbon offset projects certified by recognized standards, considering their effective contribution to GHG mitigation.

Assessment of feasibility for in-house carbon removal projects: Assess the feasibility of developing in-house carbon removal projects, considering the availability of natural resources and implementation capacity.

Coordination and collaboration in REDD+ projects: Establish collaborations with local communities, governments, and other relevant stakeholders for the implementation of REDD+ projects, ensuring proper and sustainable management of forest areas.

The application of this guide in the financial sector and multilateral banks will allow for the neutralization of GHG emissions generated by financial operations, significantly contributing to climate change mitigation and accelerating the transition to a low-emission economic model. Furthermore, it will promote the protection of natural ecosystems and collaboration with local communities to promote sustainable development.

***Note:** It is important to consider that the implementation of REDD+ projects may present additional challenges and potential delays, but it also represents an opportunity to have a significant impact on forest conservation and GHG emissions reduction.

***Juan Claudio De Oliva Maya, Founder of the Guide for Financial Institutions towards a Net Zero Model.**

ANNEX 6

Guide for the "Training and Awareness" Strategy

Objective: The objective of this strategy is to promote training and awareness among the staff and clients of financial institutions on sustainable finance, climate change, and greenhouse gas (GHG) mitigation.

Initiatives/Projects in this stage:

1. Sustainable finance training programs

Description: Develop training programs for financial institution staff on topics related to sustainable finance, GHG mitigation, and climate change. This will enhance the organization's capacity to develop financial products that support GHG mitigation.

Level of Impact on GHG mitigation (%): 25%

Objective Code: 001

2. Climate change awareness campaigns

Description: Implement internal and external awareness campaigns on climate change and the importance of GHG mitigation. This can include workshops, webinars, and internal and external communications.

Level of Impact on GHG mitigation (%): 15%

Objective Code: 002

3. Green finance training programs for clients

Description: Offer training and guidance programs for clients on how financial decisions can impact GHG emissions and how to choose more sustainable financial options.

Level of Impact on GHG mitigation (%): 15%

Objective Code: 003

4. Integration of sustainability criteria in human resources management

Description: Incorporate sustainability criteria in human resources management, including training, professional development, and incentives. This will help foster a corporate culture of sustainability.

Level of Impact on GHG mitigation (%): 10%

Objective Code: 004

5. Support for green financial education initiatives

Description: Support initiatives that promote green financial education in society at large to increase the demand for financial products that contribute to GHG mitigation.

Level of Impact on GHG mitigation (%): 20%

Objective Code: 005

6. CO2e emissions monitoring and reporting system

Description: Establish CO2e emissions monitoring and reporting systems to measure progress in emission reduction. Sharing the results with clients, senior management, and other stakeholders demonstrates commitment to sustainability and carbon footprint reduction.

Level of Impact on GHG mitigation (%): 15%

Objective Code: 006

Evaluation Guide for Compliance:

Development of training programs: Evaluate the creation and execution of training programs on sustainable finance, ensuring active participation of staff and their understanding of key concepts.

Implementation of awareness campaigns: Evaluate the implementation of effective awareness campaigns on climate change and the importance of GHG mitigation, considering employee engagement, public awareness impact, and participation.

Availability of training programs for clients: Evaluate the availability and effectiveness of training programs offered to clients on green finance, ensuring relevant topics are addressed and appropriate guidance is provided.

Integration of sustainability criteria in human resources management: Evaluate the integration of sustainability criteria in human resources management, such as including environmental objectives in professional development plans and promoting a corporate culture of sustainability.

Support for green financial education initiatives: Evaluate support and participation in green financial education initiatives, such as education programs in schools and collaboration with nonprofit organizations in promoting sustainable financial education.

Implementation of CO2e emissions monitoring and reporting systems: Evaluate the implementation of CO2e emissions monitoring and reporting systems, including measurement and tracking of results, as well as transparency in disclosing information to clients and other stakeholders.

The application of these initiatives and compliance with the criteria outlined in the guide can accelerate the transition to a low-emission economic model and carbon-neutral operations across multiple sectors. This will contribute to GHG mitigation and promote the adoption of sustainable financial practices for the benefit of the environment and society at large.

***Juan Claudio De Oliva Maya, Founder of the Guide to Strategies for Financial Institutions Toward a Net Zero Model.**

ANNEX 7

Guide for the "Research and Development in Green Finance" Strategy

Objective: The objective of this strategy is to promote research and development of innovative financial solutions that facilitate the transition to a low-carbon economy and contribute to greenhouse gas (GHG) mitigation.

Initiatives/Projects in this stage:

1. Investment in low-carbon financial technologies

Description: Support the research and development of financial technologies that facilitate GHG reduction, such as green blockchain or investment platforms for climate change mitigation projects.

Level of Impact on GHG mitigation (%): 20%

Objective Code: 001

2. Collaboration with research institutions

Description: Establish collaborations with universities and research centers to develop new tools and methods for assessing the climate impact of investments and improving financial practices from a sustainability perspective.

Level of Impact on GHG mitigation (%): 25%

Objective Code: 002

3. Development of climate risk analysis tools

Description: Research and develop tools that enable the analysis of climate risks associated with different investments, which can help direct capital towards more sustainable investments.

