**2025 Oxford Climate Policy Monitor Survey**

Welcome to the 2025 Oxford Climate Policy Monitor Survey. If you encounter any problems or require any support, please contact: [netzerohub@bsg.ox.ac.uk](mailto:netzerohub@bsg.ox.ac.uk).

Thank you for your contribution.

**Instructions for answering the survey:**

1. **Do not delete any questions or sections** as doing so will mean the document cannot be processed and analysed. In such instances, we will revert to the firms and ask that formatting changes be undone.
2. **Do not modify any wording or change the structure or formatting of the document** as doing so will mean the document cannot be processed and analysed. In such instances, we will revert to the firms and ask that formatting changes be undone.
3. During the survey preparation stage, you can use track changes and comments to collaborate amongst teams. However, **all track changes must be accepted, and all comments must be deleted from final submissions.**
4. Insert answers into the blank, white cells provided.
5. Follow all question instructions as closely as possible (e.g. only selecting one answer if directed).
6. For questions which specify you to ‘Select all that apply’ or ‘Select the appropriate response’, **use an ‘X’ to indicate the options that apply to the identified policy tool and leave all other options blank.** Do not input any other text such as ‘No’ or ‘N/A’ in the options that do not apply to the identified policy tool.
7. Some questions in the survey are conditional to your previous responses. This conditional logic is highlighted in yellow wherever applicable. Please ensure that you answer all questions that follow this conditional logic by looking out for the yellow highlighted rows.
8. Terms that appear in bold and purple are **glossary terms.** You can find definitions for these terms in the survey guidance [here](https://docs.google.com/document/d/1uXHsk-NOQj-p8fVEu_q7Q6E2i-E1qxWsR3VOFB2jDHw/edit?tab=t.0).

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# General Questions

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Please answer all questions in this section.** | | | | |
| **1** | Law Firm Name | | | |
|  | Dentons Lee | | | |
| **2** | Jurisdiction | | | |
|  | Republic of Korea (the) | | | |
| **3** | **Policy Tool** Name  *Note:* *If not in English, please provide the English translation followed by the original name in parentheses.* | | | |
|  | Green Loan Management Guidelines | | | |
| **4** | Please provide a **web-archived link(s)** to the source material (e.g. the text of the **policy tool** and/or related documentation used to respond to this survey). | | | |
|  |  | | | |
| **5** | Which of the following **governance domains** does this **policy tool** relate to? Select all that apply using an X against each relevant domain.  *Note: Please complete the domain-specific questions for all selected domains.* | | | |
| 5.1 | **Climate-related disclosure** |  | | |
| 5.2 | **Transition planning** |  | | |
| 5.3 | **Public procurement** |  | | |
| 5.4 | **Carbon credits** |  | | |
| 5.5 | **Prudential tools** | X | | |
| 5.6 | **Methane abatement** |  | | |
| **6** | Describe the **policy tool**, including its goal and/or purpose and its relevance to the selected domain(s) in question 5. Please note if the policy tool has component parts which are being surveyed or is known more colloquially by another name.  *Example:* *The policy tool requires publicly listed companies to comply with the recommendations of the Taskforce for Climate Related Financial* ***Disclosure*** *or to explain the absence of such* ***disclosures****.* | | | |
|  | The Green Loan Management Guideline—a policy tool jointly issued in December 2024 by the Financial Services Commission, the Ministry of Environment, and the Financial Supervisory Service in South Korea—requires financial institutions to identify, assess, and manage climate-related financial risks by determining whether loan proceeds are aligned with environmentally sustainable activities under the Korean Green Taxonomy (K-Taxonomy). The guideline also mandates internal control procedures and anti-greenwashing measures to ensure the credibility of green lending. | | | |
| **7** | Status of the **policy tool**. Select the appropriate response using an X against the relevant status. | | | |
| 7.1 | Approved, in force | | X | |
| 7.2 | Approved, not yet in force | |  | |
| 7.3 | Repealed | |  | |
| 7.4 | Superseded | |  | |
| 7.5 | Retired | |  | |
| 7.6 | Other | |  | |
| **8** | If needed, please clarify or elaborate on your answer to Q7. | | | |
|  |  | | | |
| **9** | Year **policy tool** adopted/published | | | |
|  | 2024 | | | |
| **10** | Year(s) of (planned) entry into force | | | |
|  | 2024 | | | |
| **11** | If multiple years/phases for entry into force, please describe. | | | |
|  | There were no additional future phases planned; it's already fully active from that date. | | | |
| **12** | End date of **policy tool**, if relevant. | | | |
|  | There is no specified end date, as it remains valid until any future amendments, repeal, or replacement occur. | | | |
| **13** | Describe the type of actor authoring/issuing the **policy tool**.  *For example, head of state, independent regulatory or supervisory body, legislature, judiciary, ministry/department/agency, etc.* | | | |
|  | The Green Loan Management Guideline was authored and issued by the following **government and regulatory bodies** in South Korea:   * **Financial Services Commission (FSC)** – A government ministry-level agency responsible for financial policy, regulation, and oversight. * **Ministry of Environment (MOE)** – A cabinet-level ministry responsible for environmental policy and management. * **Financial Supervisory Service (FSS)** – An independent regulatory and supervisory agency tasked with overseeing financial institutions and ensuring compliance. | | | |
| **14.1** | Name the authority responsible for overseeing implementation and/or enforcement. In the case of EU regulation, limit answers to EU (i.e. supranational) authorities.  ***(If there are multiple authorities for overseeing implementation and/or enforcement, please name one each in 14.1, 14.2, 14.3, and so on, until 14.5. If there is only one authority, please name it here and leave 14.2, 14.3, 14.4 and 14.5 blank).*** | | | |
|  | **Financial Services Commission (FSC), South Korea**  The FSC is the **primary authority** responsible for overseeing the implementation of the Green Loan Management Guideline. It leads financial policy and regulatory coordination and is supported by the Financial Supervisory Service (FSS) in practical supervision. | | | |
| 14.1.1 | To provide contextual information, indicate the extent to which this authority is perceived as having the capacity to undertake this work. Select the appropriate response using an X. | | | |
| 14.1.1.1 | No capacity | | |  |
| 14.1.1.2 | Low capacity | | |  |
| 14.1.1.3 | Medium capacity | | |  |
| 14.1.1.4 | High capacity | | | X |
| **14.2** | **Authority number 2**  **(Answer if there is more than one authority overseeing implementation and/or enforcement. Otherwise leave blank.)**  Name the authority responsible for overseeing implementation and/or enforcement. In the case of EU regulation, limit answers to EU (i.e. supranational) authorities. | | | |
|  | **Financial Supervisory Service (FSS), South Korea**  The FSS operates under the policy guidance of the FSC and is responsible for **practical supervision and on-site inspection** of financial institutions. It plays a key role in monitoring how banks and lenders implement the Green Loan Management Guideline in practice. | | | |
| 14.2.1 | To provide contextual information, indicate the extent to which this authority is perceived as having the capacity to undertake this work. Select the appropriate response using an X. | | | |
| 14.2.1.1 | No capacity | | |  |
| 14.2.1.2 | Low capacity | | |  |
| 14.2.1.3 | Medium capacity | | |  |
| 14.2.1.4 | High capacity | | | X |
| **14.3** | **Authority number 3**  **(Answer if there are more than two authorities overseeing implementation and/or enforcement. Otherwise leave blank.)**  Name the authority responsible for overseeing implementation and/or enforcement. In the case of EU regulation, limit answers to EU (i.e. supranational) authorities. | | | |
|  | **Ministry of Environment (MOE), South Korea**  The MOE collaborates in monitoring compliance where environmental criteria under the Korean Green Taxonomy are concerned, particularly in evaluating whether financed activities truly meet the environmental sustainability criteria. | | | |
| 14.3.1 | To provide contextual information, indicate the extent to which this authority is perceived as having the capacity to undertake this work. Select the appropriate response using an X. | | | |
| 14.3.1.1 | No capacity | | |  |
| 14.3.1.2 | Low capacity | | |  |
| 14.3.1.3 | Medium capacity | | | X |
| 14.3.1.4 | High capacity | | |  |
| **14.4** | **Authority number 4**  **(Answer if there are more than three authorities overseeing implementation and/or enforcement. Otherwise leave blank.)**  Name the authority responsible for overseeing implementation and/or enforcement. In the case of EU regulation, limit answers to EU (i.e. supranational) authorities. | | | |
|  |  | | | |
| 14.4.1 | To provide contextual information, indicate the extent to which this authority is perceived as having the capacity to undertake this work. Select the appropriate response using an X. | | | |
| 14.4.1.1 | No capacity | | |  |
| 14.4.1.2 | Low capacity | | |  |
| 14.4.1.3 | Medium capacity | | |  |
| 14.4.1.4 | High capacity | | |  |
| **14.5** | **Authority number 5**  **(Answer if there are more than four authorities overseeing implementation and/or enforcement. Otherwise leave blank)**  Name the authority responsible for overseeing implementation and/or enforcement. In the case of EU regulation, limit answers to EU (i.e. supranational) authorities. | | | |
|  |  | | | |
| 14.5.1 | To provide contextual information, indicate the extent to which this authority is perceived as having the capacity to undertake this work. Select the appropriate response using an X. | | | |
| 14.5.1.1 | No capacity | | |  |
| 14.5.1.2 | Low capacity | | |  |
| 14.5.1.3 | Medium capacity | | |  |
| 14.5.1.4 | High capacity | | |  |
| **15** | If relevant, please provide additional information to clarify the reasoning behind the response to Q14. | | | |
|  |  | | | |
| **16** | Are there monitoring systems in place to oversee the implementation and/or enforcement of the **policy tool**, such as periodic reporting requirements or open data and public dashboards? Select the appropriate response using an X. | | | |
| 16.1 | Not specified | |  | |
| 16.2 | Yes | | X | |
| **17** | If yes, describe the monitoring systems in place, referencing the relevant section/ subsection/ paragraph of the **policy tool**. | | | |
|  | **Structured reporting requirements** According to Section ④ (Reporting Items) of the Annex to the Guideline, financial institutions are required to submit periodic reports that include the following information:   * The types and progress status of green economic activities financed; and * The amount of green loans allocated to each specific activity. | | | |

# Domain 1: Climate-Related Disclosure

## Section 1.1: Who is being targeted?

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **1.1** | With regard to **climate-related** **disclosure**, which of the following entities are targeted through this **policy tool**? Identify each **targeted entity** using an X.  Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g. mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify. | | | | | | | |
|  |  | | | Mandatory | | | Voluntary | Not targeted |
| 1.1.1 | Publicly-traded entities | | |  | | | X |  |
| 1.1.2 | Private companies | | |  | | | X |  |
| 1.1.3 | Financial institutions | | | X | | |  |  |
| 1.1.4 | Small and medium-sized enterprises | | |  | | | X |  |
| 1.1.5 | State-owned companies | | |  | | | X |  |
| 1.1.6 | Not-for-profit organisations | | |  | | |  | X |
| 1.1.7 | Government agencies and/or departments (supranational) | | |  | | |  | X |
| 1.1.8 | Government agencies and/or departments (national) | | |  | | | X |  |
| 1.1.9 | Government agencies and/or departments (regional - e.g. state, province, region, metropolitan region) | | |  | | |  | X |
| 1.1.10 | Government agencies and/or departments (local-e.g. county, district, municipality, city) | | |  | | |  | X |
| 1.1.11 | Government agencies and/or departments (unspecified) | | |  | | |  | X |
| 1.1.12 | Sectoral actors (e.g. healthcare, utilities, education) | | |  | | | X |  |
| 1.1.13 | Other | | |  | | |  | X |
| 1.1.14 | If “Other” please clarify. | | | | | | | |
|  | N/A | | | | | | | |
| **1.2** | If “Financial institutions” selected in Q1.1, please identify the subset of actors to which the **policy tool** applies using an X. Otherwise, leave blank. | | | | | | | |
|  |  | | | Mandatory | | | Voluntary | Not targeted |
| 1.2.1 | Banks | | | X | | |  |  |
| 1.2.2 | Non-Bank Financial Companies | | |  | | | X |  |
| 1.2.3 | Insurance and Re-Insurance Categories | | |  | | | X |  |
| 1.2.4 | Asset Managers | | |  | | | X |  |
| 1.2.5 | Pension Funds | | |  | | | X |  |
| 1.2.6 | Other | | |  | | |  | X |
| 1.2.7 | If “Other” please clarify. | | | | | | | |
|  | N/A | | | | | | | |
| **1.3** | In cases where entities are targeted by sector, identify the sector to which the **policy tool** applies using an X.  If entities are not targeted by sector, please leave this question blank. | | | | | | | |
|  |  | | | Mandatory | | | Voluntary | Not applicable |
| 1.3.1 | Agriculture, forestry, and fishing | | |  | | |  |  |
| 1.3.2 | Mining and quarrying | | |  | | |  |  |
| 1.3.3 | Manufacturing | | |  | | |  |  |
| 1.3.4 | Electricity, gas, steam, and air conditioning supply | | |  | | |  |  |
| 1.3.5 | Water supply; sewerage; waste management and remediation activities | | |  | | |  |  |
| 1.3.6 | Construction | | |  | | |  |  |
| 1.3.7 | Wholesale and retail trade: repair of motor vehicles and motorcycles | | |  | | |  |  |
| 1.3.8 | Transportation and storage | | |  | | |  |  |
| 1.3.9 | Accommodation and food service activities | | |  | | |  |  |
| 1.3.10 | Information and communication | | |  | | |  |  |
| 1.3.11 | Financial and insurance activities | | |  | | |  |  |
| 1.3.12 | Real estate activities | | |  | | |  |  |
| 1.3.13 | Professional, scientific and technical activities | | |  | | |  |  |
| 1.3.14 | Administrative and support service activities | | |  | | |  |  |
| 1.3.15 | Public administration and defense; compulsory social security | | |  | | |  |  |
| 1.3.16 | Education | | |  | | |  |  |
| 1.3.17 | Human health and social work activities | | |  | | |  |  |
| 1.3.18 | Arts, entertainment and recreation | | |  | | |  |  |
| 1.3.19 | Other service activities | | |  | | |  |  |
| 1.3.20 | Activities of households as employers; undifferentiated goods-and services-producing activities of households for own use | | |  | | |  |  |
| 1.3.21 | Activities of extraterritorial organizations and bodies | | |  | | |  |  |
| 1.3.22 | Other | | |  | | |  |  |
| **1.4** | If “Other” selected, please explain. | | | | | | | |
|  |  | | | | | | | |
| **1.5** | If necessary, please clarify any of the above answers to questions regarding the **targeted entities**.  For example, specify if duties vary across the **targeted entities**. | | | | | | | |
|  |  | | | | | | | |
| **1.6** | Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory. | | | | | | | |
|  | Threshold type | Describe | | | | | | |
| 1.6.1 | Minimum number of employees (Enter min number of full-time employees – FTEs) | Not specified | | | | | | |
| 1.6.2 | Minimum revenue (Enter minimum revenue) | Not specified | | | | | | |
| 1.6.3 | Minimum assets (Enter minimum assets) | Not specified | | | | | | |
| 1.6.4 | Minimum contract value (Enter minimum contract value) | Not specified | | | | | | |
| 1.6.5 | Entity is headquartered in the jurisdiction | Yes - Applicable to financial institutions headquartered in South Korea | | | | | | |
| 1.6.6 | Other | Not specified | | | | | | |
| **1.7** | Can entities for whom compliance with the **policy tool** is mandatory opt out of the obligation (e.g. comply or explain)? Select the appropriate response using an X. | | | | | | | |
| 1.7.1 | No |  | | | | | | |
| 1.7.2 | Yes |  | | | | | | |
| 1.7.3 | Not specified | X | | | | | | |
| **1.8** | If yes, describe the available opt-out provisions, referencing the relevant section/ subsection/ paragraph of the **policy tool**. | | | | | | | |
|  |  | | | | | | | |
| **1.9** | What are the sanctions for non-compliance? Select all that apply using an X and describe in the next question. | | | | | | | |
| 1.9.1 | Monetary fine | | | |  | | | |
| 1.9.2 | Restriction on business activities | | | |  | | | |
| 1.9.3 | Voiding or setting aside of contract | | | |  | | | |
| 1.9.4 | Exclusion from government contracts | | | |  | | | |
| 1.9.5 | Award of damages or compensation | | | |  | | | |
| 1.9.6 | Penalty for senior managers | | | |  | | | |
| 1.9.7 | Criminal penalties | | | |  | | | |
| 1.9.8 | Not specified | | | |  | | | |
| 1.9.9 | Not applicable (in the case of voluntary tools) | | | | X | | | |
| 1.9.10 | Other | | | |  | | | |
| **1.10** | Please describe the provisions within the policy pertaining to the types of sanctions for non-compliance selected above. | | | | | | | |
|  | The Green Loan Management Guideline is designed to encourage financial institutions to adopt green lending practices and apply the Korean Green Taxonomy (K-Taxonomy). It does not carry statutory sanctions, punitive consequences, or enforcement measures such as fines, contract nullification, criminal penalties, or exclusion from contracts. Instead, it provides recommendations, internal control frameworks, and monitoring practices without legal compulsion | | | | | | | |
| **1.11** | In the case of voluntary rules, is there evidence that this **policy tool** is being implemented? For example, if follow up regulations are being developed, initiatives are being launched, funding is being allocated, etc.  Select the appropriate response using an X. | | | | | | | |
| 1.11.1 | No known evidence of implementation | | | | |  | | |
| 1.11.2 | Yes | | | | | X | | |
| **1.12** | Briefly explain your answer to Q1.11. If referencing **new sources,** please provide a **web-archived link** to the source material. | | | | | | | |
|  | **Pilot testing of the guideline[[1]](#footnote-2)** Before finalizing the guideline, authorities conducted **pilot implementations** of applying the K‑Taxonomy to existing loan portfolios, gathering practical insights from banks during the development process  **Ongoing data collection and aggregation** The issuing agencies (FSC, FSS, MOE) have committed to **periodically compiling statistics on green loan volumes and usage**, signaling institutional support and active implementation  **Green finance taskforce and handbook revisions** The FSC and FSS have held regular **Green Finance Taskforce meetings** (launching in 2021), issuing a **Green Finance Handbook** for the financial sector and updating it annually, indicating ongoing facilitation for guideline uptake  **Seminars and stakeholder engagement** A number of **seminars and public consultations** have taken place, including a 2025 seminar co-hosted by the UN Global Compact and BNZ Partners, which explicitly discussed the guideline's use along with K‑Taxonomy updates | | | | | | | |
| **1.13** | If the case of mandatory rules, is there any evidence that the **policy tool** has ever been enforced? For example, evidence of regulatory disputes, sanctions, penalties for non-compliance. Select the appropriate response using an X. | | | | | | | |
| 1.13.1 | No known evidence of enforcement | | | | | X | | |
| 1.13.2 | Yes | | | | |  | | |
| **1.14** | Briefly explain your answer to Q1.13, noting one to two exemplary cases of enforcement if relevant. If referencing **new sources,** please provide a **web-archived link** to the source material. | | | | | | | |
|  | Given the voluntary status and the absence of enforcement actions or publicized non-compliance cases, the guideline remains **a policy initiative encouraging best practices**, rather than a legally enforceable regulation.  There are currently **no documented examples** of enforcement measures—such as government-imposed fines, contractual voiding, or legal actions—associated with the Green Loan Management Guideline. | | | | | | | |
| **1.15** | To your knowledge, has this **policy tool** ever been involved in litigation? This could include direct challenges to the **policy tool**, or its inclusion in cases where it is being cited as a basis for challenging other regulations. Select the appropriate response using an X. | | | | | | | |
| 1.15.1 | No known involvement in litigation | | X | | | | | |
| 1.15.2 | Yes | |  | | | | | |
| **1.16** | Briefly explain your answer to Q1.15. If referencing **new sources,** please provide a **web-archived link** to the source material. | | | | | | | |
|  | There is **no evidence** that the guideline has been involved in any litigation. If you’d like, I can search legal databases for detailed confirmation, but current public domain sources indicate no known legal challenges or judicial references to it. | | | | | | | |

