

Banking for the 21st century



Presentation Budapest
November 13 2009

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BANK*Track*

Outline

1. a word on BankTrack
2. a convergence of crises
3. sustainable banking a solution?
4. what moves banks?
5. how to move banks

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A huge challenge

(worldwide around 12.000 banks)



...yet context of our work is getting more chaotic..



Convergence of crises



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Direct impact of banking on environment low



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Indirect, financed impact on environment large



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Banks human rights violators? Depend on customer relations and trust

IN FOCUS:
Citibank®
Online Bill
Payment
CONVENIENT
RELIABLE
FREE

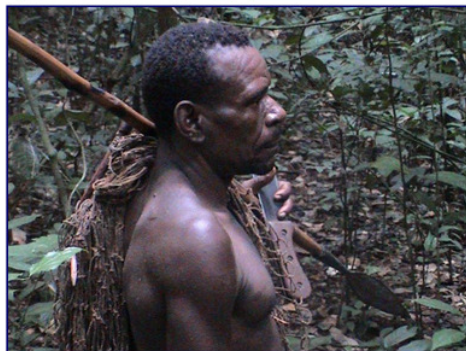
Veel voordeel voor
startende ondernemers

Alles in één Polis®
Profiteer van de korting

Lower
your car
payment.
Find Out How

The collage consists of several rectangular panels. The top-left panel shows a man and a woman smiling at a counter. The top-middle panel features the 'IN FOCUS' text and an image of two women looking at a laptop. The top-right panel shows a man and a woman smiling in front of a house. The middle-left panel depicts three women in traditional Indian attire. The middle-right panel shows a woman waving from an airport tarmac. The bottom-left panel shows a man and a woman looking at a document. The bottom-right panel shows a woman standing next to a car.

Financed impact; banks may facilitate ('aide and abet') human rights violations



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What does Sustainable Banking look like then ?

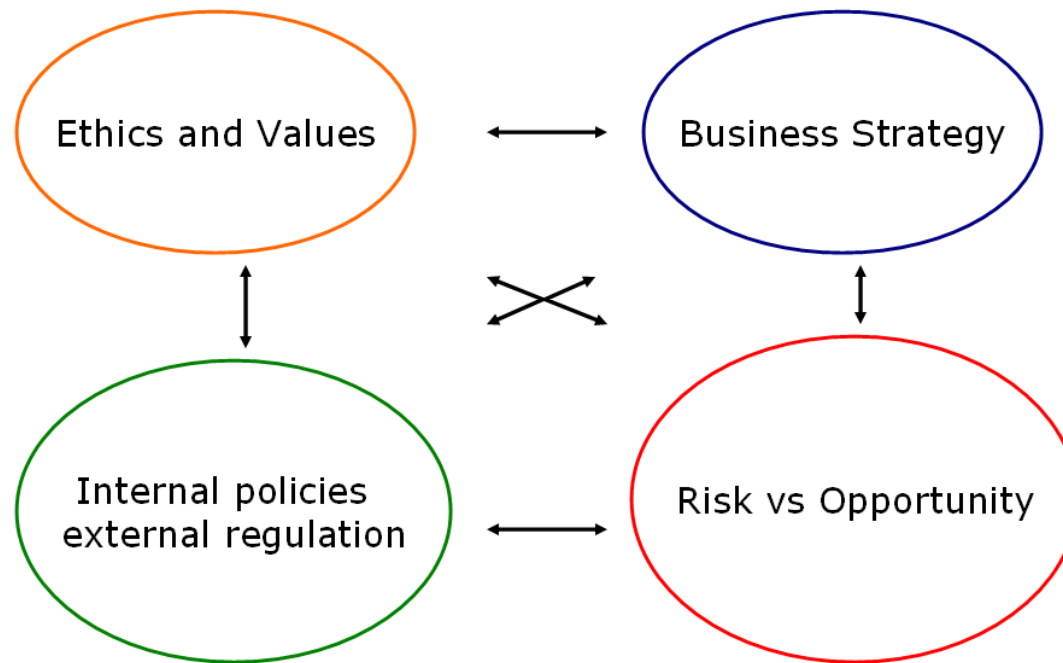
Sustainable Banks:

- Do not aggravate the converging crises
- Are part of the solution to these crises
- Operate at the service of society, not vice versa
- Accept being strictly regulated and accept limits to business
- Are stable and solid, a sustainable banking sector
- Have nothing to hide, are transparent and accountable

Sustainable and Solid Banking; Sustolid Banking?

