Expression of Interest for Workstream Members in 2023
Executive Summary

As a strategic forum across the net-zero alliances within the finance sector, the Glasgow Financial Alliance for Net Zero (GFANZ) aims to support the economy-wide transition to net-zero. GFANZ convenes practitioner-led workstreams to elevate cross-sector best practices and address challenges including through voluntary frameworks, guidelines, and new approaches.

GFANZ workstreams are comprised of financial institutions, each a member of a sector-specific net-zero alliance, representing a diversity of sectors and geographies, supported by the GFANZ Secretariat and non-profit expert advisors.

GFANZ is launching a process for financial institutions to indicate their interest in joining a GFANZ workstream for a one-year term.

If your firm is interested in joining, or rejoining, a GFANZ workstream, please complete this survey by April 2, 2023. Depending on the volume of responses we aim to convene the initial workstream meetings in late April. Please note that this survey is for new/prospective workstream members as well as existing workstream members who wish to renominate themselves. This document provides an overview of GFANZ, its 2023 workstreams, and the expressions of interest process.

Please contact the GFANZ Secretariat at secretariat@gfanzero.com with any questions.
1. **GFANZ Overview**

GFANZ is a global coalition of leading financial institutions committed to mainstreaming the decarbonization of the global economy to reach net-zero emissions by 2050. Since its inception in April 2021, and through its practitioner-led work, drawing also on a network of climate experts and civil society organizations from around the world, GFANZ has worked to develop the tools and methodologies needed to turn financial institutions’ net-zero commitments into action. This work builds on that of individual financial institutions and a broad set of organizations committed over many years to supporting transition.

GFANZ and the seven financial sector-specific net-zero alliances (the Alliances) are dedicated to the vital role of the financial sector in supporting the global transition to net zero. The Alliances are:

- Net Zero Asset Managers initiative (NZAM)
- Net-Zero Asset Owner Alliance (NZAOA)
- Net-Zero Banking Alliance (NZBA)
- Net-Zero Financial Service Providers Alliance (NZFSPA)
- Net-Zero Insurance Alliance (NZIA)
- Net Zero Investment Consultant Initiative (NZICI)
- Paris Aligned Asset Owners (PAAO)

As of November 2022, the Alliances comprise over 550 financial institutions from a diverse range of 50 jurisdictions.

GFANZ is governed by a Principals Group that consists of representatives of alliance signatories from global firms from all sectors and regions. Chaired by Mike Bloomberg, who serves as UN Special Envoy on Climate Ambition and Solutions, and Mark Carney, who serves as UN Special Envoy on Climate Action and Finance, the Principals Group sets GFANZ’s strategic direction and priorities and monitors progress against them. GFANZ has also established an Advisory Panel that consists of climate experts from NGOs, academia, and civil society that provides valuable expertise and advice on the work and output of GFANZ.

Additional information can be found in the [GFANZ 2022 Progress Report](#).
2. GFANZ Workstreams

Background
The GFANZ Principals Group has agreed an ambitious program of work in 2023 to mainstream transition planning and scale transition finance to catalyze global real-world emissions reduction. To drive this work forward, the Principals Group has approved five workstreams for 2023 with a focus on encouraging implementation of the voluntary frameworks and guidance delivered in 2022, external engagement on those tools, and some further policy and technical work.

Each GFANZ workstream is sponsored by Principals Group CEOs, who appoint a delegate to serve as a workstream lead and provide strategic direction. All workstreams are multi-sector, incorporating the views of a diverse range of members from a variety of different financial sector institutions and geographies — including banks, asset managers, asset owners, insurers and financial services providers — as well as advisers from leading technical experts in the non-profit community and alliance secretariat representatives.

Expectations
Each workstream member must meet a minimum level of engagement and commitment as outlined below. This is to ensure that the workstream can deliver against its work plans and meet key milestones throughout the year. Workstream membership terms are one year.