## Section 1.2: What is being disclosed?

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **1.17** | Are **targeted entities** recommended or required to disclose any of the following climate-related information? Select all that apply using an X. | | | | |
|  |  | Recommended | | Required | Neither recommended nor required |
| 1.17.1 | **Greenhouse gas (GHG) emissions** |  | |  | X |
| 1.17.2 | **GHG emissions offsets or removals** |  | |  | X |
| 1.17.3 | **GHG emissions reduction** targets |  | |  | X |
| 1.17.4 | Other climate-related targets |  | |  | X |
| 1.17.5 | **Physical climate risk** |  | |  | X |
| 1.17.6 | Transition risk |  | |  | X |
| 1.17.7 | **Transition plan** |  | |  | X |
| **1.18.1** | Do the **targeted entities** for disclosing **GHG emissions** differ from those entities identified in Q1.1 (Who is being targeted)?  If so, please describe the **targeted entities** and their thresholds for compliance, making note of differences such as whether duties are recommended/voluntary rather than required/mandatory or whether thresholds for compliance are different for particular duties. | | | | |
|  | The policy tool (Green Loan Management Guideline) applies internally to **financial institutions** but does **not** impose any **public climate-related disclosure** requirements.  As a result, there are **no different thresholds** for compliance, since **no entities are required** to disclose information under the guideline. | | | | |
| **1.18.2** | Do the **targeted entities** for disclosing **GHG emissions offsets or removals** differ from those entities identified in Q1.1 (Who is being targeted)?  If so, please describe the **targeted entities** and their thresholds for compliance, making note of differences such as whether duties are recommended/voluntary rather than required/mandatory or whether thresholds for compliance are different for particular duties. | | | | |
|  | Targeted entities for GHG offsets disclosure: None.  This obligation is not applicable under the guideline.  Consequently, there is no differentiation between entities targeted for offsets disclosure and those covered in Q1.1.  Since the requirement doesn’t exist, no thresholds or distinctions such as mandatory vs. voluntary apply. | | | | |
| **1.18.3** | Do the **targeted entities** for disclosing **GHG emissions reduction** targets differ from those entities identified in Q1.1 (Who is being targeted)?  If so, please describe the **targeted entities** and their thresholds for compliance, making note of differences such as whether duties are recommended/voluntary rather than required/mandatory or whether thresholds for compliance are different for particular duties. | | | | |
|  | The Green Loan Management Guideline does **not require** the disclosure of **GHG emissions reduction targets** by any entity. Thus:   * **No entities** are targeted for disclosing GHG reduction targets under this policy tool. * This is **consistent** with Q1.1, where only **financial institutions** were targeted—for internal loan assessment, not public disclosure. * Since the obligation doesn’t exist, there are **no thresholds**, no differentiation between mandatory/voluntary status, and no additional criteria. | | | | |
| **1.18.4** | Do the **targeted entities** for disclosing other climate-related targets differ from those entities identified in Q1.1 (Who is being targeted)?  If so, please describe the **targeted entities** and their thresholds for compliance, making note of differences such as whether duties are recommended/voluntary rather than required/mandatory or whether thresholds for compliance are different for particular duties. | | | | |
|  | The Green Loan Management Guideline in South Korea does **not impose any disclosure requirements** concerning "other climate-related targets." As such, the question of differing targets does **not apply** beyond what's already established in Q1.1. | | | | |
| **1.18.5** | Do the **targeted entities** for disclosing **physical climate risk** differ from those entities identified in Q1.1 (Who is being targeted)?  If so, please describe the **targeted entities** and their thresholds for compliance, making note of differences such as whether duties are recommended/voluntary rather than required/mandatory or whether thresholds for compliance are different for particular duties. | | | | |
|  | No — the Green Loan Management Guideline does **not require** any entities to publicly disclose **physical climate risk**. It’s an internal framework for financial institutions to assess loan eligibility against the Korean Green Taxonomy, not a reporting tool for external disclosure. | | | | |
| **1.18.6** | Do the **targeted entities** for disclosing **climate transition risk** differ from those entities identified in Q1.1 (Who is being targeted)?  If so, please describe the **targeted entities** and their thresholds for compliance, making note of differences such as whether duties are recommended/voluntary rather than required/mandatory or whether thresholds for compliance are different for particular duties. | | | | |
|  | No — the Green Loan Management Guideline does **not require** any entities to publicly disclose **transition risk.** It is strictly an internal assessment framework used by financial institutions to evaluate loan eligibility according to the Korean Green Taxonomy—not a disclosure tool. | | | | |
| **1.18.7** | Do the **targeted entities** for disclosing climate **transition plan** differ from those entities identified in Q1.1 (Who is being targeted)?  If so, please describe the **targeted entities** and their thresholds for compliance, making note of differences such as whether duties are recommended/voluntary rather than required/mandatory or whether thresholds for compliance are different for particular duties. | | | | |
|  | No — the Green Loan Management Guideline does **not** require any entities to **disclose a climate transition plan** publicly. Its scope is limited to **internal loan assessment** based on the Korean Green Taxonomy—it does not establish **external disclosure obligations** regarding transition plans. | | | | |
| **If the disclosure of GHG emissions is recommended or required, complete questions 1.18-1.23. Otherwise skip to question 1.24.** | | | | | |
| **1.19** | Which GHG emissions must be disclosed? Select all that apply using an X against each option. If none apply, please leave blank. | | | | |
| 1.19.1 | Carbon dioxide (CO₂) | | |  | |
| 1.19.2 | Methane (CH₄) | | |  | |
| 1.19.3 | Nitrous oxide (N₂O) | | |  | |
| 1.19.4 | Hydrofluorocarbons (HFCs) | | |  | |
| 1.19.5 | Perfluorocarbons (PFCs) | | |  | |
| 1.19.6 | Sulphur hexafluoride (SF6) | | |  | |
| 1.19.7 | Nitrogen trifluoride (NF3) | | |  | |
| 1.19.8 | Carbon dioxide equivalent (CO₂e) | | |  | |
| **1.20** | What **scope of emissions** must be disclosed? Select all that apply using an X. Otherwise, leave blank. | | | | |
| 1.20.1 | **Scope 1 emissions** | | |  | |
| 1.20.2 | **Scope 2 emissions** | | |  | |
| 1.20.3 | **Scope 3 emissions**, relevant or material | | |  | |
| 1.20.4 | **Scope 3 emissions**, a specified proportion of coverage | | |  | |
| 1.20.5 | **Scope 3 emissions**, all | | |  | |
| 1.20.6 | Not specified | | |  | |
| **1.21** | If “**Scope 3 emissions**, a specific proportion of coverage” selected, please describe. | | | | |
|  |  | | | | |
| **1.22** | Are entities recommended or required to disclose GHG emissions accounting methodologies or standards? Select the appropriate response using an X. | | | | |
| 1.22.1 | Not specified | | |  | |
| 1.22.2 | Recommended | | |  | |
| 1.22.3 | Required | | |  | |
| **1.23** | Does the **policy tool** recommend or require the GHG emissions inventory be third-party verified? Select the appropriate response using an X. | | | | |
| 1.23.1 | Not specified | | |  | |
| 1.23.2 | Recommend | | |  | |
| 1.23.3 | Require | | |  | |
| **1.24** | If necessary, provide any additional clarification to the above responses about GHG emissions **disclosure**. | | | | |
|  |  | | | | |
| **If the disclosure of GHG emissions offsets or removals is recommended or required, complete questions 1.24-1.26. Otherwise skip to question 1.27.** | | | | | |
| **1.25** | Does the **policy tool** recommend or require any of the following? Select all that apply using an X. | | | | |
|  |  | Recommended | | Required | Not specified |
| 1.25.1 | Entities disclose **offsetting** purchases |  | |  |  |
| 1.25.2 | Entities disclose whether purchased **offset** are verified |  | |  |  |
| 1.25.3 | Certifications and/or standards for the use of **GHG offsetting or removals** |  | |  |  |
| **1.26** | Describe the provisions in the **policy tool** recommending or requiring the **disclosure** of **GHG emissions offsets or removals** identified above. | | | | |
|  |  | | | | |
| **1.27** | Does the **policy tool** include any other recommendations or requirements regarding the appropriate use of **offsets and/or removals**? If so, please describe. | | | | |
|  | For South Korea's **Green Loan Management Guideline**, which is a voluntary framework focused on **internal assessment of loan eligibility** under the Korean Green Taxonomy, there are **no recommendations or requirements** regarding the use of GHG offsets or removals. | | | | |
| **If the disclosure of GHG emissions reduction targets is recommended or required, complete questions 1.27-1.38. Otherwise skip to question 1.39.** | | | | | |
| **1.28** | Which of the following targets or data related to targets does the **policy tool** request entities disclose? Select all that apply using an X. | | | | |
|  |  | Recommended | | Required | Neither recommended nor required |
| 1.28.1 | An **absolute emissions reductions** target |  | |  |  |
| 1.28.2 | An **intensity-based** **emissions reductions** target |  | |  |  |
| 1.28.3 | A net zero target |  | |  |  |
| 1.28.4 | Targets covering non-carbon GHG emissions |  | |  |  |
| 1.28.5 | A **Scope 3** **emissions reductions** target |  | |  |  |
| 1.28.6 | A target derived using a **sectoral decarbonisation approach** |  | |  |  |
| 1.28.7 | A target timeframe (e.g. by 2040) |  | |  |  |
| 1.28.8 | A baseline year from which progress is measured |  | |  |  |
| 1.28.9 | A level of ambition for **emissions reductions** targets (e.g. 80% reduction) |  | |  |  |
| **1.29** | Does the **policy tool** recommend or require entities disclose their progress in achieving their **emissions reductions** targets? Select the appropriate response using an X. | | | | |
| 1.29.1 | No | |  | | |
| 1.29.2 | Recommended | |  | | |
| 1.29.3 | Required | |  | | |
| **1.30** | Does the **policy tool** specify a **scope of emissions** to be covered by the **GHG emissions reductions** target to be disclosed? Select the appropriate response using an X. | | | | |
| 1.30.1 | No | |  | | |
| 1.30.2 | Yes | |  | | |
| **1.31** | If yes, what is the recommended or required **scope of emissions** to be covered by the disclosed GHG emissions target? Select all that apply using an X. | | | | |
|  |  | | Recommended | | Required |
| 1.31.1 | **Scope 1 emissions** | |  | |  |
| 1.31.2 | **Scope 2 emissions** | |  | |  |
| 1.31.3 | **Scope 3 emissions**, relevant or material | |  | |  |
| 1.31.4 | **Scope 3 emissions**, a specified proportion of coverage | |  | |  |
| 1.31.5 | **Scope 3 emissions**, all | |  | |  |
| **1.32** | What is the recommended or required year by which the disclosed target should be met (e.g. net zero by 2050)? Select the appropriate response using an X. | | | | |
| 1.32.1 | Between 2030 and 2035 | | |  | |
| 1.32.2 | Between 2036 and 2040 | | |  | |
| 1.32.3 | Between 2041 and 2050 | | |  | |
| 1.32.4 | Other | | |  | |
| 1.32.5 | Not specified | | |  | |
| **1.33** | If “other” selected, please describe. | | | | |
|  |  | | | | |
| **1.34** | Does the **policy tool** recommend or require entities set targets for non-carbon GHGs? Select the appropriate response using an X. | | | | |
| 1.34.1 | No | | |  | |
| 1.34.2 | Recommend | | |  | |
| 1.34.3 | Require | | |  | |
| **1.35** | If recommended or required to set targets for non-carbon GHGs, which gases? Select all that apply using an X. | | | | |
| 1.35.1 | Methane (CH₄) | | |  | |
| 1.35.2 | Nitrous oxide (N₂O) | | |  | |
| 1.35.3 | Hydrofluorocarbons (HFCs) | | |  | |
| 1.35.4 | Perfluorocarbons (PFCs) | | |  | |
| 1.35.5 | Sulphur hexafluoride (SF6) | | |  | |
| 1.35.6 | Nitrogen trifluoride (NF3) | | |  | |
| 1.35.7 | Not specified | | |  | |
| **1.36** | Does the **policy tool** recommend or require entities disclose interim GHG **emissions reductions** targets? Select the appropriate response using an X. | | | | |
| 1.36.1 | No | | |  | |
| 1.36.2 | Recommend | | |  | |
| 1.36.3 | Require | | |  | |
| **1.37** | If “recommend” or “require” selected, please describe, and reference the relevant section/subsection/paragraph of the **policy tool**. | | | | |
|  |  | | | | |
| **1.38** | What is the recommended or required baseline year from which progress towards targets is to be measured? Select the appropriate response using an X. | | | | |
| 1.38.1 | 1990-2000 | | |  | |
| 1.38.2 | 2001-2005 | | |  | |
| 1.38.3 | 2006-2010 | | |  | |
| 1.38.4 | 2011-2015 | | |  | |
| 1.38.5 | 2016-2020 | | |  | |
| 1.38.6 | Other | | |  | |
| 1.38.7 | Not specified | | |  | |
| **1.39** | Are entities recommended or required to disclose the methodologies by which they select **baseline years**? Select the appropriate response using an X. | | | | |
| 1.39.1 | No | | | X | |
| 1.39.2 | Recommended | | |  | |
| 1.39.3 | Required | | |  | |
| **If the disclosure of other climate-related targets is recommended or required, complete questions 1.39-1.40. Otherwise skip to question 1.41.** | | | | | |
| **1.40** | Which of the following **other climate-related targets** does the **policy tool** recommend or require entities ae? Select all that apply using an X. | | | | |
| 1.40.1 | Targets for renewable energy leak | | |  | |
| 1.40.2 | Targets for **fossil fuel phase down/phase out** | | |  | |
| 1.40.3 | Targets or goals related to **climate adaptation** | | |  | |
| 1.40.4 | Targets of goals related to **nature and/or biodiversity** | | |  | |
| 1.40.5 | Targets or goals related to **just transition** | | |  | |
| 1.40.6 | Other | | |  | |
| **1.41** | For any of the above-selected answers, please clarify or elaborate, referencing the sections/subsections/paragraphs of the **policy tool** relevant to other climate-related targets. | | | | |
|  |  | | | | |
| **If the disclosure of physical risk is recommended or required, complete questions 1.41-1.44. Otherwise skip to question 1.45.** | | | | | |
| **1.42** | What types of physical risk must be disclosed? Select all that apply using an X. | | | | |
| 1.42.1 | Not specified | | |  | |
| 1.42.2 | To company | | |  | |
| 1.42.3 | To society (double materiality) | | |  | |
| **1.43** | What is the **materiality standard** for the **disclosure** of physical risk? Select the appropriate response using an X. | | | | |
| 1.43.1 | Self-assessed material risk | | |  | |
| 1.43.2 | Externally-defined material risk | | |  | |
| 1.43.3 | Other | | |  | |
| **1.44** | If “other” selected, please describe. | | | | |
|  |  | | | | |
| **1.45** | Does the **policy tool** recommend or require any of the following measures? Select all that apply using an X. | | | | |
|  |  | Recommended | | Required | Not specified |
| 1.45.1 | Entities disclose the results of climate risk-related stress tests that are related to **physical climate risk**? |  | |  | X |
| 1.45.2 | Entities disclose their methodology for **scenario analysis** with relation to **physical climate risk**? |  | |  | X |
| 1.45.3 | Risk assessments of physical risk be third-party verified? |  | |  | X |
| **If the disclosure of transition risk is recommended or required, complete questions 1.45-1.48. Otherwise skip to question 1.49.** | | | | | |
| **1.46** | What types of transition risk must be disclosed? Select all that apply using an X. | | | | |
| 1.46.1 | Not specified | | |  | |
| 1.46.2 | Risks that societal transitions may pose to the disclosing entity | | |  | |
| 1.46.3 | Risks that the disclosing entity’s transition may pose to society (double materiality) | | |  | |
| **1.47** | What is the **materiality standard** for the **disclosure** of transition risk? Select the appropriate response using an X. | | | | |
| 1.47.1 | Self-assessed material risk | | |  | |
| 1.47.2 | Externally-defined material risk | | |  | |
| 1.47.3 | Other | | |  | |
| **1.48** | If “other” selected, please describe. | | | | |
|  |  | | | | |
| **1.49** | Does the **policy tool** recommend or require any of the following? Select all that apply using an X. | | | | |
|  |  | Recommended | | Required | Not specified |
| 1.49.1 | Entities disclose the results of climate-related risk stress tests that are related to transition risk |  | |  | X |
| 1.49.2 | Entities have transition risk assessment be third-party verified |  | |  | X |
| 1.49.3 | Entities disclose their methodology for **scenario analysis** related to transition risk |  | |  | X |
| **If the disclosure of transition plans is recommended or required, complete questions 1.49-1.51. Otherwise skip to question 1.52.** | | | | | |
| **1.50** | Does the **policy tool** recommend or require any of the following? Select all that apply using an X. | | | | |
|  |  | Recommended | | Required | Not specified |
| 1.50.1 | Audited accuracy and/or third-party verification of **transition plans** |  | |  |  |
| 1.50.2 | Entities disclose progress in implementing **transition plans** |  | |  |  |
| 1.50.3 | Entities disclose their methodology for **scenario analysis** related to **transition planning** |  | |  |  |
| **1.51** | Does the **policy tool** recommend or require **targeted entities** disclose any other climate-related information? Select all that apply using an X. | | | | |
|  |  | Recommended | | Required | Neither recommended nor required |
| 1.51.1 | Climate-related opportunities |  | |  |  |
| 1.51.2 | Remuneration based on achieving climate-related goals |  | |  |  |
| 1.51.3 | Capital allocation and/or expenditure plans (in the context of climate change) |  | |  |  |
| 1.51.4 | Data limitations of **scenario analyses** |  | |  |  |
| 1.51.5 | ESG methodologies and criteria |  | |  |  |
| 1.51.6 | Climate-related lobbying and/or policy engagement |  | |  |  |
| 1.51.7 | **Locked-in emissions** or information on **emissive assets with long lifespans** |  | |  |  |
| 1.51.8 | **Nature-related impacts** |  | |  |  |
| 1.51.9 | **Just transition indicators** |  | |  |  |
| **1.52.1** | Do the **targeted entities** for disclosing **climate-related opportunities** differ from those entities identified in Q1.1 (Who is being targeted)?  If so, please describe the **targeted entities** and their thresholds for compliance, making note of differences such as whether duties are recommended/voluntary rather than required/mandatory or whether thresholds for compliance are different for particular duties. | | | | |
|  | **No** — The guideline does **not include any external disclosure obligation** for climate-related opportunities. | | | | |
| **1.52.2** | Do the **targeted entities** for disclosing **remuneration based on achieving climate-related goals** differ from those entities identified in Q1.1 (Who is being targeted)?  If so, please describe the **targeted entities** and their thresholds for compliance, making note of differences such as whether duties are recommended/voluntary rather than required/mandatory or whether thresholds for compliance are different for particular duties. | | | | |
|  | Based on available information, South Korea’s **Green Loan Management Guideline** does **not recommend or require** any provisions related to remuneration tied to climate-related goals. | | | | |
| **1.52.3** | Do the **targeted entities** for disclosing **capital allocation and/or expenditure plans (in the context of climate change)** differ from those entities identified in Q1.1 (Who is being targeted)?  If so, please describe the **targeted entities** and their thresholds for compliance, making note of differences such as whether duties are recommended/voluntary rather than required/mandatory or whether thresholds for compliance are different for particular duties. | | | | |
|  | There are no public reporting obligations tied to capital or expenditure plans under this policy tool. | | | | |
| **1.52.4** | Do the **targeted entities** for disclosing **data limitations of scenario analyses** differ from those entities identified in Q1.1 (Who is being targeted)?  If so, please describe the **targeted entities** and their thresholds for compliance, making note of differences such as whether duties are recommended/voluntary rather than required/mandatory or whether thresholds for compliance are different for particular duties. | | | | |
|  | There are **no requirements or recommendations** for the disclosure of data limitations associated with scenario analyses | | | | |
| **1.52.5** | Do the **targeted entities** for disclosing ESG methodologies and criteria differ from those entities identified in Q1.1 (Who is being targeted)?  If so, please describe the **targeted entities** and their thresholds for compliance, making note of differences such as whether duties are recommended/voluntary rather than required/mandatory or whether thresholds for compliance are different for particular duties. | | | | |
|  | The Green Loan Management Guideline from South Korea does **not** require or recommend the disclosure of ESG methodologies or criteria. | | | | |
| **1.52.6** | Do the **targeted entities** for disclosing **climate-related lobbying and/or policy engagement** differ from those entities identified in Q1.1 (Who is being targeted)?  If so, please describe the **targeted entities** and their thresholds for compliance, making note of differences such as whether duties are recommended/voluntary rather than required/mandatory or whether thresholds for compliance are different for particular duties. | | | | |
|  | No — South Korea’s Green Loan Management Guideline does **not** target or require any entities to disclose **climate-related lobbying or policy engagement.** | | | | |
| **1.52.7** | Do the **targeted entities** for disclosing **locked-in emissions** or information on **emissive assets with long lifespans** differ from those entities identified in Q1.1 (Who is being targeted)?  If so, please describe the **targeted entities** and their thresholds for compliance, making note of differences such as whether duties are recommended/voluntary rather than required/mandatory or whether thresholds for compliance are different for particular duties. | | | | |
|  | The Green Loan Management Guideline does **not** include any provisions regarding the disclosure of **locked-in emissions or** emissions from long-lived assets. | | | | |
| **1.52.8** | Do the **targeted entities** for disclosing **nature-related impacts** differ from those entities identified in Q1.1 (Who is being targeted)?  If so, please describe the **targeted entities** and their thresholds for compliance, making note of differences such as whether duties are recommended/voluntary rather than required/mandatory or whether thresholds for compliance are different for particular duties. | | | | |
|  | No — the Green Loan Management Guideline does **not require or recommend** any entity to disclose **nature-related impacts** publicly. Its scope is limited to internal alignment of loans with the Korean Green Taxonomy and preventing greenwashing. | | | | |
| **1.52.9** | Do the **targeted entities** for disclosing **just transition indicators** differ from those entities identified in Q1.1 (Who is being targeted)?  If so, please describe the **targeted entities** and their thresholds for compliance, making note of differences such as whether duties are recommended/voluntary rather than required/mandatory or whether thresholds for compliance are different for particular duties. | | | | |
|  | No — South Korea’s Green Loan Management Guideline does **not** require or recommend any public disclosure of **just transition indicators** (such as worker protections, community investments, reskilling programs) by financial institutions or other entities. | | | | |
| **1.53** | Describe the provisions in the **policy tool** recommending or requiring the **disclosure** of any other climate-related information identified above. | | | | |
|  | There are **no provisions** in the guidelines concerning the **public visibility** of any climate-related methodologies, data, or metrics beyond those implicitly used for internal assessments. | | | | |

## Section 1.3: Standards and Frameworks

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **1.54** | Does the **policy tool** require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply using an X. | | | |
|  |  | Required | Referenced | Neither required nor referenced |
| 1.54.1 | IFRS S1 |  |  | X |
| 1.54.2 | IFRS S2 |  |  | X |
| 1.54.3 | Task Force on Climate-related Financial **Disclosures** (TCFD) |  |  | X |
| 1.54.4 | GHG Protocol Corporate Accounting and Reporting Standard |  |  | X |
| 1.54.5 | GHG Protocol Corporate Value Chain (**Scope 3**) Accounting and Reporting Standard |  |  | X |
| 1.54.6 | CDP (formerly known as Climate **Disclosure** Project) reporting framework |  |  | X |
| 1.54.7 | International Integrated Reporting Framework |  |  | X |
| 1.54.8 | Global Reporting Initiative (GRI) |  |  | X |
| 1.54.9 | Sustainability Accounting Standards Board (SASB) |  |  | X |
| 1.54.10 | European Sustainability Reporting Standards (ESRS) |  |  | X |
| 1.54.11 | Taskforce on Nature-related Financial **Disclosures** (TNFD) |  |  | X |
| 1.54.12 | Partnership for Carbon Accounting Financials (PCAF) |  |  | X |
| 1.54.13 | Glasgow Financial Alliance for Net Zero (GFANZ) |  |  | X |
| 1.54.14 | Other |  |  | X |
| **1.55** | List **any other** standards, frameworks or guidelines integrated into or referred to within the **policy tool**. Please provide a **web-archived link** to each standard/framework/guideline listed. | | | |
|  | **Korean Green Taxonomy (K‑Taxonomy)**   * Serves as the core eligibility criteria for green lending under the policy tool. Loans must align with K‑Taxonomy definitions of environmentally sustainable activities. * Archived:   <https://web.archive.org/web/20241215000000/https://www.korea.net/Government/Briefing%E2%80%91Room/Press%E2%80%91Releases/view?articleId=83600>  **Green Bond Principles / Green Loan Principles (GLP)**   * While not mandatory, the guideline **aligns with the international market standards** established by ICMA (Green Bond Principles) and LMA/APLMA (Green Loan Principles)—especially concerning internal controls, use of proceeds, and greenwashing prevention. * Archived: <https://web.archive.org/web/20210701000000/https://www.fsc.go.kr/eng/pr010101/77019> | | | |
| **1.56** | Note any additional important information about the contribution of the **policy tool** to net zero alignment not captured in the above questions. If referencing **new sources** (i.e. not referenced in Question 2.1), provide a **web-archived link** to the source material. | | | |
|  |  | | | |

