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JOY

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Table Ronde 3: Les banques et les assurances solidaires: comment utiliser ces leviers face au défi énergétique .

Intervention by Fiona Joyce: Main Messages

ESBG - The European Voice of Savings and Retail Banking

ESBG (European Savings Banks Group) is an international banking association that represents one of the largest European retail banking networks, comprising about one third of the retail banking market in Europe: some 950 individual banks in 26 European countries with total assets of € 5, 200 billion (1 January 2006). It represents the interests of its members vis-à-vis the EU Institutions and generates, facilitates and manages high quality cross-border banking projects.

ESBG members have a long history of socially responsible banking. They are efficiently operated, competitive institutions and are typically savings and *retail* banks or associations thereof. They are characterised by what we call the three “ R”s

Retail: active in providing retail financial services for individual consumers, households, SMEs, local authorities

Regional: they are often organised in broad decentralised networks providing local and regional outreach. and offer their services throughout their *region*

Responsible: ESBG/WSBI member banks have reinvested *responsibly* in their region for many decades and observe a socially responsible approach to business and bringing a return to society.

They are thus a distinct benchmark for corporate social responsible activities across Europe.





ESBG and the Environment

As part of their community investment activities, ESBG members have a longstanding commitment to bring financial support to environmental, including energy projects and to raise public and stakeholders' awareness on the importance of protecting and preserving the environment.

In practical terms this means:

- Supporting national and international initiatives in favour of a greener financial sector: e. g. United Nations Environment Programme Finance Initiative, Carbon Disclosure Project, United Nations Global Compact
- introducing environmental criteria in lending policies: e.g. carrying out environmental impact assessments, compliance with recognized external environmental and social standards, certification with ISO 14001, the international environmental management standard, etc
- developing specific lines of financing for energy projects for both private and business clients: e.g. insulation and heating, for homes and business premises.
- offering energy-related products and services such as the issue of bonds to finance wind power plants in Galicia and bonds to finance renewable energy project: e.g. “Climatic Awareness Bonds” issued by the European Investment Bank that the Spanish savings banks sell to their clients as an environmental product
- Offering socially responsible investment (SRI) products for institutional and private investors that reconcile ecological and social objectives, using independent sustainability ratings with that of return. Examples:
 - a new SRI fund launched by Groupe Caisse d' Epargne in France “Ecureuil Bénéfices Environnement”, which invests in companies with activities linked to the protection of the environment and the improvement of the quality of life.
 - Erste Bank in Austria jointly manages with the World Wide Fund (WWF) an investment fund, ESPA WWF Stock Umwelt that invests in companies all over the world which are exclusively or predominantly involved in the field of environment technology. Part of the earnings made through this fund is redistributed to WWF's water protection programme in Austria.



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- The “1000 projects” for the environment launched by Groupe Caisse d’Epargne (GCE) in the context of “Bénéfices Futur, an innovative sustainable development programme launched in June 2007”. This is an invitation by GCE aimed at non-profit organisations, mainly associations, to submit projects for funding awards. To be eligible the projects must promote environmental aims but also employment and social development. In 2007, each project supported was awarded a total of EUR 19,000.
- Partnership with specialised organisations to support the engagement in sustainable development. An example is the partnership between GCE and the World Wide Fund (WWF) that has existed since 2003 to promote sustainable production and consumption modes. This partnership was renewed in 2007 with a specific focus on setting up an environmental performance assessment scheme. GCE and WWF set together indicators to measure the Group’ direct and indirect impact on the environment and define ways to minimise them. One of the green products developed in the context of this partnership is the “ Ecureuil Crédit Développement Durable”. This is a personal loan of up to EUR 21,500 involving no arrangement fees and repayable over a period of 3 months to 10 years. The loan can be used to finance works to improve energy efficiency and environment sustainability of one’s home or to purchase a low pollution vehicle.
- Socially responsible marketing in GCE: labeling of all products in terms of financial risk, CSR/ SRI criteria in the product design, carbon footprint of product.
- Lead by Lloyds TSB on a Private Finance Initiative with Lancashire County Council in April 2007 involving the design, installation and operation of an integrated network of waste management facilities across Lancashire for 25 years. The objective is to meet the targets set out in the EU Landfill Directive for the volume of biodegradable municipal waste sent to landfill.
- Last but not least, a commitment to reduce the direct use of energy and resources, in particular, in office buildings and business travel in order to reduce corporate induced CO₂ emissions. Efforts are also being made to reduce indirect emissions, by bringing in environmental considerations in the choice of suppliers and by environmental awareness raising actions with employees and customers. Some examples include:
 - a commitment by GCE to reduce its direct carbon emissions by 3% per year and to carry out a carbon audit covering the entire lifecycle of products and financial services. More specifically as regards the



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renovation of branches, there is a commitment to reduce CO₂ emissions by 16% per year.

- a reduction in the carbon footprint of Lloyds TSB by 64,000 tonnes of CO₂ over 5 years (2002-2007) by improving its buildings and by buying renewable energy. Overall its target is to reduce its CO₂ emissions by 30% by 2012
- the objective by Swedbank to reduce its carbon emissions for business travel, security transports and electricity reduction in 2008 by 10% over the previous year
- A reduction of 15.6% in energy consumption for heating in BayernLB between 2000 and 2006 as well as using hydroelectric or renewable energy sources for its electricity requirements since the beginning of 2007.

ESBG Resolution on the Environment

At its last meeting **on** 6 May 2008, the ESBG General Assembly adopted an ESBG Charter for Responsible Business, which contains a principle on “Environment – friendly business as well as an ESBG Resolution on the Environment.

The adoption of the Charter and the Resolution represents a recognition that the environmental challenge is becoming one of the main collective hazards ever experienced worldwide. It reflects the wish of ESBG and its members to leverage their individual actions to providing sustainable solutions to this challenge both internally by reducing their direct CO₂ emissions and externally by incorporating the environmental dimension in banking offers, operations and processes as well as in relations with suppliers and customers.

As part of its commitment to environment friendly business and as a first concrete follow-up to the Resolution on the Environment ESBG intends to draw up a framework of best practice guidelines for its members on how to mitigate and adapt to the risks and opportunities imposed by climate change. This work should be finished by the end of this year and it is the intention of ESBG to communicate publicly on the commitment of the group towards environment friendly business.

The Charter and the Resolution as well as a dedicated section on the ESBG approach to CSR can be consulted on the website: www.savings-banks.com