Specifically, each workstream member is expected to:
• Offer their expertise, capabilities and experience to support the successful execution of the 2023 work plan;
• Support development and execution of implementation strategies, engagement strategies, and some policy and technical work, where applicable and appropriate;
• Proactively engage in working sessions and, where relevant, be willing to deliver or review some of the work or to support external engagement;
• Attend workstream meetings, which occur, on average, 4-5 times per year, in addition to interim bilateral meetings with the GFANZ Secretariat and other workstream members as required to progress the work. (Please note that meeting frequency may vary, depending on the stage of work and subject matter);
• Where relevant and appropriate, workstream members are encouraged to share insights from their direct experience of net zero transition, and to support GFANZ and alliance efforts to be well connected, and to collaborate and knowledge-share.

Selected workstream members will:
• Have relevant technical expertise for the workstream they are seeking to join;
• Typically have senior leadership responsibility within their firms;
• Be able to speak on behalf of their firm within the workstream and have a regular reporting relationship to their Executive-level leadership for the topics under discussion;
• Selected workstream members cannot delegate their role to an alternate except as pre-agreed with the GFANZ Secretariat and Workstream Leads.
## Workstream Details

<table>
<thead>
<tr>
<th>Mainstream Transition Finance</th>
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<tr>
<td><strong>Key target outcomes that GFANZ aims to support the industry in achieving</strong></td>
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<tr>
<td>● Widespread understanding of the benefits of net-zero transition planning and the importance of consistency, using the common <a href="#">GFANZ net-zero transition plan</a> (NZTP) framework capable of common application.</td>
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<tr>
<td>● Supporting use of the GFANZ NZTP framework in industry.</td>
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<tr>
<td>● Industry understanding of the complementarity of the GFANZ NZTP framework and existing transition planning guidance.</td>
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<tr>
<td>● Financial institutions are each able to apply transition finance strategies consistently and report these consistently.</td>
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| **Main role of the workstream** |
| ● Promote widespread adoption of transition planning across the [finance sector](#) and [real economy](#) using the GFANZ NZTP framework. |
| ● Identify and showcase lessons learned in implementing net-zero transition planning (where appropriate). |
| ● Develop and clarify use of transition finance - four key transition financing strategies, namely: climate solutions, aligned, aligning and managed phaseout. |

<p>| <strong>Description of expected role played by workstream members</strong> |
| ● Champion transition planning by independently developing your own transition plan and encouraging peers to do so as well. |
| ● Share best practice and provide feedback on the challenges and support needed to implement transition plans (where appropriate). |
| ● Promote creation and disclosure of transition plans by client and portfolio companies. |
| ● Speak within your own organization and publicly on the value of the GFANZ NZTP framework. |
| ● Provide subject matter expertise related to four key financing strategies in practice, with a particular focus on climate solutions and managed phaseout, including suggested boundaries, forward looking approaches to measure transition finance, and examples/case studies. |</p>
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<th>Energy &amp; Real Economy Transition</th>
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<td><strong>Key target outcomes that GFANZ aims to support the industry in achieving</strong></td>
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<tr>
<td>• Identifying investment pipeline of potential projects across key hard-to-abate sectors.</td>
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<td>• GFANZ members have a voluntary methodology to calculate decarbonization contributions across transition finance strategies, as defined under the workstream on mainstreaming transition finance.</td>
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<td>• Widespread awareness of the energy transition investment ratio and positive economic case for energy transition.</td>
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<td><strong>Main role of the workstream</strong></td>
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<td>• Support the mobilization of private capital towards industry transition through private-sector leadership and public-private collaboration, linking to COP28 and international initiatives as appropriate.</td>
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<td><strong>Description of expected role played by workstream members</strong></td>
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<tr>
<td>• Bring financing expertise in key industry and technology areas.</td>
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<td>• Contribute to industry transition initiatives from a private finance perspective that support real economy transition related to energy supply and demand.</td>
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<td>• Contribute to the development of just industry transition initiatives, such as steel, aviation, cement, chemicals/petrochemicals, trucking, shipping (highlighted given emissions profile and abatement potential).</td>
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<tr>
<td>• Contribute to the development of voluntary methodology for GFANZ members to calculate decarbonization contribution across transition finance strategies.</td>
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<td>• Support mainstreaming the narrative on energy transition investment ratio and positive economic case for energy transition.</td>
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### Mobilizing Capital to Emerging Markets & Developing Economies

**Key target outcomes that GFANZ aims to support the industry in achieving**

- Drive creation of the right conditions for increased investment in the just transition of emerging markets & developing economies (EM&DEs), through partnerships with public and private stakeholders.