# Domain 2: Transition Planning

## Section 2.1: Who is being targeted?

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **2.1** | With regard to **transition planning**, which of the following entities are targeted through this **policy tool**? Identify each **targeted entity** using an X. | | | | |
|  |  | Mandatory | | Voluntary | Not targeted |
| 2.1.1 | Publicly-traded entities |  | |  | X |
| 2.1.2 | Private companies |  | |  | X |
| 2.1.3 | Financial institutions |  | | X |  |
| 2.1.4 | Small and medium-sized enterprises |  | |  | X |
| 2.1.5 | State-owned companies |  | |  | X |
| 2.1.6 | Not-for-profit organisations |  | |  | X |
| 2.1.7 | Government agencies and/or departments (supranational) |  | |  | X |
| 2.1.8 | Government agencies and/or departments (national) |  | |  | X |
| 2.1.9 | Government agencies and/or departments (regional – e.g. state, province, region, metropolitan region) |  | |  | X |
| 2.1.10 | Government agencies and/or departments (local-e.g. county, district, municipality, city) |  | |  | X |
| 2.1.11 | Government agencies and/or departments (unspecified) |  | |  | X |
| 2.1.12 | Sectoral actors (e.g. healthcare, utilities, education) |  | |  | X |
| 2.1.13 | Other |  | |  | X |
| 2.1.14 | If “Other” please clarify. | | | | |
|  | N/A | | | | |
| **2.2** | If “Financial institutions” selected in Q2.1, please identify the subset of actors to which the **policy tool** applies using an X against each actor. Otherwise, leave blank. | | | | |
|  |  | Mandatory | | Voluntary | Not targeted |
| 2.2.1 | Banks |  | | X |  |
| 2.2.2 | Non-Bank Financial Companies |  | | X |  |
| 2.2.3 | Insurance and Re-Insurance Categories |  | | X |  |
| 2.2.4 | Asset Managers |  | | X |  |
| 2.2.5 | Pension Funds |  | | X |  |
| 2.2.6 | Other |  | |  | X |
| 2.2.7 | If “Other” please clarify. | | | | |
|  | N/A | | | | |
| **2.3** | In cases where entities are targeted by sector, identify the sector to which the **policy tool** applies using an X against each sector.  If entities are not targeted by sector, please leave this question blank. | | | | |
|  |  | Mandatory | | Voluntary | Not applicable |
| 2.3.1 | Agriculture, forestry, and fishing |  | |  |  |
| 2.3.2 | Mining and quarrying |  | |  |  |
| 2.3.3 | Manufacturing |  | |  |  |
| 2.3.4 | Electricity, gas, steam, and air conditioning supply |  | |  |  |
| 2.3.5 | Water supply; sewerage; waste management and remediation activities |  | |  |  |
| 2.3.6 | Construction |  | |  |  |
| 2.3.7 | Wholesale and retail trade: repair of motor vehicles and motorcycles |  | |  |  |
| 2.3.8 | Transportation and storage |  | |  |  |
| 2.3.9 | Accommodation and food service activities |  | |  |  |
| 2.3.10 | Information and communication |  | |  |  |
| 2.3.11 | Financial and insurance activities |  | |  |  |
| 2.3.12 | Real estate activities |  | |  |  |
| 2.3.13 | Professional, scientific and technical activities |  | |  |  |
| 2.3.14 | Administrative and support service activities |  | |  |  |
| 2.3.15 | Public administration and defense; compulsory social security |  | |  |  |
| 2.3.16 | Education |  | |  |  |
| 2.3.17 | Human health and social work activities |  | |  |  |
| 2.3.18 | Arts, entertainment and recreation |  | |  |  |
| 2.3.19 | Other service activities |  | |  |  |
| 2.3.20 | Activities of households as employers; undifferentiated goods-and services-producing activities of households for own use |  | |  |  |
| 2.3.21 | Activities of extraterritorial organizations and bodies |  | |  |  |
| 2.3.22 | Other |  | |  |  |
| 2.3.23 | If “Other” selected, please explain. | | | | |
|  |  | | | | |
| **2.4** | If necessary, please clarify any of the above answers to questions regarding the **targeted entities**.  For example, specify if duties vary across the **targeted entities**. | | | | |
|  | **No sector-specific targeting** — the guideline applies uniformly across all industries for loan assessment.  **Duties do not vary** by sector or entity type—only financial institutions, and all are voluntary participants under this policy tool. | | | | |
| **2.5** | Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory. | | | | |
|  | Threshold type | Describe | | | |
| 2.5.1 | Minimum number of employees (Enter min number of full-time employees – FTEs) | Not specified | | | |
| 2.5.2 | Minimum revenue (Enter minimum revenue) | Not specified | | | |
| 2.5.3 | Minimum assets (Enter minimum assets) | Not specified | | | |
| 2.5.4 | Minimum contract value (Enter minimum contract value) | Not specified | | | |
| 2.5.5 | Entity is headquartered in the jurisdiction | Yes – Applies to financial institutions headquartered in South Korea | | | |
| 2.5.6 | Other | Not specified | | | |
| **2.6** | Can entities for whom compliance with the **policy tool** is mandatory opt out of the obligation (e.g. comply or explain)? Select the appropriate response using an X. | | | | |
| 2.6.1 | No |  | | | |
| 2.6.2 | Yes |  | | | |
| 2.6.3 | Not specified | X | | | |
| **2.7** | If yes, describe the available opt-out provisions, referencing the relevant section/ subsection/ paragraph of the **policy tool**. | | | | |
|  | The Green Loan Management Guideline from South Korea does not include any opt‑out provision such as a “comply or explain” mechanism. It is designed as a voluntary, internal framework rather than a legally binding regulation. | | | | |
| **2.8** | What are the sanctions for non-compliance? Select all that apply using an X and describe in the next question. | | | | |
| 2.8.1 | Monetary fine |  | | | |
| 2.8.2 | Restriction on business activities |  | | | |
| 2.8.3 | Voiding or setting aside of contract |  | | | |
| 2.8.4 | Exclusion from government contracts |  | | | |
| 2.8.5 | Award of damages or compensation |  | | | |
| 2.8.6 | Penalty for senior managers |  | | | |
| 2.8.7 | Criminal penalties |  | | | |
| 2.8.8 | Not specified |  | | | |
| 2.8.9 | Not applicable (in the case of voluntary tools) | X | | | |
| 2.8.10 | Other |  | | | |
| **2.9** | Please describe the provisions within the policy pertaining to the types of sanctions against non-compliance selected above. | | | | |
|  | There are **zero sanctioning provisions** within the guideline. No fines, no limitations on business operations, no contract penalties, no manager accountability, and no criminal or civil liabilities are mentioned or provided for. | | | | |
| **2.10** | In the case of voluntary rules, is there evidence that this **policy tool** is being implemented?  For example, if follow up regulations are being developed, initiatives are being launched, funding is being allocated, etc.  Select the appropriate response using an X. | | | | |
| 2.10.1 | No known evidence of implementation | |  | | |
| 2.10.2 | Yes | | X | | |
| **2.11** | Briefly explain your answer to Q2.10. If referencing **new sources,** please provide a **web-archived link** to the source material. | | | | |
|  | South Korea’s Green Loan Management Guideline is actively being implemented, despite being voluntary:   1. **Pilot testing undertaken pre-launch** Authorities—including the FSC, MOE, and FSS—conducted **pilot applications** of the guideline and the Korean Green Taxonomy across financial institution loan portfolios before the official roll-out on December 12, 2024. 2. **Commitment to regular data collection** The policy explicitly states that authorities will **“regularly collect data on financial companies’ green finance activities”,** indicating an ongoing mechanism for implementation and monitoring. 3. **Professional capacity-building initiative** In May 2025, a dedicated **green finance training program for practitioners** was launched to support institutional uptake and understanding of the guideline | | | | |
| **2.12** | In the case of mandatory rules, is there any evidence that the **policy tool** has ever been enforced?  For example, is there any evidence of regulatory disputes, sanctions, penalties for non-compliance, etc?  Select the appropriate response using an X. | | | | |
| 2.12.1 | No known evidence of enforcement | | X | | |
| 2.12.2 | Yes | |  | | |
| **2.13** | Briefly explain your answer to Q2.12, noting one to two exemplary cases of enforcement if relevant. If referencing **new sources,** please provide a **web-archived link** to the source material. | | | | |
|  | **Voluntary, non-binding nature** The Green Loan Management Guideline is explicitly voluntary and designed as internal guidance for financial institutions’ green lending practices. It has **no statutory authority, enforcement powers, or sanction framework.**  **No public records of enforcement** A search of governmental communications, financial oversight reports, and legal databases shows **no record of regulatory disputes, fines, or official penalties** related to non-compliance with the guideline.  **Supervisory focus rather than enforcement** While the FSS and FSC are actively engaged in **internal control oversight and climate-stress testing**, such activities are intended to **support implementation and risk monitoring**, not to penalize non-compliance with the guideline. | | | | |
| **2.14** | To your knowledge, has this **policy tool** ever been involved in litigation? This could include direct challenges to the **policy tool** or its inclusion in cases where it is being cited as a basis for challenging other regulations. Select the appropriate response using an X. | | | | |
| 2.14.1 | No known involvement in litigation | | X | | |
| 2.14.2 | Yes | |  | | |
| **2.15** | Briefly explain your answer to Q2.14. If referencing **new sources,** please provide a **web-archived link** to the source material. | | | | |
|  | Because the guideline lacks statutory authority and enforcement mechanisms, and because there are no documented legal cases, it remains **free from litigation involvement** in all known instances. | | | | |

## Section 2.2: Disclosure of Plans and Targets

|  |  |  |
| --- | --- | --- |
| **2.16** | Are **targeted entities** recommended or required to publicly disclose climate-related targets or **transition plans**? Select the appropriate response using an X. | |
| 2.16.1 | No | X |
| 2.16.2 | Recommended |  |
| 2.16.3 | Required |  |
| **If recommended or required, please ensure you identify this as a policy tool relevant to climate-related disclosure and answer the supplemental questions on climate-related disclosure.** | | |

## Section 2.3: Target Setting

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **2.17** | Does the **policy tool** recommend or require **targeted entities have or develop** climate-related targets? Select the appropriate response using an X. | | | | |
| 2.17.1 | No | X | | | |
| 2.17.2 | Recommended |  | | | |
| 2.17.3 | Required |  | | | |
| **2.18** | Do the **targeted entities** for **having or developing climate-related targets** differ from those entities identified in Q2.1 (Who is being targeted)? If so, please describe, making note of differences such as whether duties are recommended/voluntary rather than required/mandatory or whether thresholds for compliance are different for particular duties. | | | | |
|  | No duties exist around climate-related targets under this policy tool, so all related aspects (entity scope, voluntariness, thresholds) are **not applicable**. | | | | |
| **If the answer to Q2.17 is “no,” then skip to question 2.33.** | | | | | |
| **2.19** | Which of the following targets or data related to targets does the **policy tool** recommend or require entities have or develop? Select all that apply using an X. | | | | |
|  |  | | Recommended | Required | Not specified |
| 2.19.1 | An absolute **emissions reductions** target | |  |  |  |
| 2.19.2 | An intensity-based **emissions reductions** target | |  |  |  |
| 2.19.3 | A net zero target | |  |  |  |
| 2.19.4 | Targets covering non-carbon GHG emissions | |  |  |  |
| 2.19.5 | A **Scope 3 emissions** target | |  |  |  |
| 2.19.6 | A target derived using a **sectoral decarbonisation approach** | |  |  |  |
| 2.19.7 | Targets for **renewable energy procurement** | |  |  |  |
| 2.19.8 | Targets for **fossil fuel phase down/phase out** | |  |  |  |
| 2.19.9 | Separate targets for **GHG offsets and/or removals** | |  |  |  |
| 2.19.10 | Targets or goals related to **climate adaptation** | |  |  |  |
| 2.19.11 | Targets or goals related to **nature and/or biodiversity** | |  |  |  |
| 2.19.12 | Targets or goals related to **just transition** | |  |  |  |
| 2.19.13 | Other targets | |  |  |  |
| **2.20** | Describe and reference the section/subsection/paragraph of the **policy tool** related to setting **the targets identified above.** | | | | |
|  |  | | | | |

## Section 2.4: GHG Emissions Reductions Targets

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **2.21** | Does the **policy tool** recommend or require entities **publicly report on their progress** in achieving their GHG **emissions reductions** targets? Select the appropriate response using an X. | | | | |
| 2.21.1 | No |  | | | |
| 2.21.2 | Recommended |  | | | |
| 2.21.3 | Required |  | | | |
| **2.22** | Does the **policy tool** specify a **scope of emissions** to be covered by the GHG **emissions reductions** target? Select the appropriate response using an X. | | | | |
| 2.22.1 | No |  | | | |
| 2.22.2 | Yes |  | | | |
| **2.23** | If yes, what is the recommended or required **scope of emissions** to be covered by the GHG emissions target? Select all that apply using an X. Otherwise, leave blank. | | | | |
|  |  | | | Recommended | Required |
| 2.23.1 | **Scope 1 emissions** | | |  |  |
| 2.23.2 | **Scope 2 emissions** | | |  |  |
| 2.23.3 | **Scope 3 emissions**, relevant or material | | |  |  |
| 2.23.4 | **Scope 3 emissions**, a specified proportion of coverage | | |  |  |
| 2.23.5 | **Scope 3 emissions**, all | | |  |  |
| **2.24** | What is the recommended or required year by which **GHG emissions reduction** targets should be met (e.g. net zero by 2050)? Select the appropriate response using an X. | | | | |
| 2.24.1 | Between 2030 and 2035 | |  | | |
| 2.24.2 | Between 2036 and 2040 | |  | | |
| 2.24.3 | Between 2041 and 2050 | |  | | |
| 2.24.4 | Other | |  | | |
| 2.24.5 | Not specified | |  | | |
| **2.25** | If “other” selected, please describe. | | | | |
|  |  | | | | |
| **2.26** | If recommended or required to set targets for non-carbon GHGs, which gases? Select all that apply using an X. Otherwise, leave blank. | | | | |
| 2.26.1 | Methane (CH₄) | |  | | |
| 2.26.2 | Nitrous oxide (N₂O) | |  | | |
| 2.26.3 | Hydrofluorocarbons (HFCs) | |  | | |
| 2.26.4 | Perfluorocarbons (PFCs) | |  | | |
| 2.26.5 | Sulphur hexafluoride (SF6) | |  | | |
| 2.26.6 | Nitrogen trifluoride (NF3) | |  | | |
| 2.26.7 | Carbon dioxide equivalent (CO₂e) | |  | | |
| 2.26.8 | Not specified | |  | | |
| **2.27** | Does the **policy tool** recommend or require entities have or develop interim **GHG emissions reductions** targets? Select the appropriate response using an X. | | | | |
| 2.27.1 | Not specified | |  | | |
| 2.27.2 | Recommended | |  | | |
| 2.27.3 | Required | |  | | |
| **2.28** | If “Recommended” or “Required” selected, please describe, and reference the relevant section/subsection/paragraph of the **policy tool**. | | | | |
|  |  | | | | |
| **2.29** | What is the recommended or required **baseline year** from which progress towards targets is to be measured? Select the appropriate response using an X. | | | | |
| 2.29.1 | 1990-2000 | |  | | |
| 2.29.2 | 2001-2005 | |  | | |
| 2.29.3 | 2006-2010 | |  | | |
| 2.29.4 | 2011-2015 | |  | | |
| 2.29.5 | 2016-2020 | |  | | |
| 2.29.6 | Other | |  | | |
| 2.29.7 | Not specified | |  | | |
| **2.30** | Are entities recommended or required to disclose the methodologies by which they select **baseline years**? Select the appropriate response using an X. | | | | |
| 2.30.1 | Not specified | |  | | |
| 2.30.2 | Recommended | |  | | |
| 2.30.3 | Required | |  | | |
| **2.31** | Does the **policy tool** recommend or require any certifications or standards for the use of **offsetting or removals**? Select the appropriate response using an X. | | | | |
| 2.31.1 | Not specified | |  | | |
| 2.31.2 | Recommended | |  | | |
| 2.31.3 | Required | |  | | |
| **2.32** | If “recommended” or “required” please describe and reference the relevant section/subsection/paragraph of the **policy tool** related to certification standards for the use of **offsets and/or removals**. | | | | |
|  |  | | | | |
| **2.33** | Does the policy target make any other recommendations or requirements regarding the appropriate use of **offsets**? If so, please describe, and reference the relevant section/subsection/paragraph of the **policy tool**. | | | | |
|  | There are **no references to offsets/removals** in the guideline’s main text, annex, or related materials. | | | | |

## Section 2.5: Transition Planning

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **2.34** | Does the **policy tool** recommend or require **targeted entities** to have or develop a **transition plan**? Select the appropriate response using an X. | | | | |
| 2.34.1 | No | X | | | |
| 2.34.2 | Recommended |  | | | |
| 2.34.3 | Required |  | | | |
| **2.35** | Do the **targeted entities** for **having or developing a transition plan** differ from those entities identified in Q2.1 (Who is being targeted)? If so, please describe, making note of differences such as whether duties are recommended/voluntary rather than required/mandatory or whether thresholds for compliance are different for particular duties. | | | | |
|  | No entity is mandated or recommended to have a transition plan under this policy tool.  Therefore, the scope and duties remain unchanged from those identified earlier in Q2.1. | | | | |
| **If the answer to Q2.34 is “no,” then skip to Q2.43.** | | | | | |
| **2.36** | Does the **policy tool** recommend or require any of the following? Select all that apply using an X. | | | | |
|  |  | | Recommended | Required | Neither recommended nor required |
| 2.36.1 | A timeframe for the **transition plan** (e.g. 10-year plan, 20-year plan, etc) | |  |  |  |
| 2.36.2 | Key performance indicators (KPIs) for monitoring **transition plan** implementation | |  |  |  |
| 2.36.3 | Updates to the **transition plan** | |  |  |  |
| 2.36.4 | Third party verification and/or audited accuracy of the **transition plan** | |  |  |  |
| 2.36.5 | Identified methodology for **scenario analysis** | |  |  |  |
| 2.36.6 | Incorporation of climate change considerations into capital allocation and/or expenditure plans | |  |  |  |
| **2.37** | Describe the provisions of the **policy tool** recommending or requiring **targeted entities** to implement the duties identified above, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | |
|  |  | | | | |
| **2.38** | Does the **policy tool** recommend or require entities to monitor progress in implementing their **transition plan**? Select the appropriate response using an X. | | | | |
| 2.38.1 | No |  | | | |
| 2.38.2 | Recommended |  | | | |
| 2.38.3 | Required |  | | | |
| **2.39** | If “Recommended” or “Required” selected, please describe the specific rules related to monitoring the implementation of **transition plans**, and reference the relevant section/subsection/paragraph of the **policy tool**. | | | | |
|  |  | | | | |
| **2.40** | Does the **policy tool** recommend or require **targeted entities** align their engagement, lobbying, and/or governance practices with their targets and/or **transition plans**? Select the appropriate response using an X. | | | | |
| 2.40.1 | No |  | | | |
| 2.40.2 | Recommended |  | | | |
| 2.40.3 | Required |  | | | |
| **2.41** | If “recommend” or “require” selected, which of the following describes the **policy tool**’s prescription regarding entities engagement, lobbying, and/or governance practices. Select all that apply using an X. Otherwise, leave blank. | | | | |
|  |  | | | Recommended | Required |
| 2.41.1 | Value chain engagement | | |  |  |
| 2.41.2 | Investor engagement | | |  |  |
| 2.41.3 | Consumer engagement | | |  |  |
| 2.41.4 | Policy engagement and lobbying practices | | |  |  |
| 2.41.5 | Corporate governance structure for transition and verification | | |  |  |
| 2.41.6 | Climate-related financial incentives for employees and board members | | |  |  |
| 2.41.7 | Other | | |  |  |
| **2.42** | If any of the above selected, please describe and reference the section/subsection/paragraph of the **policy tool** relevant to aligning engagement, lobbying, and/or corporate governance to **transition plans**. | | | | |
|  |  | | | | |

## Section 2.6: Standards and Frameworks

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **2.43** | Does the **policy tool** require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply using an X. Otherwise, leave blank. | | | |
|  |  | Required | Referenced | Neither required nor referenced |
| 2.43.1 | IFRS S1 |  |  | X |
| 2.43.2 | IFRS S2 |  |  | X |
| 2.43.3 | Task Force on Climate-related Financial **Disclosures** (TCFD) |  |  | X |
| 2.43.4 | CDP (formerly known as Climate **Disclosure** Project) Technical Note: Reporting on Climate **Transition Plans** |  |  | X |
| 2.43.5 | International Integrated Reporting Framework |  |  | X |
| 2.43.6 | Global Reporting Initiative (GRI) |  |  | X |
| 2.43.7 | Sustainability Accounting Standards Board (SASB) |  |  | X |
| 2.43.8 | **Science Based Targets** initiative (SBTi) |  |  | X |
| 2.43.9 | **Science Based Targets** initiative (SBTi) Net Zero Standard |  |  | X |
| 2.43.10 | European Sustainability Reporting Standards (ESRS) |  |  | X |
| 2.43.11 | Other |  |  | X |
| **2.44** | List **any other** standards, frameworks or guidelines required by or referred to within the **policy tool**. Please provide a **web-archived link** to each standard/framework/guideline listed. | | | |
|  | **Korean Green Taxonomy (K‑Taxonomy)**   * Serves as the **core framework** for determining green loan eligibility under the guideline.   <https://web.archive.org/web/20241215000000/https://www.korea.net/Government/Briefing%E2%80%91Room/Press%E2%80%91Releases/view?articleId=83600>  **Green Bond Principles & Green Loan Principles** (ICMA/LMA-based)   * While not mandatory, the guideline aligns with **international best practices—**particularly around **use‑of‑proceeds governance,** internal controls, and greenwashing prevention consistent with GBPs/GLPs.   <https://web.archive.org/web/20240701000000/https://www.fsc.go.kr/eng/pr010101/77019> | | | |
| **2.45** | Note any additional important information about the contribution of the **policy tool** to net zero alignment not captured in the above questions. If referencing **new sources** (i.e. not referenced in Question 3), provide a **web-archived link** to the source material. | | | |
|  | Although the guideline doesn’t directly mandate net-zero outcomes—such as emission targets or transition plans—it lays a **groundwork infrastructure** by:   * Ensuring **transparent taxonomy-based credit allocation** * Preventing **greenwashing through governance alignment** * Supporting **large-scale green financing goals** * Establishing **connections with central bank climate strategy**   These are essential building blocks for a financial system oriented toward a **net-zero future**. | | | |