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What moves a bank towards solid sustainability?



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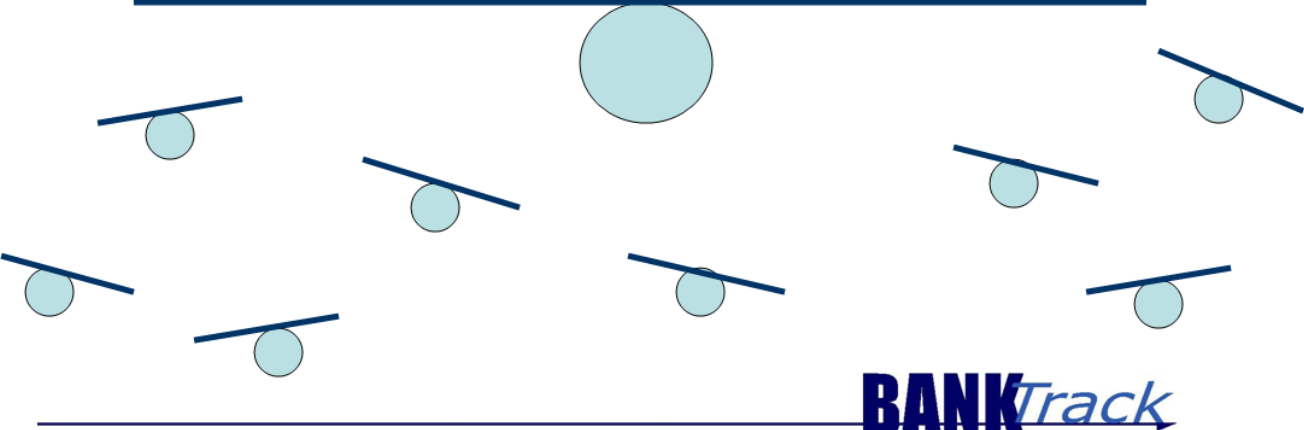
Risk versus Opportunity

Risk

- Financial
- Client
- Country
- CSR issues (if material)
- Governance
- Reputation

Opportunity

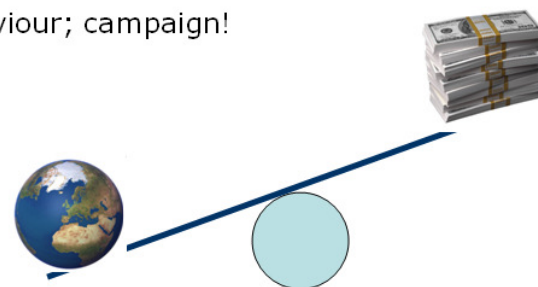
- \$\$\$\$\$\$
- \$\$\$\$\$\$
- \$\$\$\$\$\$
- new clients
- new sector/market
- \$\$\$\$\$\$