Level of Impact on GHG mitigation (%): 20%

Objective Code: 003

4. Research in sustainable finance

Description: Conduct internal research in the field of sustainable finance to enhance the institution's understanding of industry best practices and how to implement them within the organization.

Level of Impact on GHG mitigation (%): 15%

Objective Code: 004

5. Promotion of innovation in green finance

Description: Create incubation or acceleration programs for startups that are developing innovative solutions in the field of sustainable finance.

Level of Impact on GHG mitigation (%): 10%

Objective Code: 005

6. Development of climate change adaptation strategies

Description: Conduct research to develop climate change adaptation strategies that enable the company and its supply chains to withstand and adapt to changing climate conditions.

Level of Impact on GHG mitigation (%): 10%

Objective Code: 006

Evaluation Guide for Compliance:

Financial support for research and development projects: Evaluate the allocation of financial resources to support research and development projects in low-carbon financial technologies, collaborations with research institutions, and the development of climate risk analysis tools.

Collaboration with research institutions: Evaluate the establishment of effective collaborations with universities and research centers, and participation in joint projects that drive innovation in sustainable finance.

Implementation of climate risk analysis tools: Evaluate the implementation and utilization of climate risk analysis tools in financial decision-making processes, ensuring that the climate impact of investments is considered.

Support for internal research in sustainable finance: Evaluate the commitment to internal research in sustainable finance, including the generation of in-house knowledge and the application of identified best practices.

Promotion of innovation in green finance: Evaluate support and participation in incubation or acceleration programs for startups developing innovative solutions in the field of sustainable finance.

Development of climate change adaptation strategies: Evaluate the conduct of research and development of climate change adaptation strategies that help the institution and its supply chains address climate challenges.

The application of these initiatives and compliance with the criteria outlined in the guide can contribute to accelerating the transition to a low-emission economic model and carbon-neutral operations across various sectors. This will promote GHG mitigation and foster the adoption of sustainable financial practices for the benefit of the environment and society at large.

***Juan Claudio De Oliva Maya, Founder of the Guide to Strategies for Financial Institutions Toward a Net Zero Model.**

ANNEX 8

Guide for the "Communication and alertness" Strategy

Objective: The objective of this strategy is to promote effective communication and raise awareness about the importance of sustainable finance, as well as inform and engage stakeholders in greenhouse gas (GHG) mitigation and the fight against climate change.

Initiatives/Projects in this stage:

1. Sustainability policy communication

Description: Develop and disseminate a clear and coherent sustainability policy that informs stakeholders about the institution's commitment to GHG mitigation and climate change action.

Level of Impact on GHG mitigation (%): 20%

Objective Code: 001

2. Sustainability reporting

Description: Regularly publish sustainability reports that detail actions taken to reduce GHG emissions and their effectiveness. These reports should follow international standards such as the Global Reporting Initiative (GRI) or the Sustainability Accounting Standards Board (SASB).

Level of Impact on GHG mitigation (%): 20%

Objective Code: 002

3. Awareness campaigns on sustainable finance

Description: Launch campaigns that inform customers and the general public about the importance of sustainable finance in the fight against climate change, promoting the adoption of sustainable financial products and services.

Level of Impact on GHG mitigation (%): 15%

Objective Code: 003

4. Transparency in climate risk assessment

Description: Transparently communicate how climate risks are assessed in investment decisions and risk management, promoting transparency and accountability in financial decision-making.

Level of Impact on GHG mitigation (%): 15%

Objective Code: 004

5. Collaboration with other financial institutions

Description: Participate in joint initiatives with other financial institutions to promote sustainability in the sector, such as the United Nations Global Compact or the Principles for Responsible Investment (PRI), fostering collaboration and the exchange of best practices.

Level of Impact on GHG mitigation (%): 15%

Objective Code: 005

6. Participation in sustainability events and forums

Description: Participate in sustainability events and forums to share the company's experiences and learnings in implementing sustainable and efficient practices, promoting collaboration and dialogue among different stakeholders in the financial sector.

Level of Impact on GHG mitigation (%): 15%

Objective Code: 006

Evaluation Guide for Compliance:

Sustainability policy communication: Evaluate the development and dissemination of a clear and coherent sustainability policy that reflects the institution's commitment to GHG mitigation.

Sustainability reporting: Evaluate the regular publication of sustainability reports that follow recognized international standards and detail actions taken to reduce GHG emissions and their effectiveness.

Awareness campaigns on sustainable finance: Evaluate the launch of awareness campaigns targeting customers and the general public, promoting the importance of sustainable finance in the fight against climate change.

Transparency in climate risk assessment: Evaluate transparency in communicating how climate risks are assessed in investment decisions and risk management within the institution.

Collaboration with other financial institutions: Evaluate participation in joint initiatives with other financial institutions to promote sustainability in the sector, and compliance with established principles and commitments.

Participation in sustainability events and forums: Evaluate active participation in sustainability events and forums, and contribution to the dissemination of best practices and knowledge in the field of sustainable finance.

The implementation of these initiatives and compliance with the criteria outlined in the guide can accelerate the transition to a low-emission economic model and carbon-neutral operations across multiple sectors. This will raise awareness about climate change and foster the adoption of sustainable financial practices, thus contributing to GHG mitigation and the achievement of global climate goals.

***Juan Claudio De Oliva Maya, Founder of the Guide to Strategies for Financial Institutions Toward a Net Zero Model.**