**Main role of the workstream**

- Support the mobilization of private capital into EM&DEs through private-sector leadership and public-private collaboration.

**Description of expected role played by workstream members**

- Bring expertise on opportunities and challenges through their firms experience operating or investing in EM&DEs.
- Support clear articulation of barriers and tracking of progress against those barriers, including through commissioned work.
- Provide thought leadership and practical support to GFANZ efforts to experiment with new approaches, including country-specific efforts and JETPs, to drive private capital mobilization.
- Depending on areas of expertise and interest, play an active role in at least one of the following key themes:
  - **Country Platforms:** increase the mobilization of finance to accelerate the transition of key sectors and deployment of climate solutions in EM&DEs through great public-private collaboration in country-focused financing. GFANZ has convened private finance working groups for the Indonesia and Viet Nam JETPs and the Nexus of Water, Food, and Energy (NWFE) Country Platform in Egypt, endorsed the Climate Finance Leadership Initiative (CFLI) on country pilots in India and Colombia, and will continue to support other catalytic initiatives that have the potential to unlock and scale greater investment in EM&DE climate ambitions.
  - **Thought Leadership:** advance thought leadership with the private finance view on key themes important to capital mobilization such as multilateral development bank (MDB) reform; scaling high-integrity carbon markets; improve the tracking and understanding of financial flows supporting EM&DE climate transitions and the enabling environment actions that influence them.
  - **Project Preparation:** strengthen investment opportunities for the private sector as a whole through support of project preparation facilities focused on the global energy transition.
### Public Policy

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<th><strong>Key target outcomes that GFANZ aims to support the industry in achieving</strong></th>
<th><strong>● Advocate in an effective manner for the policies needed from governments to support a real economy and financial sector net zero transition that is just and orderly (i.e., early and ambitious, thereby limiting economic disruption).</strong></th>
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<tbody>
<tr>
<td><strong>Main role of the workstream</strong></td>
<td><strong>● Set and deliver strategy for more consistent and impactful engagement with governments, policymakers, regulators, and international organizations to advance policies needed to build a net-zero economy.</strong></td>
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</tbody>
</table>
| **Description of expected role played by workstream members** | **● Sit within public policy, government affairs, climate/sustainability or related functions with regular engagement with. government/policymakers/international organizations and/or support their firm’s executives in such engagements.**  
  **● Amplify the GFANZ policy recommendations, including those outlined in the Call to Action: One Year On, in engagement with stakeholders across the financial architecture.**  
  **● Encourage GFANZ members, in their own policy advocacy with government / policymakers, to support the need for clear transition plans; and consider how to engage more effectively with a wider set of GFANZ/Alliance financial institutions beyond the workstream.**  
  **● Identify and articulate early in the year some priorities for engagement, keyed around the importance of transition finance, economy-wide transition planning and capital mobilization, and set and deliver a strategy for advancing those.**  
  **● Develop supporting materials for use by workstream members and the wider community to advance our shared priorities.** |
### Passive Investment - Cross-alliance workstream

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<tr>
<th>Key target outcomes that GFANZ aims to support the industry in achieving</th>
<th>● Promote and scale the mobilization of passive capital towards net-zero transition globally, including to EM&amp;DEs.</th>
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</table>
| Main role of the workstream | ● Identify and advance work on best practices for net-zero aligned index methodologies, leveraging existing work done to date (e.g., by NZAOA and IIGCC).  
● Identify or develop voluntary guidance for universal asset owner engagement with passive holdings on net zero transition plans  
● Consider the role of exchanges.  
● Promote market adoption by facilitating industry dialogues (where appropriate) and net-zero aligned index and related instruments pilots. |
| Description of expected role played by workstream members | ● Cross-collaborate: Bring together asset manager, asset owner, investment consultant, exchange and index provider expertise.  
● Analyze existing initiatives and outputs on net-zero passive to identify gaps and relevance to scaling net-zero passive investing.  
● Building upon the gaps identified, contribute to the development of best practice recommendations and guidance on net-zero aligned index methodologies and engagement.  
● Help engage with key stakeholder in the passive investing ecosystem: key clients and users, exchanges, index providers and standard-setters as well as policymakers.  
● Help identify pilot case studies for the final report. |
3. Expression of Interest Process

GFANZ is extending the opportunity to all financial institutions who are members of the Alliances to express interest in joining a GFANZ workstream, including existing workstream members who wish to recommit to their involvement.