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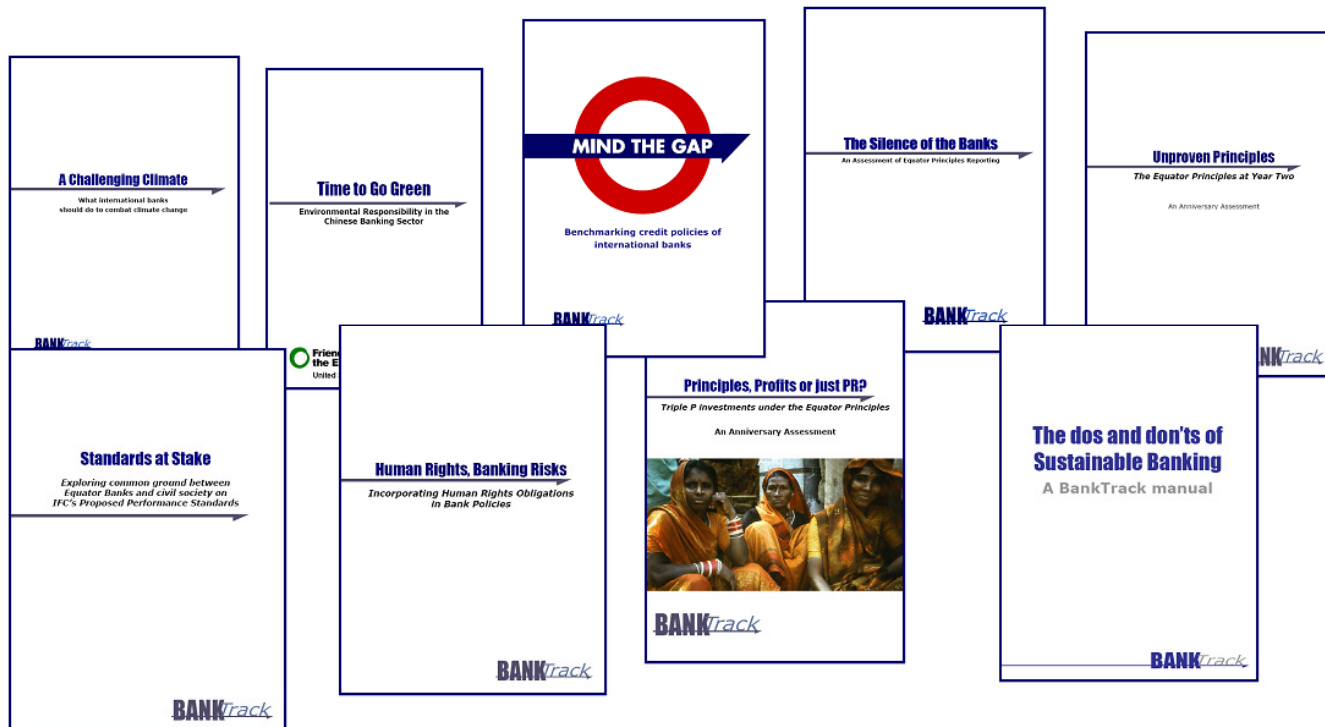
Strategies for Change

1. Engage in debate on ethics of and for banking
2. Influence business strategy towards sustainability; the business case
3. Push for stringent internal policies
4. Works towards appropriate external regulation
5. Tip risk assessment of proposed investments towards 'no go'
 - provide the right arguments (material reasons)
 - provide them in the right way (reputational risk)
6. Expose bank investments and behaviour; campaign!

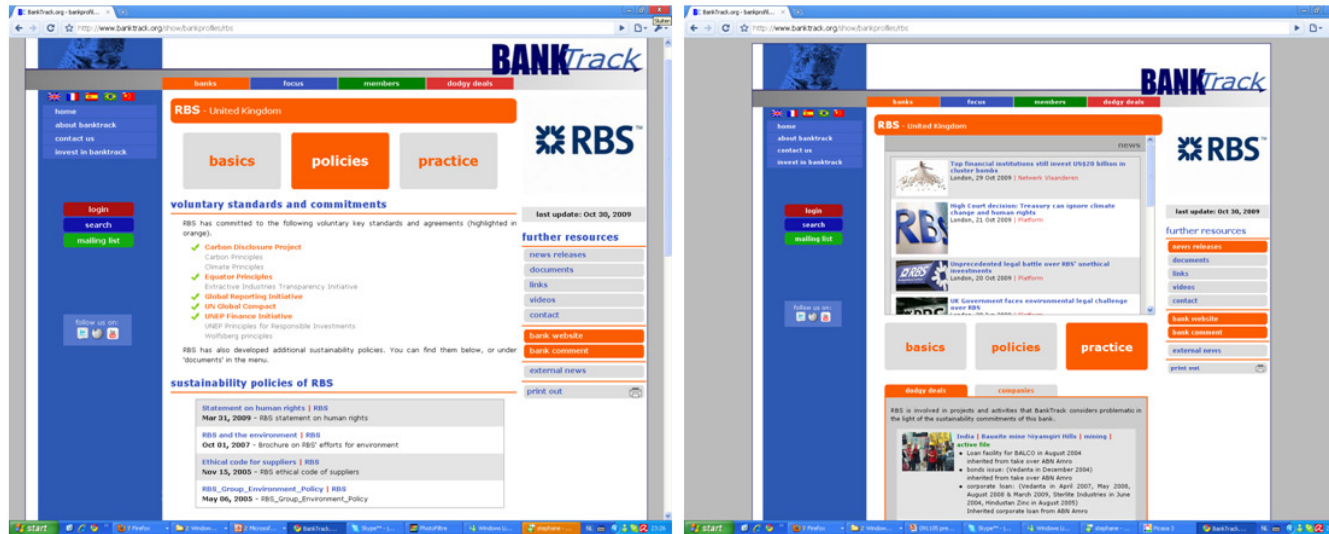


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We conduct research, engage in debate