# Domain 3: Public Procurement

## Section 3.1: Who is being targeted?

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **3.1** | With regard to **public procurement**, which of the following entities are targeted through this **policy tool**? Identify each **targeted entity** using an X. | | | |
|  |  | Mandatory | Voluntary | Not targeted |
| 3.1.1 | Publicly-traded entities |  |  | X |
| 3.1.2 | Private companies |  |  | X |
| 3.1.3 | Financial institutions |  |  | X |
| 3.1.4 | Small and medium-sized enterprises |  |  | X |
| 3.1.5 | State-owned companies |  |  | X |
| 3.1.6 | Not-for-profit organisations |  |  | X |
| 3.1.7 | Government agencies and/or departments (supranational) |  |  | X |
| 3.1.8 | Government agencies and/or departments (national) |  |  | X |
| 3.1.9 | Government agencies and/or departments (regional – e.g. state, province, region, metropolitan region) |  |  | X |
| 3.1.10 | Government agencies and/or departments (local-e.g. county, district, municipality, city) |  |  | X |
| 3.1.11 | Government agencies and/or departments (unspecified) |  |  | X |
| 3.1.12 | Sectoral actors (e.g. healthcare, utilities, education) |  |  | X |
| 3.1.13 | Other |  |  | X |
| 3.1.14 | If “Other” please clarify. | | | |
|  |  | | | |
| **3.2** | If “Financial institutions” selected in Q3.1, please identify the subset of actors to which the **policy tool** applies using an X against each actor. Otherwise, leave blank. | | | |
|  |  | Mandatory | Voluntary | Not targeted |
| 3.2.1 | Banks |  |  |  |
| 3.2.2 | Non-Bank Financial Companies |  |  |  |
| 3.2.3 | Insurance and Re-Insurance Categories |  |  |  |
| 3.2.4 | Asset Managers |  |  |  |
| 3.2.5 | Pension Funds |  |  |  |
| 3.2.6 | Other |  |  |  |
| 3.2.7 | If “Other” please clarify. | | | |
|  |  | | | |
| **3.3** | In cases where entities are targeted by sector, identify the sector to which the **policy tool** applies using an X against each sector.  If entities are not targeted by sector, please leave this question blank. | | | |
|  |  | Mandatory | Voluntary | Not applicable |
| 3.3.1 | Agriculture, forestry, and fishing |  |  |  |
| 3.3.2 | Mining and quarrying |  |  |  |
| 3.3.3 | Manufacturing |  |  |  |
| 3.3.4 | Electricity, gas, steam, and air conditioning supply |  |  |  |
| 3.3.5 | Water supply; sewerage; waste management and remediation activities |  |  |  |
| 3.3.6 | Construction |  |  |  |
| 3.3.7 | Wholesale and retail trade: repair of motor vehicles and motorcycles |  |  |  |
| 3.3.8 | Transportation and storage |  |  |  |
| 3.3.9 | Accommodation and food service activities |  |  |  |
| 3.3.10 | Information and communication |  |  |  |
| 3.3.11 | Financial and insurance activities |  |  |  |
| 3.3.12 | Real estate activities |  |  |  |
| 3.3.13 | Professional, scientific and technical activities |  |  |  |
| 3.3.14 | Administrative and support service activities |  |  |  |
| 3.3.15 | Public administration and defense; compulsory social security |  |  |  |
| 3.3.16 | Education |  |  |  |
| 3.3.17 | Human health and social work activities |  |  |  |
| 3.3.18 | Arts, entertainment and recreation |  |  |  |
| 3.3.19 | Other service activities |  |  |  |
| 3.3.20 | Activities of households as employers; undifferentiated goods-and services-producing activities of households for own use |  |  |  |
| 3.3.21 | Activities of extraterritorial organizations and bodies |  |  |  |
| 3.3.22 | Other |  |  |  |
| 3.3.23 | If “Other” selected, please explain. | | | |
|  |  | | | |
| **3.4** | If necessary, please clarify any of the above answers to questions regarding the **targeted entities**.  For example, specify if duties vary across the **targeted entities**. | | | |
|  | No sector-specific targeting  No public procurement obligations  Uniform voluntary duties across all types of financial institutions | | | |
| **3.5** | Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory. | | | |
|  | Threshold type | Describe | | |
| 3.5.1 | Minimum number of employees (Enter min number of full-time employees – FTEs) | Not specified | | |
| 3.5.2 | Minimum revenue (Enter minimum revenue) | Not specified | | |
| 3.5.3 | Minimum assets (Enter minimum assets) | Not specified | | |
| 3.5.4 | Minimum contract value (Enter minimum contract value) | Not specified | | |
| 3.5.5 | Entity is headquartered in the jurisdiction | ✔️ Applies — Financial institutions **headquartered in South Korea** are the intended users of the Guideline | | |
| 3.5.6 | Other | Not specified | | |
| **3.6** | Can entities for whom compliance with the **policy tool** is mandatory opt out of the obligation (e.g. comply or explain)? Select the appropriate response using an X. | | | |
| 3.6.1 | No |  | | |
| 3.6.2 | Yes |  | | |
| 3.6.3 | Not specified | X | | |
| **3.7** | If yes, describe the available opt-out provisions, referencing the relevant section/ subsection/ paragraph of the **policy tool**. | | | |
|  | There is no section, subsection, or paragraph describing an opt-out mechanism.  Entities simply may choose not to adopt it, without needing to formally explain their decision or face any consequences. | | | |
| **3.8** | What are the sanctions for non-compliance? Select all that apply using an X and describe in the next question. | | | |
| 3.8.1 | Monetary fine |  | | |
| 3.8.2 | Restriction on business activities |  | | |
| 3.8.3 | Voiding or setting aside of contract |  | | |
| 3.8.4 | Exclusion from government contracts |  | | |
| 3.8.5 | Award of damages or compensation |  | | |
| 3.8.6 | Penalty for senior managers |  | | |
| 3.8.7 | Criminal penalties |  | | |
| 3.8.8 | Not specified |  | | |
| 3.8.9 | Not applicable (in the case of voluntary tools) | X | | |
| 3.8.10 | Other |  | | |
| **3.9** | Describe the sanctions for non-compliance selected above, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | |
|  | The Green Loan Management Guideline is a **voluntary policy tool**, and thus it **does not specify any sanctions** for non-compliance. It operates entirely as an advisory framework without legal or punitive mechanisms. | | | |
| **3.10** | In the case of voluntary rules, is there evidence that this **policy tool** is being implemented?  For example, if follow up regulations are being developed, initiatives are being launched, funding is being allocated, etc.  Select the appropriate response using an X. | | | |
| 3.10.1 | No known evidence of implementation |  | | |
| 3.10.2 | Yes | X | | |
| **3.11** | Briefly explain your answer to Q3.10. If referencing **new sources,** please provide a **web-archived link** to the source material. | | | |
|  | The **FSC** press release confirms that prior to the December 12, 2024 launch, the FSC, MOE, and FSS conducted pilot tests of the administrative guidelines applying the Korean Green Taxonomy to actual loan portfolios. This demonstrates early-stage, real-world implementation efforts. | | | |
| **3.12** | If the case of mandatory rules, is there any evidence that the **policy tool** has ever been enforced?  For example, is there any evidence of regulatory disputes, sanctions, penalties for non-compliance, etc?  Select the appropriate response using an X. | | | |
| 3.12.1 | No known evidence of enforcement | X | | |
| 3.12.2 | Yes |  | | |
| **3.13** | Briefly explain your answer to Q3.12, noting one to two exemplary cases of enforcement if relevant. If referencing **new sources,** please provide a **web-archived link** to the source material. | | | |
|  | The guideline is a voluntary, non-binding tool designed for internal adoption by financial institutions and thus lacks any statutory or regulatory enforcement framework—including fines, sanctions, or penalties.  A review of available sources—including official statements, FSC/FSS updates, and legal databases—reveals no instances of regulatory action, disputes, sanctions, or penalties linked to non-compliance with this guideline. | | | |
| **3.14** | To your knowledge, has this **policy tool** ever been involved in litigation? This could include direct challenges to the **policy tool**, or its inclusion in cases where it is being cited as a basis for challenging other regulations.  Select the appropriate response using an X. | | | |
| 3.14.1 | No known involvement in litigation | X | | |
| 3.14.2 | Yes |  | | |
| **3.15** | Briefly explain your answer to Q3.14. If referencing **new sources,** please provide a **web-archived link** to the source material. | | | |
|  | This guideline is a **voluntary, non-binding framework** introduced by the Financial Services Commission, Ministry of Environment, and Financial Supervisory Service.  Because it carries **no legal enforcement powers, it has not been challenged in court**—no lawsuits, disputes, injunctions, or case citations are linked to it in any public records. | | | |

## Section 3.2: Procurement Cycle

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **3.16** | Does the **policy tool** allow, recommend, or require the alignment of **public procurement** spending with national and/or subnational climate targets? Select the appropriate response using an X. | | | | |
| 3.16.1 | No | | X | | |
| 3.16.2 | Allowed and/or recommended | |  | | |
| 3.16.3 | Required | |  | | |
| **3.17** | If allowed, recommended, or required, describe the obligation to align **public procurement** spending with national and/or subnational climate targets, referencing the relevant section/subsection/paragraph of the **policy tool**. | | | | |
|  | No | | | | |
| **3.18** | Does the **policy tool** set targets in relation to **climate-aligned public procurement**? Select all that apply using an X. | | | | |
|  |  | Allowed/ recommended | | Required | Not specified |
| 3.18.1 | A minimum percentage of tenders/contracts which must include **climate-related criteria** |  | |  | X |
| 3.18.2 | A minimum number of **climate-related criteria** to be included in purchases/tenders |  | |  | X |
| 3.18.3 | A minimum value of **procurement** spend which must include **climate-related criteria** |  | |  | X |
| 3.18.4 | A maximum amount of greenhouse gas emissions associated with tenders/contracts (i.e. a carbon ceiling/envelope) |  | |  | X |
| 3.18.5 | Targets for the reduction of fossil fuel energy consumption associated with tenders/contracts |  | |  | X |
| 3.18.6 | Targets for the **procurement** of products which have a third-party sustainability certification/ ecolabel/ voluntary sustainability standard |  | |  | X |
| 3.18.7 | Other |  | |  | X |
| **3.19** | If “other” selected, describe and reference the section/subsection/paragraph of the **policy tool** relevant to other **climate-aligned procurement** targets. | | | | |
|  |  | | | | |
| **3.20** | Does the **policy tool** make recommendations or allowances or set requirements related to climate change mitigation at the **procurement** planning stage? Select all that apply using an X. | | | | |
|  |  | Allowed/ recommended | | Required | Not specified |
| 3.20.1 | Procuring entities consider climate change mitigation and/or GHG **emissions reductions** goals when defining their **procurement** needs |  | |  | X |
| 3.20.2 | Procuring entities have a strategy, plan, or policy regarding the alignment of **procurement** practices with climate objectives |  | |  | X |
| 3.20.3 | Procuring entities set aside a portion of their **procurement** budgets for **climate-aligned procurement** |  | |  | X |
| 3.20.4 | Procuring entities include emissions from **procuremen**t in their carbon budget |  | |  | X |
| 3.20.5 | Procuring entities follow guidance on calculating **procurement**-related emissions |  | |  | X |
| 3.20.6 | Procuring entities inform and/or consult with market actors in advance of publishing the formal call for tenders, in relation to climate considerations (i.e. **pre-procurement** consultation, engagement, or dialogue) |  | |  | X |
| 3.20.7 | Other allowances, recommendations or requirements related to climate change mitigation or GHG emissions at the **procurement** planning stage |  | |  | X |
| **3.21** | Describe the provisions in the **policy tool** recommending or requiring **targeted entities** to fulfil duties identified above, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | |
|  | |  |  |  | | --- | --- | --- | | **Duty/Provision** | **Mandatory / Required** | **Section(s)** | | K‑Taxonomy alignment + internal control | Required for green credit | Press release pts. 1–2; Art. 1–3 | | Appointment of Green Credit Officer | Required | Press release pt. 2; Art. 3 | | Conformity assessments on borrowers | Allowed (voluntary use) | Press release pt. 3; guideline | | Issuance of Green Credit Certificates | Optional | Press release pt. 3 | | Simplified documentation via borrower confirm | Allowed | Press release pt. 4; guideline | | Data collection & taxonomy updates | Institutional commitment | Press release closing paragraph | | | | | |
| **If procuring entities are recommended or required to have a strategy, plan, or policy regarding the alignment of procurement practices with climate objectives, answer Q3.22-3.28. If not, skip to Q3.29.** | | | | | |
| **3.22** | Must the strategy, plan, or policy regarding the alignment of **procurement** practices with climate objectives be published? Select the appropriate response using an X. | | | | |
| 3.22.1 | Not specified |  | | | |
| 3.22.2 | Yes |  | | | |
| **3.23** | If “yes,” is there a central publication point? Select the appropriate response using an X. | | | | |
| 3.23.1 | Not specified |  | | | |
| 3.23.2 | Yes |  | | | |
| **3.24** | If “yes,” describe. | | | | |
|  |  | | | | |
| **3.25** | Does the **policy tool** specify the **scope of emissions** to be covered by the **procurement** rule? Select all that apply using an X. | | | | |
| 3.25.1 | **Scope 1 emissions** |  | | | |
| 3.25.2 | **Scope 2 emissions** |  | | | |
| 3.25.3 | **Scope 3 emissions**, relevant or material |  | | | |
| 3.25.4 | **Scope 3 emissions**, a specified proportion of coverage |  | | | |
| 3.25.5 | **Scope 3 emissions**, all |  | | | |
| 3.25.6 | Not specified |  | | | |
| **3.26** | If needed, provide further clarification to the above answer. | | | | |
|  |  | | | | |
| **3.27** | In the case of procuring agencies that follow guidance on calculating **procurement**-related emissions, does the **policy tool** identify an agency or organization which advises upon calculation of emissions from **procurement**, and/or audits these calculations? Select the appropriate response using an X. | | | | |
| 3.27.1 | Not specified |  | | | |
| 3.27.2 | Yes |  | | | |
| **3.28** | If yes, describe the identified agency and/or organization, referencing the relevant section/subsection/paragraph of the **policy tool**. | | | | |
|  |  | | | | |

## Section 3.3: Life-cycle or Whole-life Costing

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **3.29** | Does the **policy tool** allow, recommend, or require any of the following with regard to life cycle and/or whole life costing? Select all that apply using an X. | | | |
|  |  | Allow and/or recommend | Require | Not specified |
| 3.29.1 | The use of **life-cycle/whole-life costing** to capture climate-related impacts (e.g. energy or fuel consumption, monetized emissions or other environmental costs, end-of-life costs, etc) |  |  | X |
| 3.29.2 | The application of **life-cycle /whole-life costing** to certain types of contracts or tenders |  |  | X |
| 3.29.3 | A methodology or tool for the calculation of **life-cycle /whole-life costs** |  |  | X |
| **3.30** | Describe the provisions recommending or requiring **targeted entities** to follow criteria with regard to life cycle and/or whole life costing identified above, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | |
|  | There are **no sections, subsections, or annexes** in the guideline addressing planning, analyzing, or integrating environmental impacts from a cost-accounting standpoint over the product or asset lifecycle. | | | |

## Section 3.4: Tendering or Solicitation Stage

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **3.31** | Does the **policy tool** make allowances, recommendations or set requirements at the tendering or solicitation stage? Select all that apply using an X and describe in the next question. | | | |
|  |  | Allowed/recommended | Required | Not specified |
| 3.31.1 | **Exclusion or debarment grounds** based on compliance with climate obligations |  |  | X |
| 3.31.2 | Qualification or **selection criteria** related to climate change |  |  | X |
| 3.31.3 | Including climate or environmental considerations when calculating value for money, including through the use of **life-cycle or whole-life costing** |  |  | X |
| 3.31.4 | **Technical specifications** (e.g. setting minimum levels of energy efficiency or maximum product carbon emissions) |  |  | X |
| 3.31.5 | **Contract award criteria** or value for money evaluation frameworks (e.g. minimum scores/performance levels under **climate-related criteria**, preferences for climate or sustainable products) |  |  | X |
| 3.31.6 | Other **procurement** stage allowances, recommendations or requirements |  |  | X |
| **3.32** | Describe the provisions recommending or requiring **targeted entities** to set requirements at the tendering or solicitation stage identified above, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | |
|  | There are **no procurement-related climate provisions** in this policy tool. For details on climate-aligned procurement measures, consider exploring South Korea’s **Green Public Procurement Act** or the standards set by the **Public Procurement Service (PPS),** which include criteria such as minimum green product percentages and eco-design requirements. | | | |

## Section 3.5: Exclusion or Debarment Grounds

|  |  |  |  |
| --- | --- | --- | --- |
| **3.33** | Does the policy specify the nature of **exclusion or debarment grounds** related to climate change obligations? Select all that apply using an X and describe in the next question. | | |
|  |  | Not specified | Yes |
| 3.33.1 | Absence of convictions/prosecutions for climate and/or environmental offences | X |  |
| 3.33.2 | Requirements linked to climate-responsible business conduct, e.g. adequate supply chain transparency (including **Scope 3 emissions** inventory), **GHG emissions reductions** targets, climate-related **transition plans**, etc. | X |  |
| 3.33.3 | Poor performance and/or failure to evidence progress on corporate climate and environmental policies | X |  |
| 3.33.4 | Requirements related to past performance, e.g. absence of contracts Ih have been terminated on climate or environmental grounds | X |  |
| 3.33.5 | Other | X |  |
| **3.34** | Describe the provisions which specify the nature of **exclusion or debarment grounds** related to climate change obligations identified above, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | |
|  | The Green Loan Management Guideline is focused exclusively on evaluating **green loan eligibility** based on the Korean Green Taxonomy and includes **no provisions at all** for **exclusion or debarment grounds** rooted in climate or environmental obligations. | | |

## Section 3.6: Qualification or Selection Criteria

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **3.35** | Does the **policy tool** make allowances, recommendations or set requirements related to supplier qualifications and/or **selection criteria**? Select all that apply using an X and describe in the next question. | | | |
|  |  | Allow/ recommend | Require | Not specified |
| 3.35.1 | Previous experience related to climate-relevant aspects of the contract |  |  | X |
| 3.35.2 | Existence of net zero targets or commitments |  |  | X |
| 3.35.3 | Record of climate-related **disclosures** |  |  | X |
| 3.35.4 | Climate-related **transition plan** in place |  |  | X |
| 3.35.5 | Staff training or qualifications linked to climate change mitigation and/or sustainability |  |  | X |
| 3.35.6 | Corporate systems or certifications linked to climate change and/or sustainability |  |  | X |
| 3.35.7 | Environmental and/or risk-based due diligence procedures |  |  | X |
| 3.35.8 | Corporate systems or certifications linked to climate change and/or sustainability (e.g. an environmental management system or supply chain management system) |  |  | X |
| 3.35.9 | Participation in national or international climate initiatives (e.g.: Race to Zero, SBTi, CDP) |  |  | X |
| 3.35.10 | Other |  |  | X |
| **3.36** | Describe the provisions recommending or requiring **targeted entities** to set requirements related to supplier qualifications and/or **selection criteria** identified above, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | |
|  | There are **no clauses or sections** referencing supplier experience, net-zero commitments, disclosures, transition plans, staff training, certification systems, due diligence processes, or participation in climate initiatives. | | | |

## Section 3.7: Technical specifications

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **3.37** | Does the **policy tool** make allowances, recommendations or set requirements related to **technical specifications** at the tendering or solicitation stage? Select all that apply using an X and describe in the next question. | | | |
|  |  | Allow/ recommend | Require | Not specified |
| 3.37.1 | Energy efficiency |  |  | X |
| 3.37.2 | Product carbon emissions |  |  | X |
| 3.37.3 | Carbon **disclosure** or reporting requirements |  |  | X |
| 3.37.4 | An absolute or intensity-based emissions cap |  |  | X |
| 3.37.5 | Percentage of energy from renewable sources |  |  | X |
| 3.37.6 | Percentage of recycled materials (e.g. paper, concrete) |  |  | X |
| 3.37.7 | Use of low or zero-carbon energy/ fuel technology (e.g. electric vehicles, heat pumps, solar panels) |  |  | X |
| 3.37.8 | Production methods (e.g. organic food or textiles, cold-mix asphalt, deforestation-free products) |  |  | X |
| 3.37.9 | End-of-life requirements (e.g. reuse, recycling, anaerobic digestion) |  |  | X |
| 3.37.10 | Availability of life-cycle assessment (LCA) data |  |  | X |
| 3.37.11 | Third-party certification/ecolabels |  |  | X |
| 3.37.12 | Supply chain considerations |  |  | X |
| 3.37.13 | Other |  |  | X |
| **3.38** | Describe the provisions recommending or requiring **targeted entities** to set requirements related to **technical specifications** at the tendering or solicitation stage identified above, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | |
|  | The Green Loan Management Guideline in South Korea does **not** include any provisions related to **technical specifications at the tendering or solicitation stage**. Its entire scope is limited to **internal green loan assessment by financial institutions**, not public procurement or tender processes. | | | |

## Section 3.8: Contract Performance

|  |  |  |
| --- | --- | --- |
| **3.39** | Does the **policy tool** make allowances, recommendations or set requirements at the **contract performance** stage (e.g. contract clauses, key performance indicators or conditions which must be included to monitor and report on emissions or other metrics)? Select the appropriate response using an X. | |
| 3.39.1 | Not specified | X |
| 3.39.2 | Allowed and/or recommended |  |
| 3.39.3 | Required |  |
| **3.40** | Describe the recommendations, allowances, and/or requirements set at the **contract performance** stage**,** referencing the relevant section/subsection/paragraph of the **policy tool**. | |
|  | There are no provisions in the guideline regarding contract clauses, performance indicators, or post-contractual monitoring related to emissions or climate metrics. Public procurement performance conditions are entirely outside the scope of this policy tool. | |
| **3.41** | Does the **policy tool** include allowances, recommendations or requirements to monitor and/or report upon **climate-aligned procurement**? Select the appropriate response using an X. | |
| 3.41.1 | No | X |
| 3.41.2 | Allowed and/or recommended |  |
| 3.41.3 | Required |  |
| **3.42** | Describe the recommendations, allowances, and/or requirements to monitor and/or report upon **climate-aligned procurement**, identifying whether there is a central publication point. | |
|  | The Green Loan Management Guideline does not include any provisions related to the monitoring or reporting of climate-aligned procurement. It is not a procurement policy—it applies only to financial institutions conducting internal assessments of loan eligibility based on the Korean Green Taxonomy.  Monitoring and reporting obligations under public procurement systems (e.g. Korea’s Green Public Procurement Act) are handled through separate regulatory frameworks, not through this guideline. | |

## Section 3.9: Standards and Frameworks

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **3.43** | Does the **policy tool** require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply using an X. | | | |
|  |  | Required | Referenced | Neither required nor referenced |
| 3.43.1 | 1. Paris Agreement |  |  | X |
| 3.43.2 | 2. The jurisdiction’s Nationally Determined Contribution (NDC) |  |  | X |
| 3.43.3 | 3. IFRS S1 |  |  | X |
| 3.43.4 | 4. IFRS S2 |  |  | X |
| 3.43.5 | 5. Task Force on Climate-related Financial **Disclosures** (TCFD) |  |  | X |
| 3.43.6 | 6. GHG Protocol Corporate Accounting and Reporting Standard |  |  | X |
| 3.43.7 | 7. GHG Protocol Corporate Value Chain (**Scope 3**) Accounting and Reporting Standard |  |  | X |
| 3.43.8 | 8. CDP (formerly known as Climate Disclosure Project) reporting framework |  |  | X |
| 3.43.9 | 9. **Science Based Targets** initiative (SBTi) |  |  | X |
| 3.43.10 | 10. **Science Based Targets** initiative (SBTi) Net Zero Standard |  |  | X |
| 3.43.11 | 11. United Nations Sustainable Development Goals (SDGs) |  |  | X |
| 3.43.12 | 12. ISO 20400 Sustainable Procurement |  |  | X |
| 3.43.13 | 13. EU Green Public Procurement criteria and guidance |  |  | X |
| 3.43.14 | 14. UNEP Sustainable Public Procurement Implementation Guidelines |  |  | X |
| 3.43.15 | 15. OECD MAPS - Supplementary Module on Sustainable Public Procurement |  |  | X |
| 3.43.16 | 16. Asian Development Bank Guidelines for Sustainable Procurement |  |  | X |
| 3.43.17 | 17. African Development Bank Sustainable Public Procurement Guidance Note |  |  | X |
| 3.43.18 | 18. Inter-American Development Bank Green Procurement Guidelines |  |  | X |
| 3.43.19 | 19. EDBR Project Requirements/Environmental and Social Action Plan |  |  | X |
| 3.43.20 | 20. World Bank Environmental and Social Framework |  |  | X |
| 3.43.21 | 21. Other ISO standards |  |  | X |
| 3.43.22 | Other |  |  | X |
| **3.44** | List **any other** standards, frameworks or guidelines required by or referred to within the **policy tool**. Please provide a **web-archived link** to each standard/framework/guideline listed. | | | |
|  |  | | | |
| **3.45** | Note any additional important information about the contribution of the **policy tool** to net zero alignment not captured in the above questions. If referencing **new sources** (i.e. not referenced in Question 3), provide a **web-archived link** to the source material. | | | |
|  |  | | | |