We want to ensure we are accessing the full breadth of expertise, capabilities, and experience from our membership so we can effectively deliver against our 2023 objectives. We welcome expressions of interest from all Alliance members and are particularly looking to achieve the following objectives:

• Improve geographic diversity and increase representation across workstreams;
• Maintain a balanced representation across types of financial institution;
• Continue to strengthen our technical expertise, the specific areas of which are outlined in relation to individual workstreams.

If your firm wishes to express an interest in joining one or more of the GFANZ workstreams

• Please complete the expression of interest survey by April 2, 2023. We request that each firm coordinate to submit one consolidated survey with interest across all workstreams.
• Please ensure when completing the survey that you nominate an individual that has the required expertise and seniority level in the organization for the workstream as outlined in Section 2.
• Firms who participated in the 2022 workstreams are still requested to complete the survey to indicate their interest in continuing to participate in their respective workstream(s).
4. FAQ

Is the firm or the individual the member?
The firm is the member of the workstream, but it must nominate an individual to be a permanent representative of the firm. This individual should have the authority to speak on behalf of the firm. Participation in workstream meetings can only be delegated with pre-approval from the workstream leads and GFANZ Secretariat.

Can we express an interest in more than one workstream?
Yes, you can nominate your firm for more than one workstream. Please indicate this on the survey. Please note that if nominating the same individual for more than one workstream, he or she would need to have sufficient bandwidth to fulfill the requirements of multiple workstreams. In order to allow participation from as many financial institutions as possible, while keeping the workstreams of suitable size to be effective and ensuring sector and geographic diversity, please note that your firm may not ultimately be selected for all workstreams to which you have expressed an interest.

Are we guaranteed a role on a workstream?
Regrettably, we cannot guarantee every nomination a role on the workstreams. GFANZ is seeking to keep a manageable workstream size, while ensuring the right expertise and capabilities required to deliver against the 2023 work plans. It is a priority to ensure there is a balanced and proportionate representation across geographies and financial institution types. To meet these requirements, not all nominations will be successful. In selecting workstream members, the level of seniority and degree of expertise of nominated members will be taken into consideration.

How is the selection made?
Final decisions on workstream membership are taken by the workstream leads in partnership with the GFANZ Secretariat. The selection will balance several criteria including:

- Expertise, seniority and relevance of profile and role of the proposed workstream member
- Balancing financial institution type, geography, and other factors that vary across the GFANZ member base
- Ensuring the workstream is of a suitable size to be effective and efficient in practice.

Will our role, if selected, be public?
Where workstreams issue publications, we typically acknowledge the contributing firms. Your firm can choose to make public announcements about your involvement in GFANZ if you so wish, in partnership with the GFANZ communications team.

We’re already a workstream member — do we need to re-apply?
We require existing workstream members to reconfirm their commitment as we embark on the 2023 work program. Please follow the instructions for the expression of interest process in Section 3.

We expressed an interest previously but weren’t selected — should we apply again?
Yes — the selection process for 2023 is independent of the previous selection process.
Annex: Expression of Interest Survey Questions

To aid with coordination, the below summary outlines the questions that are included in the expression of interest survey.

**Background information**
- Firm name
- Country of headquarters
- Net-zero financial alliance(s) that your firm is a member of
- Name, email address, and position of the lead contact for the firm who can answer any follow up questions

**Expression of interest**
Select the workstream(s) your firm wishes to participate in for 2023.

**Prioritization**
If you have selected more than one workstream as being of interest to your firm, you will be asked to rank the workstreams in order of priority.

**Acknowledgements of Expectations**
You will be asked to acknowledge that your firm and the nominated representatives understand the expectations, as outlined in section 2 of this document.

**Nomination of Primary Representative**
For each workstream that you have selected as being of interest, you will be asked to provide the following information for the primary representative nominated:
- Name
- Role in firm
- Relevant experience in relation to the workstream
- Availability to dedicate time to GFANZ efforts (hours per month)
- Email address
- Primary location (country)
- Additional comments (optional)