We Track Banks



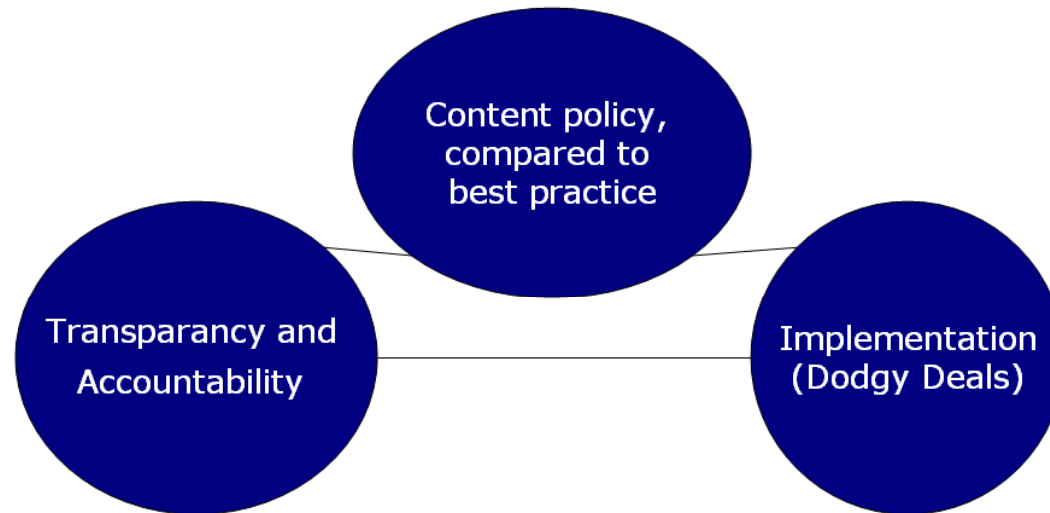
- monitor development of sustainability commitment of 54 major banks (and counting)
- rank policies against best practices -> encourage race to top
- engage with banks on policies
- monitor investments and contrast them with commitments and policies (Dodgy Deals)

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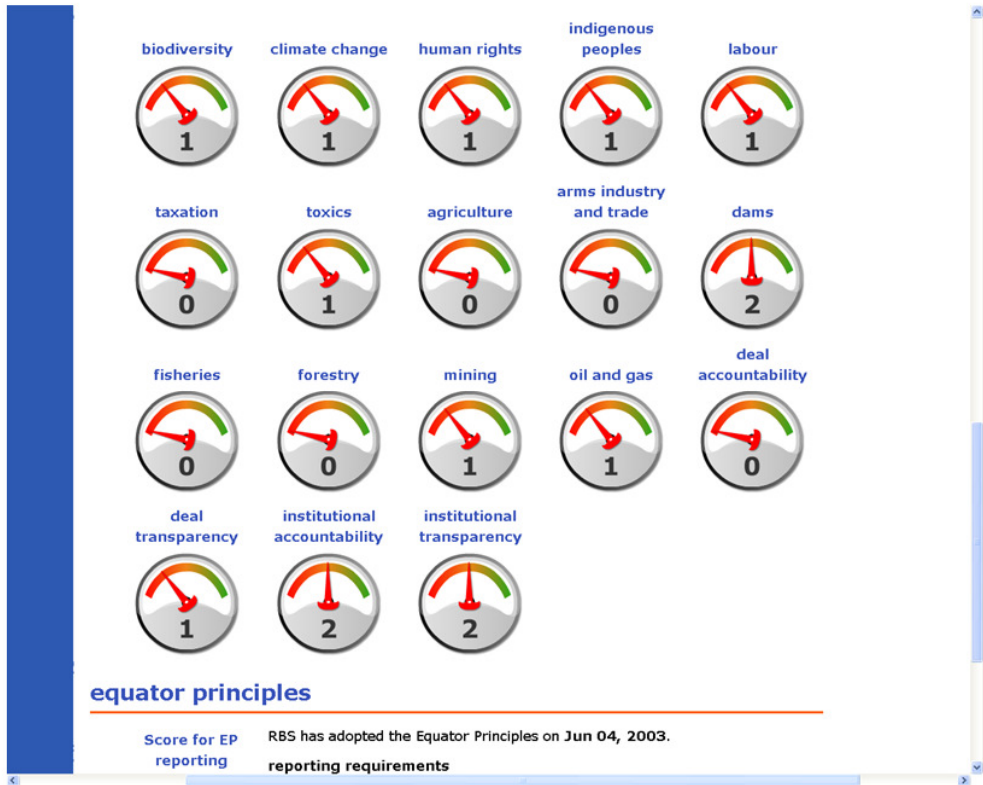