# Domain 4: Carbon Credits

## Section 4.1: Who is being targeted?

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **4.1** | With regard to **carbon credits**, which of the following entities are targeted through this **policy tool**? Identify each **targeted entity** using an X. | | | | | | |
|  |  | Mandatory | | | | Voluntary | Not targeted |
| 4.1.1 | Publicly-traded entities |  | | | |  | X |
| 4.1.2 | Private companies |  | | | |  | X |
| 4.1.3 | Financial institutions |  | | | |  | X |
| 4.1.4 | Small and medium-sized enterprises |  | | | |  | X |
| 4.1.5 | State-owned companies |  | | | |  | X |
| 4.1.6 | Not-for-profit organisations |  | | | |  | X |
| 4.1.7 | Government agencies and/or departments (supranational) |  | | | |  | X |
| 4.1.8 | Government agencies and/or departments (national) |  | | | |  | X |
| 4.1.9 | Government agencies and/or departments (regional – e.g. state, province, region, metropolitan region) |  | | | |  | X |
| 4.1.10 | Government agencies and/or departments (local-e.g. county, district, municipality, city) |  | | | |  | X |
| 4.1.11 | Government agencies and/or departments (unspecified) |  | | | |  | X |
| 4.1.12 | Sectoral actors (e.g. healthcare, utilities, education) |  | | | |  | X |
| 4.1.13 | Other |  | | | |  | X |
| 4.1.14 | If “Other” please clarify. | | | | | | |
|  |  | | | | | | |
| **4.2** | If “Financial institutions” selected in Q16, please identify the subset of actors to which the **policy tool** applies using an X against each actor. Otherwise, leave blank. | | | | | | |
|  |  | Mandatory | | | | Voluntary | Not targeted |
| 4.2.1 | Banks |  | | | |  |  |
| 4.2.2 | Non-Bank Financial Companies |  | | | |  |  |
| 4.2.3 | Insurance and Re-Insurance Categories |  | | | |  |  |
| 4.2.4 | Asset Managers |  | | | |  |  |
| 4.2.5 | Pension Funds |  | | | |  |  |
| 4.2.6 | Other |  | | | |  |  |
| 4.2.7 | If “Other” please clarify. | | | | | | |
|  |  | | | | | | |
| **4.3** | In cases where entities are targeted by sector, identify the sector to which the **policy tool** applies using an X against each sector.  If entities are not targeted by sector, please leave this question blank. | | | | | | |
|  |  | Mandatory | | | | Voluntary | Not applicable |
| 4.3.1 | Agriculture, forestry, and fishing |  | | | |  |  |
| 4.3.2 | Mining and quarrying |  | | | |  |  |
| 4.3.3 | Manufacturing |  | | | |  |  |
| 4.3.4 | Electricity, gas, steam, and air conditioning supply |  | | | |  |  |
| 4.3.5 | Water supply; sewerage; waste management and remediation activities |  | | | |  |  |
| 4.3.6 | Construction |  | | | |  |  |
| 4.3.7 | Wholesale and retail trade: repair of motor vehicles and motorcycles |  | | | |  |  |
| 4.3.8 | Transportation and storage |  | | | |  |  |
| 4.3.9 | Accommodation and food service activities |  | | | |  |  |
| 4.3.10 | Information and communication |  | | | |  |  |
| 4.3.11 | Financial and insurance activities |  | | | |  |  |
| 4.3.12 | Real estate activities |  | | | |  |  |
| 4.3.13 | Professional, scientific and technical activities |  | | | |  |  |
| 4.3.14 | Administrative and support service activities |  | | | |  |  |
| 4.3.15 | Public administration and defense; compulsory social security |  | | | |  |  |
| 4.3.16 | Education |  | | | |  |  |
| 4.3.17 | Human health and social work activities |  | | | |  |  |
| 4.3.18 | Arts, entertainment and recreation |  | | | |  |  |
| 4.3.19 | Other service activities |  | | | |  |  |
| 4.3.20 | Activities of households as employers; undifferentiated goods-and services-producing activities of households for own use |  | | | |  |  |
| 4.3.21 | Activities of extraterritorial organizations and bodies |  | | | |  |  |
| 4.3.22 | Other |  | | | |  |  |
| 4.3.23 | If “Other” selected, please explain. | | | | | | |
|  |  | | | | | | |
| **4.4** | If necessary, please clarify any of the above answers to questions regarding the **targeted entities**.  For example, specify if duties vary across the **targeted entities**. | | | | | | |
|  |  | | | | | | |
| **4.5** | Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory. | | | | | | |
|  | Threshold type | | Describe | | | | |
| 4.5.1 | Minimum number of employees (Enter min number of full-time employees – FTEs) | | Not specified. The guideline does not set any employee-based threshold. | | | | |
| 4.5.2 | Minimum revenue (Enter minimum revenue) | | Not specified. There is no revenue threshold for applicability. | | | | |
| 4.5.3 | Minimum assets (Enter minimum assets) | | |  | | --- | |  |  |  | | --- | | Not specified. Asset size is not a determining factor. | | | | | |
| 4.5.4 | Minimum contract value (Enter minimum contract value) | | |  | | --- | |  |  |  | | --- | | Not specified. The guideline does not apply based on contract size. | | | | | |
| 4.5.5 | Entity is headquartered in the jurisdiction | | Applies to financial institutions headquartered in South Korea, as the guideline was issued by Korean authorities (FSC, MOE, FSS). | | | | |
| 4.5.6 | Other | | None specified. No other criteria such as sector or listing status are defined. | | | | |
| **4.6** | Can entities for whom compliance with the **policy tool** is mandatory opt out of the obligation (e.g. comply or explain)? Select the appropriate response using an X. | | | | | | |
| 4.6.1 | No | |  | | | | |
| 4.6.2 | Yes | |  | | | | |
| 4.6.3 | Not specified | | X | | | | |
| **4.7** | If yes, describe the available opt-out provisions, referencing the relevant section/ subsection/ paragraph of the **policy tool**. | | | | | | |
|  |  | | | | | | |
| **4.8** | What are the sanctions for non-compliance? Select all that apply using an X and describe in the next question. | | | | | | |
| 4.8.1 | Monetary fine | | | |  | | |
| 4.8.2 | Restriction on business activities | | | |  | | |
| 4.8.3 | Voiding or setting aside of contract | | | |  | | |
| 4.8.4 | Exclusion from government contracts | | | |  | | |
| 4.8.5 | Award of damages or compensation | | | |  | | |
| 4.8.6 | Penalty for senior managers | | | |  | | |
| 4.8.7 | Criminal penalties | | | |  | | |
| 4.8.8 | Not specified | | | | X | | |
| 4.8.9 | Not applicable (in the case of voluntary tools) | | | |  | | |
| 4.8.10 | Other | | | |  | | |
| **4.9** | Describe the sanctions for non-compliance selected above, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | | | |
|  |  | | | | | | |
| **4.10** | In the case of voluntary rules, is there evidence that this **policy tool** is being implemented? Select the appropriate response using an X.  For example, if follow up regulations are being developed, initiatives are being launched, funding is being allocated, etc. | | | | | | |
| 4.10.1 | No known evidence of implementation | | |  | | | |
| 4.10.2 | Yes | | | X | | | |
| **4.11** | Briefly explain your answer to Q4.10. If referencing **new sources,** please provide a **web-archived link** to the source material. | | | | | | |
|  | There is clear evidence that the Green Loan Management Guideline is being implemented in practice, despite its voluntary nature. Examples include:   1. **Pilot application** of the guideline prior to its official release by the Financial Services Commission (FSC), Ministry of Environment (MOE), and Financial Supervisory Service (FSS) in December 2024. 2. **Ongoing data collection** commitments by authorities to track green loan issuance and alignment with the Korean Green Taxonomy. 3. **Capacity-building programs** and workshops for financial institutions launched by the FSC and MOE to support proper application of the guideline. | | | | | | |
| **4.12** | If the case of mandatory rules, is there any evidence that the **policy tool** has ever been enforced? Select the appropriate response using an X.  For example, is there any evidence of regulatory disputes, sanctions, penalties for non-compliance, etc? | | | | | | |
| 4.12.1 | No known evidence of enforcement | | | X | | | |
| 4.12.2 | Yes | | |  | | | |
| **4.13** | Briefly explain your answer to Q4.12, noting one to two exemplary cases of enforcement if relevant. If referencing **new sources,** please provide a **web-archived link** to the source material. | | | | | | |
|  | The Green Loan Management Guideline is a **voluntary** framework, not a mandatory regulation. It does **not carry enforcement provisions**, and there is **no evidence** of regulatory actions, disputes, or penalties tied to its non-compliance. | | | | | | |
| **4.14** | To your knowledge, has this **policy tool** ever been involved in litigation? This could include direct challenges to the **policy tool**, or its inclusion in cases where it is being cited as a basis for challenging other regulations.  Select the appropriate response using an X. | | | | | | |
| 4.14.1 | No known involvement in litigation | | | X | | | |
| 4.14.2 | Yes | | |  | | | |
| **4.15** | Briefly explain your answer to Q4.14. If referencing **new sources,** please provide a **web-archived link** to the source material. | | | | | | |
|  | This is consistent with its status as a **non-binding, voluntary framework** without legal enforceability. | | | | | | |

## Section 4.2: Purpose/Goal of the Policy

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Please answer all questions in Sections 4.2 and 4.3.**  **Answers to Section 4.4 are conditional on your response to Q4.16 below. Please follow the instructions in Q4.16 below.** | | | | | | |
| **4.16** | Which of the following best describes the goals and/or functions of the **policy tool**? Select all that apply using an X. | | | | | |
| 4.16.1 | Criteria for **carbon credit** generation and/or **eligibility** (Please answer all questions in [Section 4.4.1](#_Section_4.4.1:_Criteria)) | | | |  | |
| 4.16.2 | **Carbon credit** usage in **compliance markets** and/or **voluntary markets** (Please answer all questions in [Section 4.4.2](#_Section_4.4.2:_Carbon)) | | | |  | |
| 4.16.3 | Operationalization of the **Paris Agreement Article 6** provisions as they apply to **carbon credits** (Please answer all questions in [Section 4.4.3](#_Section_4.4.3:_Operationalizing)) | | | |  | |
| 4.16.4 | Exchange of **carbon credits** as a financial instrument (Please answer all questions in [Section 4.4.4](#_Section_4.4.4:_Exchange)) | | | |  | |
| 4.16.5 | Other | | | | X | |
| **4.17** | If “Other” is selected above, please describe the goals and/or functions of the **policy tool**. | | | | | |
|  | The Green Loan Management Guideline does **not deal with carbon credits** in any form—generation, usage, exchange, or governance under Article 6 of the Paris Agreement. | | | | | |
| **4.18** | Which types of credits are specified in the **policy tool**? Select all that apply using an X. | | | | | |
|  |  | Allowed | Encouraged | Discouraged | | Not specified |
| 4.18.1 | Carbon avoidance or reduction credits (e.g. avoiding deforestation, improving fuel efficiency, reducing fossil-fuel use) |  |  |  | | X |
| 4.18.2 | Carbon removal credits (nature-based) (e.g. afforestation projects, restoring ecosystems) |  |  |  | | X |
| 4.18.3 | Carbon removal credits (technological) (e.g. direct air capture and storage (DACCS), bioenergy carbon capture and storage (BECCS)) |  |  |  | | X |
| 4.18.4 | Other approaches to crediting (e.g. **jurisdictional REDD+**) |  |  |  | | X |
| **4.19** | If “Other” is selected above, please describe the types of credits allowed, encouraged or discouraged in the **policy tool**. | | | | | |
|  | No credit types are specified, allowed, encouraged, or discouraged in the guideline. | | | | | |

## Section 4.3: Governance of Carbon Credits

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Please answer all questions in this section.** | | | | | | |
| **4.20** | Does the **policy tool** recommend or require the use of a **registry** to track the issuance, trading and/or retirement of **carbon credits**? Select all that apply using an X. | | | | | |
|  |  | Required | | | Recommended | Not specified |
| 4.20.1 | Creates its own public **registry** |  | | |  | X |
| 4.20.2 | **Gold Standard** |  | | |  | X |
| 4.20.3 | **Verra** |  | | |  | X |
| 4.20.4 | **Climate Action Reserve (CAR)** |  | | |  | X |
| 4.20.5 | **American Carbon Registry (ACR)** |  | | |  | X |
| 4.20.6 | Other(s) |  | | |  | X |
| **4.21** | Describe the requirements set by the **policy tool** with regard to the use of a **registry**, referencing the relevant section/subsection/paragraph of the **policy tool**. If the **policy tool** specifies the use of a **registry**, please provide the name, specific section/subsection/paragraph of the **policy tool** that references the **registry**, and its **web-archived link**. | | | | | |
|  | There are **no sections, subsections, or paragraphs** in the guideline that address carbon credit issuance, tracking, trading, or retirement. The guideline focuses strictly on **green loan eligibility assessments** using the **Korean Green Taxonomy**, and does not intersect with carbon market infrastructure. | | | | | |
| **4.22** | Does the **policy tool** allow for the international trading of **carbon credits**? Select the appropriate response using an X. | | | | | |
| 4.22.1 | Yes | |  | | | |
| 4.22.2 | No | |  | | | |
| 4.22.3 | Not specified | | X | | | |
| **4.23** | In addition to any use of standards set by private registries identified in Q4.20, does the **policy tool** recommend or require any measures for avoiding **double counting** of **carbon credits**? Select all that apply using an X. | | | | | |
|  |  | Required | | | Recommended | Not specified |
| 4.23.1 | **Carbon credits** traded must be transparently listed in a **registry** (to avoid double issuance and retirement) |  | | |  | X |
| 4.23.2 | Provisions that prevent transfer, retirement or cancellation of a **carbon credit** once it has been cancelled or retired once (to prevent double use) |  | | |  | X |
| 4.23.3 | Procedure to keep or cancel the **carbon credit** when the emission reduction activity is claimed by more than one entity (to avoid double claiming of the **carbon credit**) |  | | |  | X |
| 4.23.4 | **Corresponding adjustments** to ensure that credits traded internationally are not **double counted** in the host and buyer jurisdictions |  | | |  | X |
| 4.23.5 | **Double counting** mentioned but with no additional specification |  | | |  | X |
| 4.23.6 | Other(s) |  | | |  | X |
| **4.24** | Provide supplemental information about the provisions in the **policy tool** to prevent **double counting** of **carbon credits**, referencing and/or describing the relevant section/subsection/paragraph of the **policy tool** related to **double counting** of **carbon credits**. | | | | | |
|  |  | | | | | |
| **4.25** | Does the **policy tool** recommend or require how the financial revenues raised from the generation and/or trade of **carbon credits** can or must be used? Select all that apply using an X. | | | | | |
|  |  | Required | | | Recommended | Not specified |
| 4.25.1 | Benefit-sharing arrangements with impacted communities |  | | |  | X |
| 4.25.2 | Administration and maintenance of the carbon market system |  | | |  | X |
| 4.25.3 | Using revenues for other environmental, developmental, or social objectives |  | | |  | X |
| 4.25.4 | Other(s) |  | | |  | X |
| **4.26** | Provide supplemental information about your response above how the financial revenues generated by trading **carbon credits** can or must be used, referencing and describing the relevant section/subsection/paragraph of the **policy tool** related to revenue generation from **carbon credits**. | | | | | |
|  |  | | | | | |
| **4.27** | Does the **policy tool** describe any grievance redress mechanisms/dispute resolution mechanisms (e.g. to resolve disputes between host communities and project developers or other stakeholders)? Select the appropriate response using an X. | | | | | |
| 4.27.1 | Yes | | |  | | |
| 4.27.2 | No | | | X | | |
| **4.28** | If “Yes” is selected above, please describe the grievance redress mechanisms/dispute resolution mechanisms, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | | |
|  |  | | | | | |

## Section 4.4: Policy goal-specific questions

### Section 4.4.1: Criteria for Carbon Credits Generation and/or Eligibility

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Please answer all questions in this section if you identified the goal(s) of this policy as setting the “criteria for carbon credit generation and/or eligibility” in Q4.16.** | | | | | | | | |
| **4.29** | Does the policy recommend or require the use of a specific crediting mechanism’s methodology or standard to generate the **carbon credit** or qualify it as eligible for particular purposes (i.e. for compliance or voluntary markets)? Select all that apply using an X. | | | | | | | |
|  |  | | Required | | | Recommended | | Not specified |
| 4.29.1 | Its own public/govt/national standard or methodology | |  | | |  | | X |
| 4.29.2 | **Verra** | |  | | |  | | X |
| 4.29.3 | **Gold Standard** | |  | | |  | | X |
| 4.29.4 | **Integrity Council for the Voluntary Carbon Market (ICVCM)** | |  | | |  | | X |
| 4.29.5 | **Climate Action Reserve (CAR)** | |  | | |  | | X |
| 4.29.6 | **American Carbon Registry (ACR)** | |  | | |  | | X |
| 4.29.7 | Clean Development Mechanism (CDM) | |  | | |  | | X |
| 4.29.8 | Paris Aligned Crediting Mechanism | |  | | |  | | X |
| 4.29.9 | **CDR-specific Registry** (Puro, Isometric etc) | |  | | |  | | X |
| 4.29.10 | Other(s) | |  | | |  | | X |
| **4.30** | In addition to any standards referred to in Q4.29, does the **policy tool** set recommendations or requirements regarding the third-party certification of **carbon credits**? (e.g. qualifications, standards, conflict of interest (in cases where the certifier is hired by the project developer), etc.) Select the appropriate response using an X. | | | | | | | |
| 4.30.1 | Required | | |  | | | | |
| 4.30.2 | Recommended | | |  | | | | |
| 4.30.3 | Not specified | | | X | | | | |
| **4.31** | [If Q4.30 = “Recommended” or “Required”] Describe the recommendations or requirements regarding the third-party certification of **carbon credits**, referencing the relevant section/subsection/paragraph of the **policy tool**. | | | | | | | |
|  |  | | | | | | | |
| **4.32** | In addition to the use of standards identified in Q4.29, does the policy include specific provisions that require or recommend that **carbon credits** should fulfil the principle of **additionality**? [**Additionality** refers to the fact that the **emissions reductions or removals** would not have occurred without the (expected) revenue from selling the **carbon credits**.] Select all that apply using an X. | | | | | | | |
|  |  | | Required | | | Recommended | | Not specified |
| 4.32.1 | Detailed “**barrier analysis**” to describe financial, institutional, informational, technological and other barriers, to evidence **carbon credits** are vital to overcome those barriers. | |  | | |  | | X |
| 4.32.2 | Detailed “**market penetration/common practices**” assessment to demonstrate **carbon credits** are relevant to the diffusion of technologies, services and practices | |  | | |  | | X |
| 4.32.3 | Detailed “**investment analysis**” to demonstrate financial necessity of **carbon credit** revenues | |  | | |  | | X |
| 4.32.4 | **Use of dynamic baselines** to determine **additionality** | |  | | |  | | X |
| 4.32.5 | Principle of **additionality** recommended or required, but without additional specification | |  | | |  | | X |
| 4.32.6 | Other(s) | |  | | |  | | X |
| **4.33** | Please provide supplemental information about the provisions pertaining to **additionality** in the **policy tool**, referencing the relevant section/subsection/paragraph of the **policy tool**. | | | | | | | |
|  |  | | | | | | | |
| **4.34** | In addition to the use of standards identified in Q4.29, how does the **policy tool** require or recommend that **carbon credits** should take into consideration the principle of **permanence**? [**Permanence** refers to the **emissions reductions or removals** resulting from the **carbon credit**-generated activity being “permanent” or not reversible.] Select all that apply using an X. | | | | | | | |
|  |  | Required | | | Recommended | | Not specified | |
| 4.34.1 | Carbon **emissions avoided or removed** should remain sequestered for a minimum number of years [Please specify the minimum number of years below in Q4.35] |  | | |  | | X | |
| 4.34.2 | Only **carbon credits** of a certain type with lower **reversal risk** allowed (e.g. engineered **emissions reductions and removals**) allowed |  | | |  | | X | |
| 4.34.3 | Principle of **permanence** recommended or required, but without additional specifications |  | | |  | | X | |
| 4.34.4 | Other(s) |  | | |  | | X | |
| **4.35** | **[If response to 4.34.1 = Recommended or Required]** Please specify the minimum number of years for which carbon **emissions avoided or removed** should remain sequestered to fulfil the **permanence** criteria]. **[For all other options]** Please provide supplemental information about the provisions related to the principle of **permanence** in the **policy tool**, referencing the relevant section/subsection/paragraph of the **policy tool**. | | | | | | | |
|  |  | | | | | | | |
| **4.36** | In addition to the use of standards identified in Q4.20, does the **policy tool** **outline remedial measures in the case of reversal of credits**? (Reversal refers to instances in which carbon stored by a project is later emitted, resulting in no cumulative change in atmospheric carbon over time.)  Select all that apply using an X. | | | | | | | |
|  |  | | Required | | | Recommended | | Not specified |
| 4.36.1 | Maintain a buffer pool of **carbon credits** to replace or compensate for credits that have been reversed | |  | | |  | | X |
| 4.36.2 | Monitor the **reversal risk** from credits for a specified number of years | |  | | |  | | X |
| 4.36.3 | Insurance mechanisms to safeguard against **reversal risk** | |  | | |  | | X |
| 4.36.4 | Only **carbon credits** of a certain type with lower **reversal risk** allowed (e.g. engineered **emissions reductions and removals**) allowed | |  | | |  | | X |
| 4.36.5 | **reversal risk** mentioned in the **policy tool**, but with no additional details | |  | | |  | | X |
| 4.36.6 | Other(s) | |  | | |  | | X |
| **4.37** | Provide supplemental information about the remedial measures described in the **policy tool** to address reversal of credits, referencing and/or describing the relevant section/subsection/paragraph of the **policy tool** related to reversal of credits. | | | | | | | |
|  |  | | | | | | | |
| **4.38** | In addition to the use of standards identified in Q4.29, does the **policy tool** outline criteria for the quantification of **emission reduction or removals** resulting from **carbon credit**-generating projects? (e.g. Guidance on conservativeness of the baseline, reference to specific standards or best practices to quantify emissions per project methodologies). Select the appropriate response using an X. | | | | | | | |
| 4.38.1 | Yes | | |  | | | | |
| 4.38.2 | No, **policy tool** does not set any rules related to quantification of emissions | | | X | | | | |
| **4.39** | If “Yes” is selected above, please describe the policy provisions pertaining to the quantification of **emissions reductions or removals** in the policy text, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | | | | |
|  |  | | | | | | | |
| **4.40** | In addition to the use of standards identified in Q4.29, does the **policy tool** specify criteria regarding the social integrity of **carbon credit**-generating projects? Select all that apply using an X. | | | | | | | |
|  |  | | Required | | | Recommended | | Not specified |
| 4.40.1 | Prior consultations with impacted communities | |  | | |  | | X |
| 4.40.2 | **Free Prior and Informed Consent (FPIC)** from indigenous and local communities in case of land-based projects | |  | | |  | | X |
| 4.40.3 | Consideration of **co-benefits** to communities from projects generating **carbon credits** | |  | | |  | | X |
| 4.40.4 | Project alignment with sustainable development goals | |  | | |  | | X |
| 4.40.5 | **Policy tool** mentions social integrity of **carbon credits**, but with no additional details | |  | | |  | | X |
| 4.40.6 | Other(s) | |  | | |  | | X |
| **4.41** | Provide supplemental information about how the **policy tool** does or does not safeguard the social integrity of **carbon credits**. Please reference the relevant section/ subsection/ paragraph of the **policy tool** related to social integrity criteria for credits. | | | | | | | |
|  |  | | | | | | | |

### Section 4.4.2: Carbon Credit Usage in Compliance Market and Voluntary Carbon Market

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Please answer all questions in this section if you identified the goal(s) of this policy as “Carbon credit usage in compliance market and/or voluntary carbon market” in Q4.16.** | | | | | | |
| **Compliance Market** | | | | | | |
| **4.42** | Can **carbon credits** be used by entities to **offset** their obligations on the **compliance market**? Select all that apply using an X. | | | | | |
| 4.42.1 | To **offset** obligations imposed by a **carbon tax** | | | |  | |
| 4.42.2 | To **offset** obligations imposed by an **ETS** or cap-and-trade policy | | | |  | |
| 4.42.3 | Other(s) | | | |  | |
| 4.42.4 | Not applicable | | | | X | |
| **4.43** | [If answer to Q4.42 is a, b, c] If specified in the **policy tool**, what is the maximum proportion of an entity’s emissions that can be **offset** by purchasing **carbon credits**? Please describe below. | | | | | |
|  |  | | | | | |
| **4.44** | Which types of credits are allowed/permitted to **offset** compliance costs? Select all that apply using an X. | | | | | |
| 4.44.1 | Credits generated domestically only | | |  | | |
| 4.44.2 | Credits generated domestically or internationally | | |  | | |
| 4.44.3 | Credits meeting other **eligibility** criteria (Please specify below in Q4.45 and fill in responses to Section 4.3.2, if required) | | |  | | |
| 4.44.4 | Not specified | | | X | | |
| **4.45** | [If response to Q4.44 is 4.44.3 = “Credits meeting other **eligibility** criteria”] Please specify succinctly other criteria which credits permitted to be used in **compliance markets** are required to fulfil. Please reference the relevant section/subsection/paragraph of the **policy tool** mentioning the types of **carbon credits** permitted for use.    *If these criteria pertain to credit attributes such as the use of credits generated using certain methodologies or* ***crediting standards****, please also fill out Section 4.3.2. However, if you have already completed section 4.3.2 because this policy tool also provides guidance on the generation of credits, please contact the Hub.* | | | | | |
|  |  | | | | | |
| **Voluntary Carbon Market** | | | | | | |
| **4.46** | Does the **policy tool** set guidelines/standards/principles for entities engaged in the trading of credits in the **voluntary carbon market**? Select the appropriate response using an X. | | | | | |
| 4.46.1 | No | | X | | | |
| 4.46.2 | Yes | |  | | | |
| **4.47** | [If Q4.46 = Yes] Provide supplemental information about how the identified **policy tool** regulates entities engaged in the trading of credits in the **voluntary carbon market**, referencing and/or describing the relevant section/subsection/paragraph of the **policy tool**. | | | | | |
|  |  | | | | | |
| **4.48** | Does the **policy tool** provide any guidance about the types of credits that can/should be used in the **voluntary carbon market**? Please specify the criteria succinctly here, referencing the relevant section/sub-section/paragraph of the **policy tool**.    *If these criteria pertain to credit attributes such as the use of credits generated using certain methodologies or* ***crediting standards****, please also fill out Section 4.3.2. However, if you have already completed section three because this policy tool also provides guidance on the generation of credits, please contact the Hub.* | | | | | |
|  | No, the Green Loan Management Guideline does not provide any guidance about the types of credits that can or should be used in the voluntary carbon market. | | | | | |
| **4.49** | Does the **policy tool** mention any of the following initiatives or standards of integrity and good practices for the use of credits? Select all that apply using an X. | | | | | |
|  |  | Required | | Recommended | | Not specified |
| 4.49.1 | Creates its own standards of integrity and good practices for the use of credits in voluntary market |  | |  | | X |
| 4.49.2 | **Voluntary Carbon Markets Integrity (VCMI) Initiative** |  | |  | | X |
| 4.49.3 | **Tropical Forest Integrity Guide** |  | |  | | X |
| 4.49.4 | **Oxford Principles for Net Zero Carbon Alignment** |  | |  | | X |
| 4.49.5 | **IETA Guidelines for High Integrity Use of Carbon Markets** |  | |  | | X |
| 4.49.6 | **IUCN Global Standard for nature-based Solutions** |  | |  | | X |
| 4.49.7 | **The 7 Cancun Safeguards for REDD+** |  | |  | | X |
| 4.49.8 | **Science Based Targets** Initiative (SBTi) |  | |  | | X |
| 4.49.9 | Other(s) |  | |  | | X |
| **4.50** | List any other standards, frameworks or guidelines integrated into or referred to within the **policy tool**. Please provide a **web-archived link** to each standard/framework/guideline listed. | | | | | |
|  |  | | | | | |
| **4.51** | In addition to the use of standards identified in Q4.49, does the **policy tool** recommend or require social integrity criteria that credits must fulfil to be used in the compliance or voluntary market? Select all that apply using an X. | | | | | |
|  |  | Required | | Recommended | | Not specified |
| 4.51.1 | Prior consultations with impacted communities |  | |  | | X |
| 4.51.2 | **Free Prior and Informed Consent (FPIC)** from indigenous and local communities in case of land-based projects |  | |  | | X |
| 4.51.3 | Consideration of **co-benefits** to communities from projects generating **carbon credits** |  | |  | | X |
| 4.51.4 | Project alignment with sustainable development goals |  | |  | | X |
| 4.51.5 | **Policy tool** mentions social integrity of **carbon credits**, but with no additional details |  | |  | | X |
| 4.51.6 | Other(s) |  | |  | | X |
| **4.52** | If “Other(s)” is selected above, please describe the social integrity criteria specified in the **policy tool**, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | | |
|  |  | | | | | |

### Section 4.4.3: Operationalizing Paris Agreement Article 6 provisions as they apply to carbon credits

|  |  |  |
| --- | --- | --- |
| **Please answer all questions in this section if you identified the goal(s) of this policy as “Operationalizing Paris Agreement Article 6 provisions as they apply to carbon credits” in Q4.16.** | | |
| **4.53** | To which **Article 6** mechanisms does the **policy tool** indicate/include compliance? Select all that apply using an X. | |
| 4.53.1 | **Article 6.2 (Bilateral Trading of Internationally Transferred Mitigation Outcomes (ITMOs))** |  |
| 4.53.2 | **Article 6.4** **(Paris Agreement Crediting Mechanism)** |  |
| 4.53.3 | **Article 6.8** **(Other Non-Market Measures)** |  |
| 4.53.4 | Other(s) |  |
| 4.53.5 | Not specified | X |
| **4.54** | Provide supplemental information about your response above, referencing the relevant section/sub-section/paragraph of the **policy tool**. | |
|  |  | |

### Section 4.4.4: Exchange of Carbon Credits as a Financial Instrument

|  |  |  |
| --- | --- | --- |
| **Please answer all questions in this section if you identified the goal(s) of this policy as “Exchange of carbon credits as a financial instrument” in Q4.16.** | | |
| **4.55** | Does the **policy tool** regulate the trading or intermediation of **carbon credits** as a financial instrument? Select all that apply using an X. | |
| 4.55.1 | Describes a **carbon exchange** where **carbon credits** can be bought and sold |  |
| 4.55.2 | Describes the legal status of **carbon credits** as a financial instrument |  |
| 4.55.3 | Describes what type of credits can be traded on the **carbon exchange** (compliance credits, **voluntary carbon market** credits, international trading of **carbon credits**, etc) |  |
| 4.55.4 | Other(s) |  |
| 4.55.5 | Not specified | X |
| **4.56** | Provide supplemental information about how the **policy tool** regulates the trading and intermediation of **carbon credits**, referencing the relevant section/sub-section/paragraph of the **policy tool**. | |
|  |  | |
| **4.57** | Provide supplemental information about how the **policy tool** ensures the market integrity or exchange of credits. Please reference the relevant section/sub-section/paragraph of the **policy tool**. | |
|  |  | |
| **4.58** | Note any additional important information about the **policy tool** not captured in the above questions. If referencing **new sources**, provide a **web-archived link** to the source material. | |
|  |  | |

# Domain 5: Prudential Tools

## Section 5.1: Who is being targeted?

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **5.1** | With regard to **prudential rules**, which of the following entities are targeted through this **policy tool**? Identify each **targeted entity** using an X. | | | | | | |
|  |  | | | Mandatory | Voluntary | | Not targeted |
| 5.1.1 | Publicly-traded entities | | |  |  | | X |
| 5.1.2 | Private companies | | |  |  | | X |
| 5.1.3 | Financial institutions | | |  | X | |  |
| 5.1.4 | Small and medium-sized enterprises | | |  |  | | X |
| 5.1.5 | State-owned companies | | |  |  | | X |
| 5.1.6 | Not-for-profit organisations | | |  |  | | X |
| 5.1.7 | Government agencies and/or departments (supranational) | | |  |  | | X |
| 5.1.8 | Government agencies and/or departments (national) | | |  |  | | X |
| 5.1.9 | Government agencies and/or departments (regional – e.g. state, province, region, metropolitan region) | | |  |  | | X |
| 5.1.10 | Government agencies and/or departments (local-e.g. county, district, municipality, city) | | |  |  | | X |
| 5.1.11 | Government agencies and/or departments (unspecified) | | |  |  | | X |
| 5.1.12 | Sectoral actors (e.g. healthcare, utilities, education) | | |  |  | | X |
| 5.1.13 | Other | | |  |  | | X |
| 5.1.14 | If “Other” please clarify. | | | | | | |
|  |  | | | | | | |
| **5.2** | If “Financial institutions” selected in Q16, please identify the subset of actors to which the **policy tool** applies using an X against each actor. Otherwise, leave blank. | | | | | | |
|  |  | | | Mandatory | Voluntary | | Not targeted |
| 5.2.1 | Banks | | |  | X | |  |
| 5.2.2 | Non-Bank Financial Companies | | |  | X | |  |
| 5.2.3 | Insurance and Re-Insurance Categories | | |  | X | |  |
| 5.2.4 | Asset Managers | | |  | X | |  |
| 5.2.5 | Pension Funds | | |  | X | |  |
| 5.2.6 | Other | | |  |  | | X |
| 5.2.7 | If “Other” please clarify. | | | | | | |
|  |  | | | | | | |
| **5.3** | In cases where entities are targeted by sector, identify the sector to which the **policy tool** applies using an X against each sector.  If entities are not targeted by sector, please leave this question blank. | | | | | | |
|  |  | | | Mandatory | Voluntary | | Not applicable |
| 5.3.1 | Agriculture, forestry, and fishing | | |  |  | |  |
| 5.3.2 | Mining and quarrying | | |  |  | |  |
| 5.3.3 | Manufacturing | | |  |  | |  |
| 5.3.4 | Electricity, gas, steam, and air conditioning supply | | |  |  | |  |
| 5.3.5 | Water supply; sewerage; waste management and remediation activities | | |  |  | |  |
| 5.3.6 | Construction | | |  |  | |  |
| 5.3.7 | Wholesale and retail trade: repair of motor vehicles and motorcycles | | |  |  | |  |
| 5.3.8 | Transportation and storage | | |  |  | |  |
| 5.3.9 | Accommodation and food service activities | | |  |  | |  |
| 5.3.10 | Information and communication | | |  |  | |  |
| 5.3.11 | Financial and insurance activities | | |  |  | |  |
| 5.3.12 | Real estate activities | | |  |  | |  |
| 5.3.13 | Professional, scientific and technical activities | | |  |  | |  |
| 5.3.14 | Administrative and support service activities | | |  |  | |  |
| 5.3.15 | Public administration and defense; compulsory social security | | |  |  | |  |
| 5.3.16 | Education | | |  |  | |  |
| 5.3.17 | Human health and social work activities | | |  |  | |  |
| 5.3.18 | Arts, entertainment and recreation | | |  |  | |  |
| 5.3.19 | Other service activities | | |  |  | |  |
| 5.3.20 | Activities of households as employers; undifferentiated goods-and services-producing activities of households for own use | | |  |  | |  |
| 5.3.21 | Activities of extraterritorial organizations and bodies | | |  |  | |  |
| 5.3.22 | Other | | |  |  | |  |
| 5.3.23 | If “Other” selected, please explain. | | | | | | |
|  |  | | | | | | |
| **5.4** | If necessary, please clarify any of the above answers to questions regarding the **targeted entities**.  For example, specify if duties vary across the **targeted entities**. | | | | | | |
|  |  | | | | | | |
| **5.5** | Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory. | | | | | | |
|  | Threshold type | Describe | | | | | |
| 5.5.1 | Minimum number of employees (Enter min number of full-time employees – FTEs) | Not specified — the policy tool does not define employee thresholds. | | | | | |
| 5.5.2 | Minimum revenue (Enter minimum revenue) | |  | | --- | |  |  |  | | --- | | Not specified — no revenue-based criteria are included. | | | | | | |
| 5.5.3 | Minimum assets (Enter minimum assets) | |  | | --- | |  |  |  | | --- | | Not specified — the guideline does not refer to asset thresholds. | | | | | | |
| 5.5.4 | Minimum contract value (Enter minimum contract value) | Not specified — the policy does not apply based on contract value. | | | | | |
| 5.5.5 | Entity is headquartered in the jurisdiction | |  | | --- | |  |  |  | | --- | | Yes — the guideline is intended for financial institutions headquartered or operating in South Korea. | | | | | | |
| 5.5.6 | Other | None — no additional criteria are stated. | | | | | |
| **5.6** | Can entities for whom compliance with the **policy tool** is mandatory opt out of the obligation (e.g. comply or explain)? Select the appropriate response using an X. | | | | | | |
| 5.6.1 | No |  | | | | | |
| 5.6.2 | Yes |  | | | | | |
| 5.6.3 | Not specified | X | | | | | |
| **5.7** | If yes, describe the available opt-out provisions, referencing the relevant section/ subsection/ paragraph of the **policy tool**. | | | | | | |
|  |  | | | | | | |
| **5.8** | What are the sanctions for non-compliance? Select all that apply using an X and describe in the text field below. Select all that apply using an X. | | | | | | |
| 5.8.1 | Monetary fine | | | | |  | |
| 5.8.2 | Restriction on business activities | | | | |  | |
| 5.8.3 | Voiding or setting aside of contract | | | | |  | |
| 5.8.4 | Exclusion from government contracts | | | | |  | |
| 5.8.5 | Award of damages or compensation | | | | |  | |
| 5.8.6 | Penalty for senior managers | | | | |  | |
| 5.8.7 | Criminal penalties | | | | |  | |
| 5.8.8 | Not specified | | | | |  | |
| 5.8.9 | Not applicable (in the case of voluntary tools) | | | | | X | |
| 5.8.10 | Other | | | | |  | |
| **5.9** | Describe the sanctions for non-compliance selected above, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | | | |
|  |  | | | | | | |
| **5.10** | In the case of voluntary rules, is there evidence that this **policy tool** is being implemented?  For example, if follow up regulations are being developed, initiatives are being launched, funding is being allocated, etc.  Select the appropriate response using an X. | | | | | | |
| 5.10.1 | No known evidence of implementation | | X | | | | |
| 5.10.2 | Yes | |  | | | | |
| **5.11** | Briefly explain your answer to Q5.10. If referencing **new sources,** please provide a **web-archived link** to the source material. | | | | | | |
|  |  | | | | | | |
| **5.12** | If the case of mandatory rules, is there any evidence that the  **policy tool** has ever been enforced?  For example, is there any evidence of regulatory disputes, sanctions, penalties for non-compliance, etc?  Select the appropriate response using an X. | | | | | | |
| 5.12.1 | No known evidence of enforcement | | X | | | | |
| 5.12.2 | Yes | |  | | | | |
| **5.13** | Briefly explain your answer to Q5.12, noting one to two exemplary cases of enforcement if relevant. If referencing **new sources,** please provide a **web-archived link** to the source material. | | | | | | |
|  |  | | | | | | |
| **5.14** | To your knowledge, has this **policy tool** ever been involved in litigation? This could include direct challenges to the **policy tool**, or its inclusion in cases where it is being cited as a basis for challenging other regulations.  Select the appropriate response using an X. | | | | | | |
| 5.14.1 | No known involvement in litigation | | X | | | | |
| 5.14.2 | Yes | |  | | | | |
| **5.15** | Briefly explain your answer to Q5.14. If referencing **new sources,** please provide a **web-archived link** to the source material. | | | | | | |
|  |  | | | | | | |

## Section 5.2: Policy goal or function of the policy tool

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Please answer all questions in this section.** | | | | | |
| **5.16** | Which of the following best describes the function(s) or objective(s) of the **policy tool**? Select all that apply using an X. | | | | |
| 5.16.1 | **Risk management and governance of climate risks** [Please answer all questions in [Section 5.2.1](#_Section_5.2.1:_Risk)] | | | | X |
| 5.16.2 | **Stress-testing** or **scenario analysis of climate risks** [Please answer all questions in [Section 5.2.2](#_Section_5.2.2:_Scenario)] | | | |  |
| 5.16.3 | Adjusted **capital and liquidity requirements** **for climate-related risks** [Please answer all questions in [Section 5.2.3](#_Section_5.2.3:_Capital)] | | | |  |
| 5.16.4 | Other(s) | | | |  |
| **5.17** | [If Q5.16 = Other(s)] Please describe the objective of the **prudential policy tool** | | | | |
|  |  | | | | |
| **5.18** | Which of the following phases of **climate-related risk management** process are addressed by the **prudential policy tool**? Select all that apply using an X. | | | | |
| 5.18.1 | Risk identification | X | | | |
| 5.18.2 | Risk assessment | X | | | |
| 5.18.3 | Risk mitigation | X | | | |
| 5.18.4 | Risk monitoring | X | | | |
| **5.19** | Which types of **climate-related risks** are identified and/or addressed by the **prudential policy tool**? Select all that apply using an X. | | | | |
| 5.19.1 | **Climate physical risk** | |  | | |
| 5.19.2 | **Climate transition risk** | | X | | |
| 5.19.3 | **ESG risks (or E&S risks)** | |  | | |
| 5.19.4 | **Nature-related financial risks** | |  | | |
| 5.19.5 | Other(s) [Please specify] | |  | | |
| **5.20** | Provide supplemental information about how the **policy tool** addresses the incidence of **climate-related financial risks** on the **targeted entity**, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | |
|  |  | | | | |
| **5.21** | Does the **policy tool** refer to any of the pillars in the **Based regulatory framework** developed by the Basel Committee on Banking Supervision (BCBS) to guide the identification and management of **climate-related risks** by the **targeted entities**? Select all that apply using an X. | | | | |
| 5.21.1 | Pillar 1: Minimum **capital requirements** for banks | |  | | |
| 5.21.2 | Pillar 2: Banking supervision review and capital add-ons | |  | | |
| 5.21.3 | Pillar 3: Market discipline and **disclosure** | |  | | |
| 5.21.4 | Not applicable | | X | | |
| **5.22** | [If Q5.21 = Pillar 1, Pillar 2, or Pillar 3] Describe how the **policy tool** refers to the Basel capital regulatory framework, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | |
|  |  | | | | |
| **5.23** | Does the **policy tool** use **green, sustainable or transition taxonomies** to classify funds or assets directed towards environment-friendly or low-carbon activities and high-carbon or carbon-intensive activities? Select the appropriate response using an X. | | | | |
| 5.23.1 | Yes | | | X | |
| 5.23.2 | No | | |  | |
| 5.23.3 | Not specified | | |  | |
| **5.24** | [If Q5.23 = Yes] Which taxonomy is used, and how? (For example: to determine **green asset ration (GAR)**, or to set preferential terms of lending to particular sectors?) Please describe, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | |
|  |  | | | | |
| **5.25** | How does the **policy tool** monitor or verify compliance with the obligations imposed on regulated entities? Select all that apply using an X. | | | | |
| 5.25.1 | Self-reporting by **targeted entities** | | | X | |
| 5.25.2 | Third-party verification | | |  | |
| 5.25.3 | Regulatory oversight by financial supervisor | | | X | |
| 5.25.4 | Other(s) [Please specify] | | |  | |
| 5.25.5 | Not specified | | |  | |
| **5.26** | Describe how the **policy tool** monitors or verifies compliance with the obligations imposed on regulated entities, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | |
|  |  | | | | |

### Section 5.2.1: Risk management and governance

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Please answer all questions in this section if you identified “Risk management and governance” as an objective of the policy tool in Q5.16** | | | | | | | | |
| **5.27** | How does the **policy tool** recommend or require the incorporation of climate-related risks into risk management and governance? Select all that apply using an X. | | | | | | | |
|  |  | | Required | | | Recommended | | Not specified |
| 5.27.1 | Setting accountability (e.g. on senior management) for the identification and management of **climate-related risks** | |  | | | X | |  |
| 5.27.2 | Affecting remuneration and incentives of senior management (e.g. through inclusion in milestones for executive remuneration) | |  | | |  | | X |
| 5.27.3 | Identifying the short-run and long-run impact of climate risks on the entity’s operations and profitability | |  | | | X | |  |
| 5.27.4 | Improving the quality of data pertaining to the measurement and impact of **climate-related financial risks** on the **targeted entity** | |  | | | X | |  |
| 5.27.5 | Developing a **transition plan** to manage climate physical and/or transition risk or **ESG risks** | |  | | |  | | X |
| 5.27.6 | Implementing a **transition plan** to manage climate physical and/or transition risk or **ESG risks** | |  | | |  | | X |
| 5.27.7 | Other(s) | |  | | |  | | X |
| **5.28** | If “Other(s)” is selected above, describe how the **policy tool** requires **targeted entities** to incorporate **climate-related risks** into their risk management and governance. Please reference the relevant section/sub-section/paragraph of the **policy tool**. | | | | | | | |
|  |  | | | | | | | |
| **5.29** | Does the **policy tool** recommend or require the **disclosure** of **climate-related risk management and governance** practices? Select the appropriate response using an X. | | | | | | | |
| 5.29.1 | Required | | |  | | | | |
| 5.29.2 | Recommended | | |  | | | | |
| 5.29.3 | Neither recommended nor required | | | X | | | | |
| **5.30** | [If Q5.29 = Required or Recommended] Describe the rules on **disclosure** of **climate-related risk management** and governance practices along with thresholds beyond which **disclosure** requirements vary across entities (e.g. becoming mandatory for entities above a certain thresholds). Please reference the relevant section/sub-section/paragraph of the **policy tool** as well. | | | | | | | |
|  |  | | | | | | | |
| **5.31** | Does the **policy tool** recommend or require a climate-risk assessment as part of the due diligence in its new client and transaction approval process? Select the appropriate response using an X. | | | | | | | |
| 5.31.1 | Required | | |  | | | | |
| 5.31.2 | Recommended | | | X | | | | |
| 5.31.3 | Neither recommended nor required | | |  | | | | |
| **5.32** | [If Q5.31 = Recommended or Required] Describe how the policy requires a climate-risk assessment as part of its due diligence process for new clients and transactions (including investments), referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | | | | |
|  |  | | | | | | | |
| **5.33** | Does the **policy tool** recommend or require the use of metrics to assess portfolio exposures with higher climate physical or transition risk? Select all that apply using an X. | | | | | | | |
|  |  | Required | | | Recommended | | Not specified | |
| 5.33.1 | Exposure to geographical areas with higher **climate physical risk** |  | | |  | | X | |
| 5.33.2 | Exposure to geographical areas with higher **climate transition risk** |  | | |  | | X | |
| 5.33.3 | Exposure to economic sectors with higher **climate physical risk** |  | | |  | | X | |
| 5.33.4 | Exposure to economic sectors with higher **climate transition risk** |  | | |  | | X | |
| 5.33.5 | Other(s) |  | | |  | | X | |
| **5.34** | Describe the use of metrics to monitor and assess portfolio exposures with higher climate physical and/or transition risk, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | | | | |
|  |  | | | | | | | |

### Section 5.2.2: Scenario analysis and stress-testing

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Please answer all questions in this section if you identified “Scenario analysis and stress-testing” as an objective of the policy tool in Q5.16** | | | | | | | |
| **5.35** | Does the **policy tool** require or recommend **stress-testing** or **scenario analyses** of **climate-related risks**? Select the appropriate response using an X. | | | | | | |
| 5.35.1 | Required | |  | | | | |
| 5.35.2 | Recommended | |  | | | | |
| 5.35.3 | Neither recommended nor required | | X | | | | |
| **5.36** | [If Q5.35 = Recommended or Required] Which of the following best describes the recommended or required scope of the **scenario analysis** or climate **stress-testing** exercise? Select the appropriate response using an X. | | | | | | |
| 5.36.1 | Conducted at the level of the individual financial entity | | | |  | | |
| 5.36.2 | Conducted for entities above a certain specified threshold [Please specify the threshold in the next question] | | | |  | | |
| 5.36.3 | Conducted for the whole sector (e.g. all banks, all insurance agencies, all asset management firms) | | | |  | | |
| 5.36.4 | Conducted for the whole economy | | | |  | | |
| 5.36.5 | None specified | | | |  | | |
| **5.37** | If the **scenario analysis** or **stress-testing** exercise is conducted for entities above a certain specified threshold, please describe the threshold here, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | | | |
|  | The Green Loan Management Guideline does **not use or reference any type of climate scenario.** | | | | | | |
| **5.38** | What types of climate scenarios are used in the **prudential policy tool**? Select all that apply using an X. | | | | | | |
| 5.38.1 | Fully Narrative Scenarios | | | |  | | |
| 5.38.2 | Quantified Narrative Scenarios | | | |  | | |
| 5.38.3 | Model-Driven Scenarios | | | |  | | |
| 5.38.4 | Probabilistic Scenarios | | | |  | | |
| **5.39** | If possible, please specify the scenario provider(s) specifying the scenarios in Q5.37. | | | | | | |
|  |  | | | | | | |
| **5.40** | Which of the following most accurately describes how the scenarios or events which should be considered in the **stress-testing** or **scenario analysis** process are selected? Select all that apply using an X. | | | | | | |
| 5.40.1 | Chosen internally by the regulated entity premised on risk-based considerations | | | |  | | |
| 5.40.2 | Standardised scenarios developed or recommended by the financial regulator (e.g. scenarios aligned with a country’s economic structure and country-specific climate risks) | | | |  | | |
| 5.40.3 | Based on international frameworks (e.g. **NGFS Scenarios, Basel guidelines, IPCC scenarios**). | | | |  | | |
| 5.40.4 | **Policy tool** does not explicitly mention the basis of selection of scenarios | | | | X | | |
| **5.41** | Provide supplemental information about the process of selecting scenarios for the **stress-testing** or **scenario analysis** exercise, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | | | |
|  |  | | | | | | |
| **5.42** | Who conducts the **scenario analysis** or **stress-testing** exercise? Select the appropriate response using an X. | | | | | | |
| 5.42.1 | Conducted internally by the financial institutions | |  | | | | |
| 5.42.2 | Conducted by the supervisory authority | |  | | | | |
| 5.42.3 | Conducted by any other entity [Please specify the entity in the next question] | |  | | | | |
| 5.42.4 | Not specified | | X | | | | |
| **5.43** | [If response to Q5.42 = “Conducted by any other entity”] If the **scenario analysis** or **stress-testing** exercise is conducted by “any other entity” above, please specify which entity conducts the **scenario analysis** or **stress-testing** exercise. | | | | | | |
|  |  | | | | | | |
| **5.44** | What is the frequency of the climate **stress-testing** or **scenario analysis** exercise? Select the appropriate response using an X. | | | | | | |
| 5.44.1 | Annually | |  | | | | |
| 5.44.2 | Biennially | |  | | | | |
| 5.44.3 | Ad-hoc | |  | | | | |
| 5.44.4 | Continuous (e.g. as part of risk management processes) | |  | | | | |
| 5.44.5 | Other(s) [Please specify in the next question] | |  | | | | |
| 5.44.6 | Not specified | | X | | | | |
| **5.45** | [If Q5.44 = Other(s)] Please specify the frequency of the climate **stress-testing** or **scenario analysis** exercise, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | | | |
|  |  | | | | | | |
| **5.46** | What is the time horizon considered for the **scenario analysis** or **stress-testing** exercise? Select the appropriate response using an X. | | | | | | |
| 5.46.1 | Less than one year | | | | |  | |
| 5.46.2 | More than 1 year but less than 2 years | | | | |  | |
| 5.46.3 | 2-5 years | | | | |  | |
| 5.46.4 | More than 5 years but less than 10 years | | | | |  | |
| 5.46.5 | More than 10 years | | | | |  | |
| 5.46.6 | Not specified in the **policy tool** | | | | | X | |
| **5.47** | Provide supplementary information about the time horizon considered in the **scenario analysis** or **stress-testing** exercise, referencing the relevant section/sub-section/paragraph of the **policy tool**.  [Whereas usual **stress-testing** exercises consider shorter time periods extending up to 1 year, or at maximum 5 years, to assess the impact of adverse events on institutions’ balance sheets, climate **scenario analysis** can consider time periods extending up to 30 years in the future to map the impact of the net-zero transition on banks’ operations.] | | | | | | |
|  |  | | | | | | |
| **5.48** | How are the results of the **stress-testing** or **scenario analysis** exercise used? Select all that apply using an X. | | | | | | |
| 5.48.1 | The results of these exercises inform decisions regarding capital and/or liquidity buffer requirements for the financial institutions | | | | |  | |
| 5.48.2 | The results of these exercises inform governance and **climate-related risk management frameworks** | | | | |  | |
| 5.48.3 | The results of these exercises serve solely as a data-gathering tool for identifying and assessing climate risks, without any further implications for the **targeted entity** | | | | |  | |
| 5.48.4 | Other(s) | | | | |  | |
| 5.48.5 | Not specified | | | | | X | |
| **5.49** | Provide supplemental information about how the results of the **stress-testing** or **scenario analysis** exercise are used. Please reference the relevant section/sub-section/paragraph of the **policy tool**. | | | | | | |
|  |  | | | | | | |
| **5.50** | Does the **policy tool** recommend or require the **disclosure** of results of the stress tests and/or scenario models, along with **disclosure** of the assumptions and **dependencies** of the models? Select all that apply using an X. | | | | | | |
|  |  | Required | | Recommended | | | Not specified |
| 5.50.1 | Results of climate stress-tests of **scenario analyses** |  | |  | | | X |
| 5.50.2 | Assumptions and **dependencies** of the **stress-testing** or modelling exercise |  | |  | | | X |

### Section 5.2.3: Capital and Liquidity Requirements

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **5.51** | Does the **policy tool** recommend or require the incorporation of **climate-related risks** by the **targeted entity** into its **Internal Capital Adequacy Assessment Process (ICAAP)**? Select the appropriate response using an X. | | | | |
| 5.51.1 | Required |  | | | |
| 5.51.2 | Recommended |  | | | |
| 5.51.3 | Neither recommended nor required | X | | | |
| **5.52** | Describe the consideration of **climate-related risks** when assessing **capital requirements** in the identified **policy tool**, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | |
|  |  | | | | |
| **5.53** | Does the **policy tool** recommend or require differentiated **capital requirements** for lending to green or brown activities? [Green activities or projects include renewable energy projects and those directed towards low-carbon goods and services, whereas brown sectors or activities encompass lending to fossil-fuel or allied industries/activities]  Select all that apply using an X. | | | | |
|  |  | Recommended | | Required | Not applicable |
| 5.53.1 | Reduced **capital requirements** for lending to ‘green’ or low-carbon sectors or activities |  | |  | X |
| 5.53.2 | Higher **capital requirements** for lending to high-carbon or carbon-intensive sectors (e.g. fossil fuels) |  | |  | X |
| 5.53.3 | Other(s) |  | |  | X |
| **5.54** | Describe how the **policy tool** sets differentiated **capital requirements** for green vs brown sectors, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | |
|  |  | | | | |
| **5.55** | Does the **policy tool** recommend or require preferential lending terms to green sectors or projects? Select the appropriate response using an X. | | | | |
| 5.55.1 | Required | |  | | |
| 5.55.2 | Recommended | | X | | |
| 5.55.3 | Neither recommended nor required | |  | | |
| **5.56** | [If Q5.55 = Required or Recommended] Describe how the **policy tool** recommends or requires preferential lending to green sectors, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | |
|  | The Green Loan Management Guideline encourages financial institutions to offer preferential lending terms—such as lower interest rates or longer tenors—for loans that are demonstrably aligned with the Korean Green Taxonomy. While these recommendations are advisory rather than mandatory, they signal a clear policy intent to support and incentivize green lending. | | | | |
| **5.57** | Does the **policy tool** recommend or require the **targeted entity** to incorporate the impact of climate-related drivers on its **liquidity risk profile**? Select the appropriate response using an X. | | | | |
| 5.57.1 | Required | |  | | |
| 5.57.2 | Recommended | |  | | |
| 5.57.3 | Neither recommended nor required | | X | | |
| **5.58** | [If Q5.57 = Recommended or Required] How does the **policy tool** require entities to adjust their liquidity risk management in response to assessed climate risks? Describe, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | |
|  |  | | | | |
| **5.59** | [If Q5.57 = Recommended or Required] How does the **policy tool** assess the adequacy of its liquidity buffers against **climate-related risks** (e.g. through stress tests)? Describe, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | |
|  |  | | | | |

## Section 5.3: Standards and Frameworks

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **5.60** | Are there any additional insights, considerations, or relevant aspects related to the **prudential policy tool** that were not covered in this survey? | | | |
|  | The Green Loan Management Guideline plays a foundational role in shaping green finance practices within South Korea's financial system. Although it is a voluntary and non-binding tool, its alignment with the Korean Green Taxonomy provides financial institutions with much-needed clarity on how to assess the environmental integrity of loan transactions. It encourages internal governance improvements—such as appointing a Green Credit Officer and documenting loan eligibility decisions—but it stops short of integrating climate-related risks into broader financial risk management structures (e.g. capital adequacy, liquidity risk, or market disclosure). | | | |
| **5.61** | What are the key barriers or challenges in implementing the **prudential policy tool** for **climate-related financial risk** management? | | | |
|  | **1. Voluntary Nature of the Policy Tool** The guideline is non-binding and advisory, which limits its enforceability. Without mandatory requirements or supervisory incentives, financial institutions may choose not to adopt it fully or uniformly.  **2. Lack of Integration with Prudential Regulations** The guideline does not link to core risk frameworks such as capital adequacy (Pillar 1), supervisory review (Pillar 2), or disclosure obligations (Pillar 3). As a result, climate-related financial risks are not reflected in capital buffers, ICAAP, or stress testing obligations.  **3. Insufficient Climate Risk Metrics and Scenario Use** The guideline does not recommend or require the use of climate scenarios, sectoral risk metrics, or stress tests—tools that are critical for identifying and managing transition and physical risks in a prudential context.  **4. Limited Data and Methodological Gaps** Financial institutions face challenges in obtaining reliable environmental performance and taxonomy-alignment data from borrowers. This limits accurate classification and increases uncertainty in risk assessments.  **5. Inconsistent Internal Capacity Across Institutions** Larger institutions may have the resources to establish internal green credit governance (e.g. appointing a Green Credit Officer), but smaller or regional institutions often lack technical expertise or dedicated sustainability teams.  **6. Absence of Incentives or Risk-Based Differentiation** There are no preferential capital requirements, tax benefits, or financial incentives for green lending under this policy. The lack of regulatory or market-based advantages reduces the motivation to implement the guideline at scale.  **7. No Public Disclosure Requirements** The guideline does not require institutions to disclose how they apply the taxonomy or manage climate-related credit risks, weakening transparency, comparability, and market discipline. | | | |
| **5.62** | Does the **policy tool** recommend or require the use of any standards or best practices for including climate or environmental considerations in the prudential policy framework? Select all that apply using an X. | | | |
|  |  | Recommended | Required | Not specified |
| 5.62.1 | Basel Committee for Banking Supervision (BCBS) Taskforce on Climate-related Financial Risks (TCFR) |  |  | X |
| 5.62.2 | **Network for Greening the Financial System (NGFS)** |  |  | X |
| 5.62.3 | [Financial Stability Institute (FSI)](https://www.bis.org/fsi/fsibriefs18.pdf), Bank for International Settlements (BIS) |  |  | X |
| 5.62.4 | [Financial Stability Board (FSB)](https://www.fsb.org/uploads/P131022-1.pdf) |  |  | X |
| 5.62.5 | Taskforce on Climate-related Financial **Disclosures** (TCFD) |  |  | X |
| 5.62.6 | Taskforce on Nature-related Financial **Disclosures** (TNFD) |  |  | X |
| 5.62.7 | Other(s) |  |  | X |
| **5.63** | List **any other** standards, frameworks or guidelines required by or referred to within the **policy tool**. Please provide a **web-archived link** to each standard/framework/guideline listed. | | | |
|  |  | | | |

# Domain 6: Methane Abatement

## Section 6.1: Who is being targeted?

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **6.1** | With regard to **methane abatement**, which of the following entities are targeted through this **policy tool**? Identify each **targeted entity** using an X. | | | | |
|  |  | | Mandatory | Voluntary | Not targeted |
| 6.1.1 | Publicly-traded entities | |  |  | X |
| 6.1.2 | Private companies | |  |  | X |
| 6.1.3 | Financial institutions | |  |  | X |
| 6.1.4 | Small and medium-sized enterprises | |  |  | X |
| 6.1.5 | State-owned companies | |  |  | X |
| 6.1.6 | Not-for-profit organisations | |  |  | X |
| 6.1.7 | Government agencies and/or departments (supranational) | |  |  | X |
| 6.1.8 | Government agencies and/or departments (national) | |  |  | X |
| 6.1.9 | Government agencies and/or departments (regional – e.g. state, province, region, metropolitan region) | |  |  | X |
| 6.1.10 | Government agencies and/or departments (local-e.g. county, district, municipality, city) | |  |  | X |
| 6.1.11 | Government agencies and/or departments (unspecified) | |  |  | X |
| 6.1.12 | Sectoral actors (e.g. healthcare, utilities, education) | |  |  | X |
| 6.1.13 | Other | |  |  | X |
| 6.1.14 | If “Other” please clarify. | | | | |
|  |  | | | | |
| **6.2** | If “Financial institutions” selected in Q6.1, please identify the subset of actors to which the **policy tool** applies using an X against each actor. Otherwise, leave blank. | | | | |
|  |  | | Mandatory | Voluntary | Not targeted |
| 6.2.1 | Banks | |  |  |  |
| 6.2.2 | Non-Bank Financial Companies | |  |  |  |
| 6.2.3 | Insurance and Re-Insurance Categories | |  |  |  |
| 6.2.4 | Asset Managers | |  |  |  |
| 6.2.5 | Pension Funds | |  |  |  |
| 6.2.6 | Other | |  |  |  |
| 6.2.7 | If “Other” please clarify. | | | | |
|  |  | | | | |
| **6.3** | In cases where entities are targeted by sector, identify the sector to which the **policy tool** applies using an X against each sector.  If entities are not targeted by sector, please leave this question blank. | | | | |
|  |  | | Mandatory | Voluntary | Not applicable |
| 6.3.1 | Agriculture, forestry, and fishing | |  |  |  |
| 6.3.2 | Mining and quarrying | |  |  |  |
| 6.3.3 | Manufacturing | |  |  |  |
| 6.3.4 | Electricity, gas, steam, and air conditioning supply | |  |  |  |
| 6.3.5 | Water supply; sewerage; waste management and remediation activities | |  |  |  |
| 6.3.6 | Construction | |  |  |  |
| 6.3.7 | Wholesale and retail trade: repair of motor vehicles and motorcycles | |  |  |  |
| 6.3.8 | Transportation and storage | |  |  |  |
| 6.3.9 | Accommodation and food service activities | |  |  |  |
| 6.3.10 | Information and communication | |  |  |  |
| 6.3.11 | Financial and insurance activities | |  |  |  |
| 6.3.12 | Real estate activities | |  |  |  |
| 6.3.13 | Professional, scientific and technical activities | |  |  |  |
| 6.3.14 | Administrative and support service activities | |  |  |  |
| 6.3.15 | Public administration and defense; compulsory social security | |  |  |  |
| 6.3.16 | Education | |  |  |  |
| 6.3.17 | Human health and social work activities | |  |  |  |
| 6.3.18 | Arts, entertainment and recreation | |  |  |  |
| 6.3.19 | Other service activities | |  |  |  |
| 6.3.20 | Activities of households as employers; undifferentiated goods-and services-producing activities of households for own use | |  |  |  |
| 6.3.21 | Activities of extraterritorial organizations and bodies | |  |  |  |
| 6.3.22 | Other | |  |  |  |
| 6.3.23 | If “Other” selected, please explain. | | | | |
|  |  | | | | |
| **6.4** | If necessary, please clarify any of the above answers to questions regarding the **targeted entities**.  For example, specify if duties vary across the **targeted entities**. | | | | |
|  |  | | | | |
| **6.5** | Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory. | | | | |
|  | Threshold type | | Describe | | |
| 6.5.1 | Minimum number of employees (Enter min number of full-time employees – FTEs) | | Not specified — the guideline does not set a minimum employee threshold. | | |
| 6.5.2 | Minimum revenue (Enter minimum revenue) | | Not specified — there is no revenue-based applicability criterion. | | |
| 6.5.3 | Minimum assets (Enter minimum assets) | | Not specified — asset size is not a factor in applying the guideline. | | |
| 6.5.4 | Minimum contract value (Enter minimum contract value) | | Not specified — the guideline does not apply based on loan size or contract value. | | |
| 6.5.5 | Entity is headquartered in the jurisdiction | | The guideline applies to financial institutions operating or headquartered in South Korea, as it was issued by Korean authorities (FSC, MOE, FSS). However, compliance is voluntary. | | |
| 6.5.6 | Other | | None — there are no additional qualifying criteria such as sector, ownership structure, or regulatory status. | | |
| **6.6** | Can entities for whom compliance with the **policy tool** is mandatory opt out of the obligation (e.g. comply or explain)? Select the appropriate response using an X. | | | | |
| 6.6.1 | No | |  | | |
| 6.6.2 | Yes | |  | | |
| 6.6.3 | Not specified | | X | | |
| **6.7** | If yes, describe the available opt-out provisions, referencing the relevant section/ subsection/ paragraph of the **policy tool**. | | | | |
|  |  | | | | |
| **6.8** | What are the sanctions for non-compliance? Select all that apply using an X and describe in the next question. | | | | |
| 6.8.1 | Monetary fine | |  | | |
| 6.8.2 | Restriction on business activities | |  | | |
| 6.8.3 | Voiding or setting aside of contract | |  | | |
| 6.8.4 | Exclusion from government contracts | |  | | |
| 6.8.5 | Award of damages or compensation | |  | | |
| 6.8.6 | Penalty for senior managers | |  | | |
| 6.8.7 | Criminal penalties | |  | | |
| 6.8.8 | Not specified | |  | | |
| 6.8.9 | Not applicable (in the case of voluntary tools) | | X | | |
| 6.8.10 | Other | |  | | |
| **6.9** | Describe the sanctions for non-compliance selected above, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | |
|  |  | | | | |
| **6.10** | In the case of voluntary rules, is there evidence that this **policy tool** is being implemented?  For example, if follow up regulations are being developed, initiatives are being launched, funding is being allocated, etc.  Select the appropriate response using an X. | | | | |
| 6.10.1 | No known evidence of implementation | X | | | |
| 6.10.2 | Yes |  | | | |
| **6.11** | Briefly explain your answer to Q6.10. If referencing **new sources,** please provide a **web-archived link** to the source material. | | | | |
|  | The Green Loan Management Guideline is being implemented through a series of coordinated actions by South Korean authorities:   1. **Pilot testing**: Before the guideline’s official launch in December 2024, the Financial Services Commission (FSC), Financial Supervisory Service (FSS), and Ministry of Environment (MOE) conducted pilot applications with financial institutions to test alignment with the Korean Green Taxonomy. 2. **Institutional rollout**: The FSC has committed to collecting and monitoring data on green loans issued under the guideline. Financial institutions are encouraged to designate “green credit officers” and apply internal control measures aligned with the guideline. 3. **Capacity building**: In 2025, government-supported training programs were launched to build institutional capacity and support adoption across the financial sector.   Archived FSC announcement (December 2024) on the implementation and purpose of the Green Loan Management Guideline: <https://web.archive.org/web/20241215000000/https://www.fsc.go.kr/eng/pr010101/83600> | | | | |
| **6.12** | If the case of mandatory rules, is there any evidence that the **policy tool** has ever been enforced?  For example, is there any evidence of regulatory disputes, sanctions, penalties for non-compliance, etc?  Select the appropriate response using an X. | | | | |
| 6.12.1 | No known evidence of enforcement | X | | | |
| 6.12.2 | Yes |  | | | |
| **6.13** | Briefly explain your answer to Q6.12, noting one to two exemplary cases of enforcement if relevant. If referencing **new sources,** please provide a **web-archived link** to the source material. | | | | |
|  | There is **no evidence that the Green Loan Management Guideline has ever been enforced**, because it is not a legally binding or regulatory requirement. It was issued in December 2024 by the Financial Services Commission (FSC), Ministry of Environment (MOE), and Financial Supervisory Service (FSS) as a **voluntary framework** to guide internal green loan assessments based on the Korean Green Taxonomy.   * It does **not impose compliance obligations**, nor does it establish penalties or supervisory enforcement mechanisms. * As of now, there are **no known cases** of administrative action, regulatory disputes, or sanctions related to this guideline.   **Archived source:** FSC official press release on the guideline’s launch, confirming its voluntary nature: <https://web.archive.org/web/20241215000000/https://www.fsc.go.kr/eng/pr010101/83600> | | | | |
| **6.14** | To your knowledge, has this **policy tool** ever been involved in litigation? This could include direct challenges to the **policy tool** , or its inclusion in cases where it is being cited as a basis for challenging other regulations.  Select the appropriate response using an X. | | | | |
| 6.14.1 | No known involvement in litigation | X | | | |
| 6.14.2 | Yes |  | | | |
| **6.15** | Briefly explain your answer to Q6.14. If referencing **new sources,** please provide a **web-archived link** to the source material. | | | | |
|  | To date, the Green Loan Management Guideline has **not been involved in any litigation**. It has not been:   * Directly challenged in court * Cited in regulatory disputes * Used as a legal basis to contest other climate or financial regulations   This is consistent with its role as a **voluntary, non-binding guidance document** for financial institutions, without legal force or enforceability. | | | | |

## Section 6.2: National targets

|  |  |  |  |
| --- | --- | --- | --- |
| **6.16** | Does the **policy tool** recommend or require a national methane **emissions reduction** target? Select the appropriate response using an X. | | |
| 6.16.1 | Not specified | | X |
| 6.16.2 | Recommend | |  |
| 6.16.3 | Require | |  |
| 6.16.4 | Other (i.e. methane target is integrated into a broader short-lived climate pollutant target, **methane intensity** rather than methane reduction target, etc) | |  |
| **6.17** | If “Other” selected above, please describe the methane **emissions reduction** target, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | |
|  |  | | |
| **If “Recommended” or “Required” selected above in Q6.16, answer Q6.18-Q6.23. Otherwise, skip to Q6.24.** | | | |
| **6.18** | What is the recommended or required level of ambition for the national methane **emissions reduction** target? Select the appropriate response using an X. | | |
| 6.18.1 | 10-19% reduction |  | |
| 6.18.2 | 20-29% reduction |  | |
| 6.18.3 | 30-39% reduction |  | |
| 6.18.4 | 40-49% reduction |  | |
| 6.18.5 | 50-59% reduction |  | |
| 6.18.6 | 60-69% reduction |  | |
| 6.18.7 | 70-79% reduction |  | |
| 6.18.8 | 80-89% reduction |  | |
| 6.18.9 | 90-100% reduction |  | |
| 6.18.10 | Not specified | X | |
| 6.18.11 | Other |  | |
| **6.19** | If “Other” is selected above, please describe the recommended or required level of ambition for the national methane **emissions reduction** target, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | |
|  |  | | |
| **6.20** | What is the recommended or required baseline year from which progress is measured? Select the appropriate response using an X. | | |
| 6.20.1 | 1990-2000 |  | |
| 6.20.2 | 2001-2005 |  | |
| 6.20.3 | 2006-2010 |  | |
| 6.20.4 | 2011-2015 |  | |
| 6.20.5 | 2016-2020 |  | |
| 6.20.6 | Not specified | X | |
| 6.20.7 | Other |  | |
| **6.21** | If “Other” is selected above, describe the baseline year(s) mentioned in the policy, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | |
|  |  | | |
| **6.22** | What is the recommended or required year by which the methane **emissions reduction** target should be met? Select the appropriate response using an X. | | |
| 6.22.1 | By 2030 |  | |
| 6.22.2 | Between 2031 and 2035 |  | |
| 6.22.3 | Between 2036 and 2040 |  | |
| 6.22.4 | Between 2041 and 2050 |  | |
| 6.22.5 | Not specified | X | |
| 6.22.6 | Other |  | |
| **6.23** | If “Other” is selected above, describe the year(s) by which the methane **emissions reduction** target should be met mentioned in the policy, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | |
|  |  | | |

## Section 6.3: Methane Pricing

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **6.24** | Does the **policy tool** recommend or require the integration of methane emissions into pricing schemes (such as national **emissions trading schemes** and/or **carbon tax** schemes)? Select the appropriate response using an X. | | | | |
| 6.24.1 | Not specified | | X | | |
| 6.24.2 | Recommend | |  | | |
| 6.24.3 | Require | |  | | |
| **6.25** | If recommended or required, from which of the following sources does the **policy tool** recommend or require methane emissions be integrated into pricing schemes? Select all that apply using an X. | | | | |
|  |  | Recommend | | Require | Not specified |
| 6.25.1 | Oil and gas |  | |  | X |
| 6.25.2 | Coal |  | |  | X |
| 6.25.3 | Agriculture |  | |  | X |
| 6.25.4 | Waste |  | |  | X |
| 6.25.5 | Other |  | |  | X |
| **6.26** | If any of the above “recommend” or “require,” please describe, providing details such as the specific subsectors and/or activities covered by the pricing scheme and the price set for methane emissions integrated into the scheme. | | | | |
|  |  | | | | |
| **6.27** | Does the **policy tool** allow for the generation of **carbon credits** from any of the following methane-abating practices (e.g. plugging of **abandoned wells**, manure management, reduced rice methane, **biochar** etc.) Select all that apply using an X. | | | | |
| 6.27.1 | Plugging of **abandoned oil and/or gas wells** | |  | | |
| 6.27.2 | Manure management practices | |  | | |
| 6.27.3 | Reductions in methane from rice cultivation | |  | | |
| 6.27.4 | Use of feed additives | |  | | |
| 6.27.5 | **Biochar** | |  | | |
| 6.27.6 | Landfill gas capture | |  | | |
| 6.27.7 | **Biogas production** | |  | | |
| 6.27.8 | Other | |  | | |
| If any of the above selected, please identify this as a policy tool related to carbon credits and respond to that survey supplement. | | | | | |

## Section 6.4: Source-specific rules

|  |  |  |
| --- | --- | --- |
| **6.28** | From which of the following sources and/or sectors does this **policy tool** seek to abate methane emissions? Select all that apply using an X. | |
| 6.28.1 | Oil and gas |  |
| 6.28.2 | Coal |  |
| 6.28.3 | Agriculture |  |
| **If “Oil and gas” selected, please answer Section 6.4.1.**  **If “Coal” selected, please answer Section 6.4.2.**  **If “Agriculture” selected, please answer Section 6.4.3.** | | |

### 6.4.1 Oil and Gas-Related Methane Emissions

#### Monitoring, Reporting, and Verification

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **6.29** | Does the **policy tool** recommend or require approaches or methodologies for the measurement of oil and gas-related methane emissions, including **fugitive emissions**? Select the appropriate response using an X. | | | | | | | |
| 6.29.1 | Not specified |  | | | | | | |
| 6.29.2 | Recommend |  | | | | | | |
| 6.29.3 | Require |  | | | | | | |
| 6.29.4 | Other |  | | | | | | |
| **6.30** | If “Recommend,” “Require,” or “Other” is selected above, please describe the approaches or methodologies for the measurement of oil and gas-related methane emissions, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | | | | |
|  |  | | | | | | | |
| **6.31** | Does the **policy tool** recommend or require the public **disclosure** of methane emissions, and if so at what level? Select the appropriate response using an X. | | | | | | | |
|  |  | | Recommend | | Require | | Not specified | |
| 6.31.1 | Measurement and reporting of methane neither recommended nor required | |  | |  | |  | |
| 6.31.2 | **Asset-level** | |  | |  | |  | |
| 6.31.3 | **Facility-level** | |  | |  | |  | |
| 6.31.4 | **Source-level** | |  | |  | |  | |
| 6.31.5 | Level not specified | |  | |  | |  | |
| 6.31.6 | Other | |  | |  | |  | |
| **6.32** | If “Other” is selected above, describe the level for measurement and reporting, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | | | | |
|  |  | | | | | | | |
| **6.33** | Does the **policy tool** recommend or require any of the following measures? Select all that apply using an X. | | | | | | | |
|  |  | | | Recommend | | Require | | Not specified |
| 6.33.1 | Public **disclosure** of asset and/or facility level emissions | | |  | |  | |  |
| 6.33.2 | Public **disclosure** of methodologies for emissions measurement | | |  | |  | |  |
| 6.33.3 | Third party verification of emissions inventories | | |  | |  | |  |
| 6.33.4 | Third party measurement of emissions (e.g. through providers such as Carbon Mapper, MethaneSAT, EMIT, etc) | | |  | |  | |  |
| 6.33.5 | Technologies for the monitoring and/or measurement of emissions (e.g. satellite technologies) | | |  | |  | |  |
| 6.33.6 | Other | | |  | |  | |  |
| **6.34** | If “Other” is selected above, or if any elaboration on the above answers is required, please describe, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | | | | |
|  |  | | | | | | | |

#### Fugitive Emissions and Leak Detection and Repair (LDAR)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **6.35** | Does the **policy tool** recommend or require the mitigation of **fugitive emissions**? Select the appropriate response using an X. | | | |
| 6.35.1 | Not specified |  | | |
| 6.35.2 | Recommend |  | | |
| 6.35.3 | Require |  | | |
| **6.36** | Does the **policy tool** recommend or require a target for the mitigation of **fugitive emissions**? Select the appropriate response using an X. | | | |
| 6.36.1 | Not specified |  | | |
| 6.36.2 | Recommend |  | | |
| 6.36.3 | Require |  | | |
| **6.37** | If “Recommend” or “Required” is selected above, describe the target for the mitigation of **fugitive emissions**, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | |
|  |  | | | |
| **6.38** | Does the **policy tool** recommend or require any of the following measures with regard to **fugitive emissions** and **LDAR**? Select all that apply using an X. | | | |
|  |  | Recommend | Require | Not specified |
| 6.38.1 | Operators undertake **instrument-based LDAR** |  |  |  |
| 6.38.2 | Use of certified technologies for **LDAR** |  |  |  |
| 6.38.3 | Independent, third-party audit/verification for **LDAR** |  |  |  |
| 6.38.4 | Quantification of leaks |  |  |  |
| **6.39** | Does the **policy tool** prescribe a frequency for leak detection monitoring? Select the appropriate response using an X. | | | |
| 6.39.1 | Not specified |  | | |
| 6.39.2 | Continuous |  | | |
| 6.39.3 | Monthly |  | | |
| 6.39.4 | Quarterly |  | | |
| 6.39.5 | Twice yearly |  | | |
| 6.39.6 | Yearly |  | | |
| 6.39.7 | Other |  | | |
| **6.40** | If “Other” is selected above, describe the frequency for leak detection monitoring, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | |
|  |  | | | |
| **6.41** | Does the **policy tool** recommend or require a time limit for repairs? Select the appropriate response using an X. | | | |
| 6.41.1 | Not specified |  | | |
| 6.41.2 | Recommend |  | | |
| 6.41.3 | Require |  | | |
| 6.41.4 | Other |  | | |
| **6.42** | If “Other” is selected above, describe the time limit for repairs, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | |
|  |  | | | |
| **6.43** | If a time limit for repairs is recommended or required, which of the following describes the specified time limit for typical repairs (i.e. those not requiring full site shutdown)? Select the appropriate response using an X. | | | |
| 6.43.1 | 1-5 days |  | | |
| 6.43.2 | 6-10 days |  | | |
| 6.43.3 | 11-20 days |  | | |
| 6.43.4 | 21-50 days |  | | |
| 6.43.5 | More than 51 days |  | | |
| 6.43.6 | Other |  | | |
| **6.44** | If “Other” is selected above, describe the specified time limit for typical repairs, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | |
|  |  | | | |

#### Venting and Flaring

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **6.45** | Does the **policy tool** recommend or require the reduction of **flaring**? Select the appropriate response using an X. Select the appropriate response using an X. | | | | | |
| 6.45.1 | Not specified | | |  | | |
| 6.45.2 | Recommend | | |  | | |
| 6.45.3 | Require | | |  | | |
| 6.45.4 | Other | | |  | | |
| **6.46** | If “Other” is selected above, please specify how the **policy tool** recommends or requires the reduction of **flaring**, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | | |
|  |  | | | | | |
| **6.47** | Does the **policy tool** recommend or require the reduction of **venting**? Select the appropriate response using an X. | | | | | |
| 6.47.1 | Not specified | | |  | | |
| 6.47.2 | Recommend | | |  | | |
| 6.47.3 | Require | | |  | | |
| 6.47.4 | Other | | |  | | |
| **6.48** | If “Other” is selected above, please specify how the **policy tool** recommends or requires the reduction of **venting**, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | | |
|  |  | | | | | |
| **6.49** | Does the **policy tool** recommend or require performance standards for **venting and/or flaring** (e.g. flaring efficiency standards, limits on volume of gas flared/vented as a percentage of gas production)? Select the appropriate response using an X. | | | | | |
| 6.49.1 | Not specified | |  | | | |
| 6.49.2 | Recommend | |  | | | |
| 6.49.3 | Require | |  | | | |
| 6.49.4 | Other | |  | | | |
| **6.50** | If “Other” is chosen above, please specify how the **policy tool** recommends or requires performance standards for **venting and/or flaring**, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | | |
|  |  | | | | | |
| **6.51** | If performance standards for **venting and/or flaring** are recommended or required, what is the level at which this standard is applied? Select the appropriate response using an X. | | | | | |
| 6.51.1 | National | |  | | | |
| 6.51.2 | Subnational (state/province/region) | |  | | | |
| 6.51.3 | Company | |  | | | |
| 6.51.4 | Asset | |  | | | |
| 6.51.5 | Facility | |  | | | |
| 6.51.6 | Equipment | |  | | | |
| 6.51.7 | Not specified | |  | | | |
| **6.52** | Does the **policy tool** recommend or require any of the following measures related to reducing **venting and/or flaring**? Select all that apply using an X. | | | | | |
|  |  | Recommend | | | Require | Not specified |
| 6.52.1 | Prohibition of **venting** |  | | |  |  |
| 6.52.2 | Inclusion of **venting** **and flaring** in measurement and reporting frameworks |  | | |  |  |
| 6.52.3 | Site inspections to monitor compliance |  | | |  |  |
| 6.52.4 | Restrictions on the locations of **venting and flaring** (i.e. away from populations and/or communities) |  | | |  |  |
| 6.52.5 | Permits for **venting and/or flaring** |  | | |  |  |
| 6.52.6 | Royalties and/or fees for **venting and/or flaring** |  | | |  |  |
| 6.52.7 | Specific equipment, technologies, or operating procedures for **venting** (i.e. compressors, pneumatic controllers and pumps, dehydrators, blowdown **venting**, etc.) |  | | |  |  |
| 6.52.8 | Equipment standards |  | | |  |  |
| **6.53** | If “Recommend” or “Require” selected for any for any of the above, please describe, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | | | |
|  |  | | | | | |

#### Associated Gas

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **6.54** | Does the **policy tool** recommend or require any of the following measures with regard to the utilization of **associated gas**? Select all that apply using an X. | | | |
|  |  | Recommend | Require | Not specified |
| 6.54.1 | Sector-wide targets for **associated gas** utilization |  |  |  |
| 6.54.2 | A benchmark for percentage flare gas combustion efficiency |  |  |  |
| 6.54.3 | Pre-development gas capture plans or economic evaluations of **associated gas** utilization options for new project approval |  |  |  |
| 6.54.4 | Financial assurance requirements to ensure companies cover well closure costs before bankruptcy |  |  |  |
| 6.54.5 | Measures relating to plugging **abandoned wells**, including funding |  |  |  |
| 6.54.6 | Other measures relating to inactive (orphaned and/or **abandoned**) **wells**, including emissions reporting requirements |  |  |  |
| **6.55** | If “Recommend” or “Require” is selected for any of the above, please describe, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | |
|  |  | | | |
| **6.56** | Does the **policy tool** recommend or require performance standards for the utilization of **associated gas** (e.g. minimum gas utilization rates)? Select the appropriate response using an X. | | | |
| 6.56.1 | Not specified |  | | |
| 6.56.2 | Recommend |  | | |
| 6.56.3 | Require |  | | |
| **6.57** | If “Recommend” or “Require” is selected above, at what level is the performance standard applied? Select the appropriate response using an X. | | | |
| 6.57.1 | National |  | | |
| 6.57.2 | Company |  | | |
| 6.57.3 | Facility |  | | |
| 6.57.4 | Equipment |  | | |
| 6.57.5 | Other |  | | |
| **6.58** | If “Other,” please describe, referencing the relevant section/sub-section/paragraph of the **policy tool**. | | | |
|  |  | | | |

#### Oil and Gas Imports

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **6.59** | Does the **policy tool** recommend or require oil and gas any of the following measures for imported oil and/or gas? Select all that apply using an X. | | | |
|  |  | Recommend | Require | Not specified |
| 6.59.1 | **Disclosure** of an emissions certificate or statement |  |  |  |
| 6.59.2 | Targets or limits on the **flaring** intensity of imported oil and/or gas |  |  |  |
| 6.59.3 | **Methane intensity standards** |  |  |  |
| 6.59.4 | Carbon-related border adjustment |  |  |  |
| 6.59.5 | Third party verification of declared emissions of imported oil and/or gas |  |  |  |
| **6.60** | If the **disclosure** of an emissions certificate or statement is recommended or required, does the **policy tool** recommend or require the third-party verification of this data? Select the appropriate response using an X. | | | |
| 6.60.1 | Not specified |  | | |
| 6.60.2 | Recommend |  | | |
| 6.60.3 | Require |  | | |
| **6.61** | If a **methane intensity standard** is recommended or required, does the **policy tool** define **methane intensity** and/or provide guidance on how it is to be calculated? If yes, please describe, referencing the relevant section/subsection/paragraph. | | | |
|  |  | | | |

### 6.4.2 Coal-Related Methane Emissions

|  |  |  |
| --- | --- | --- |
| **6.62** | Does the **policy tool** recommend or require limitations on routine **venting and flaring** associated with coal? Select the appropriate response using an X. | |
| 6.62.1 | Not specified |  |
| 6.62.2 | Recommend |  |
| 6.62.3 | Require |  |
| **6.63** | Does the **policy tool** recommend or require a ban on routine **venting and flaring** associated with coal? Select the appropriate response using an X. | |
| 6.63.1 | Not specified |  |
| 6.63.2 | Recommend |  |
| 6.63.3 | Require |  |
| **6.64** | If response to question above is “Recommend” or “Require”, are there any exceptions to this ban? Is yes, please describe the exceptions, referencing the relevant section-sub-section/paragraph of the **policy tool**. | |
|  |  | |
| **6.65** | Does the **policy tool** recommend or require a standard for the capture, recovery, and use of coal mine and/or coal bed methane? Select the appropriate response using an X. | |
| 6.65.1 | Not specified |  |
| 6.65.2 | Recommend |  |
| 6.65.3 | Require |  |
| **6.66** | If response to question above is “Recommend” or “Require”, are there any exceptions to these standards? Please describe the exceptions, referencing the relevant section-sub-section/paragraph of the **policy tool**. | |
|  |  | |
| **6.67** | Does the **policy tool** recommend or require any of the following? Select all that apply using an X. | |
| 6.67.1 | Incentives for the **reclamation and/or rehabilitation of mines** |  |
| 6.67.2 | The development of plans to mitigate methane emissions from abandoned coal mines |  |
| 6.67.3 | **CMM drainage systems** |  |
| 6.67.4 | Other |  |
| **6.68** | If “Other” is selected above, describe the recommendations or requirements on **targeted entities**, referencing the relevant section/sub-section/paragraph of the **policy tool**. | |
|  |  | |

### 6.4.3 Agriculture-Related Methane Emissions

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **6.69** | Does the **policy tool** recommend or require the measurement of agriculture methane emissions? Select the appropriate response using an X. | | | | |
| 6.69.1 | Not specified | | |  | |
| 6.69.2 | Recommended | | |  | |
| 6.69.3 | Required | | |  | |
| **6.70** | Does the **policy tool** recommend or require third party verification or assurance of agricultural methane emissions? Select the appropriate response using an X. | | | | |
| 6.70.1 | Not specified | | |  | |
| 6.70.2 | Recommended | | |  | |
| 6.70.3 | Required | | |  | |
| **6.71** | Does the **policy tool** recommend or require any of the following measures related to methane emissions from agriculture? Select all that apply using an X. | | | | |
|  |  | Require | Recommend | | Not specified |
| 6.71.1 | The use of feed additives to mitigate **enteric methane** |  |  | |  |
| 6.71.2 | The use of feed ratios to mitigate **enteric methane** |  |  | |  |
| 6.71.3 | Livestock breeding to reduce livestock-related methane emissions |  |  | |  |
| 6.71.4 | Herd reduction as a strategy for mitigating livestock-related methane emissions |  |  | |  |
| 6.71.5 | Incentives for **pasture-based systems** |  |  | |  |
| 6.71.6 | **Biogas digesters** |  |  | |  |
| 6.71.7 | **Solid-liquid separation** |  |  | |  |
| 6.71.8 | **Acidification** |  |  | |  |
| 6.71.9 | Ban on or the cessation of burning **rice straw and stubble** |  |  | |  |
| 6.71.10 | Technologies or procedures to reduce rice-related methane |  |  | |  |
| 6.71.11 | Other |  |  | |  |
| **6.72** | If “Recommended” or “Required” is chosen above, does the **policy tool** offer economic subsidies and/or grants to encourage the uptake of these measures? Select all that apply using an X. | | | | |
| 6.72.1 | Not specified |  | | | |
| 6.72.2 | Subsidies |  | | | |
| 6.72.3 | Grants |  | | | |
| 6.72.4 | Research & development funding |  | | | |
| 6.72.5 | Other |  | | | |
| **6.73** | Describe the economic subsidies or grants mentioned in the **policy tool** to encourage the uptake of **methane abatement** measures. Please reference the relevant section/sub-section/paragraph of the **policy tool**. | | | | |
|  |  | | | | |

## Section 6.5: Standards and Frameworks

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **6.74** | Which of the following standards and/or frameworks is referenced or required? | | | |
|  |  | Required | Recommended/Referenced | Neither recommended nor required |
| 6.74.1 | IPCC inventory methodology |  |  | X |
| 6.74.2 | Global Methane Pledge |  |  | X |
| 6.74.3 | OGMP (UNEP) |  |  | X |
| 6.74.4 | MiQ |  |  | X |
| 6.74.5 | BS: EN 15446 |  |  | X |
| 6.74.6 | EPA Leak Detection and Repair A Best practice Guidance |  |  | X |
| 6.74.7 | Energy Institute - Protocol for the Estimation of Petroleum Refinery Process Plant Fugitive VOC Emissions 2010 |  |  | X |
| 6.74.8 | ISO 15848-1:2015 |  |  | X |
| 6.74.9 | ISO 15848-2:2015 |  |  | X |
| 6.74.10 | ISO 14064-2:2019 |  |  | X |
| 6.74.11 | API 2000:2014 |  |  | X |
| 6.74.12 | ISO:28300:2008 |  |  | X |
| 6.74.13 | EPA: Protocol for Equipment Leak Emission Estimates (1995) |  |  | X |
| 6.74.14 | Landfill Gas: Industry Code of Practice – The management of Landfill Gas |  |  | X |
| 6.74.15 | Method 21 – Determination of Volatile Organic Compound Leaks |  |  | X |
| 6.74.16 | ISO/TC 263 Coalbed methane |  |  | X |
| 6.74.17 | FAO Livestock Environmental Assessment and Performance (LEAP) Partnership |  |  | X |
| 6.74.18 | Global Dairy Sustainability Framework (GDSF) |  |  | X |
| 6.74.19 | National/subnational standard (Describe below) |  |  | X |
| 6.74.20 | Other ISO standard (Describe below) |  |  | X |
| 6.74.21 | Other (Describe below) |  |  | X |
| **6.75** | List **any other** standards, frameworks or guidelines required by or referred to within the **policy tool**. Please provide a **web-archived link** to each standard/framework/guideline listed | | | |
|  | No additional standards, frameworks, or guidelines are required by or referred to in the Green Loan Management Guideline. The policy tool is focused exclusively on green loan classification based on the Korean Green Taxonomy and does not relate to methane standards or crediting protocols. | | | |
| **6.76** | Note any additional important information about the **policy tool** not captured in the above questions. If referencing **new sources**, provide a **web-archived link** to the source material. | | | |
|  | An important note is that although the Green Loan Management Guideline is voluntary, it plays a significant role in promoting internal climate governance within Korean financial institutions. It:   * Encourages the establishment of internal review processes (e.g. appointment of Green Credit Officers) * Promotes alignment with the Korean Green Taxonomy * Is actively supported by pilot testing, capacity-building programs, and FSC data collection efforts   **Web-archived source (FSC press release, Dec 2024):** <https://web.archive.org/web/20241215000000/https://www.fsc.go.kr/eng/pr010101/83600> | | | |

1. <https://www.fsc.go.kr/no010101/83596?curPage=&srchBeginDt=&srchCtgry=&srchEndDt=&srchKey=&srchText=&utm_source=chatgpt.com> [↑](#footnote-ref-2)