Assessment of sustainability policies of 54 banks



19 different areas, both sectors and issues
Score possible from 0 (lowest) tot 4 (highest)

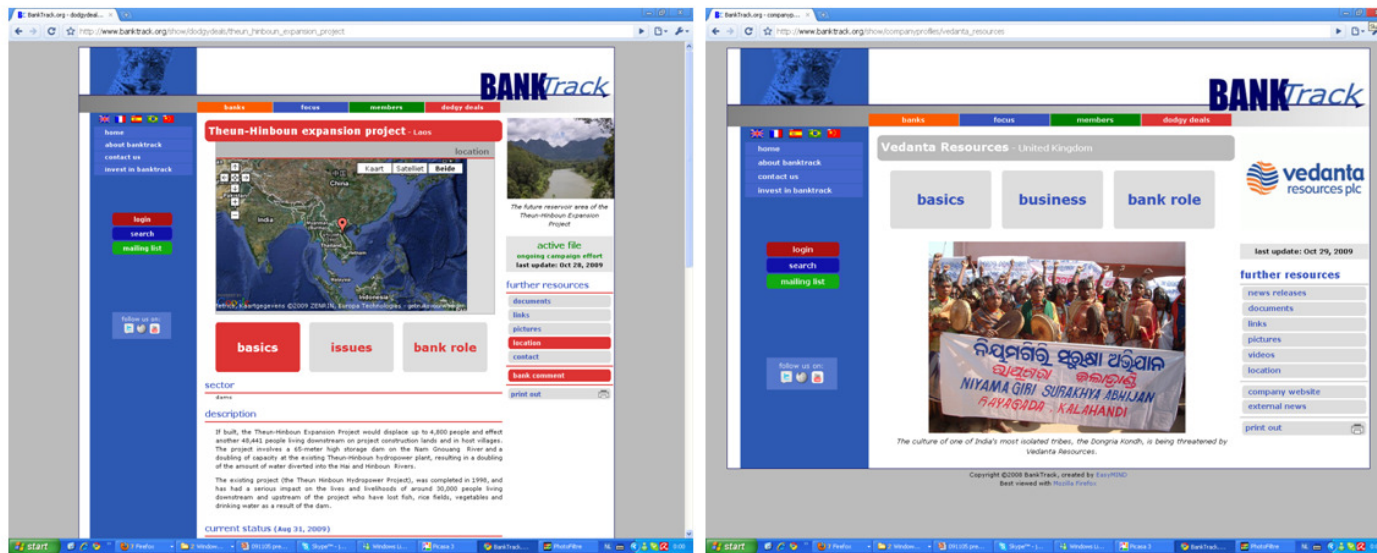
Scores on website



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We Deal with Dodgy Deals





- Cooperation with local communities and NGOs to defend rights and influence banks
- Detailed profiles of specific projects of controversial companies
- Tracking specific bank involvement, take action
- Important source of information for fund managers, media etc ('BankTrackTrackers')
- Framing debate with with banks on sustainability commitments

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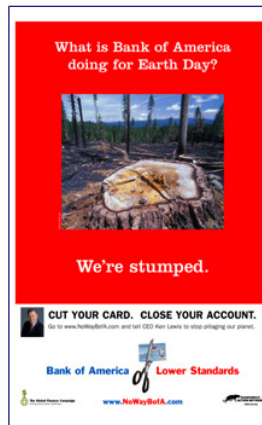
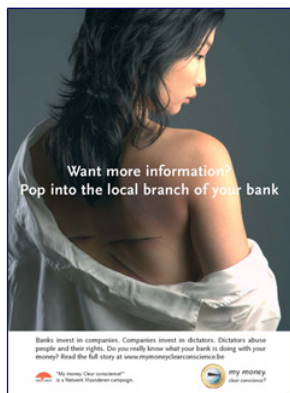


We engage in dialogue where possible..



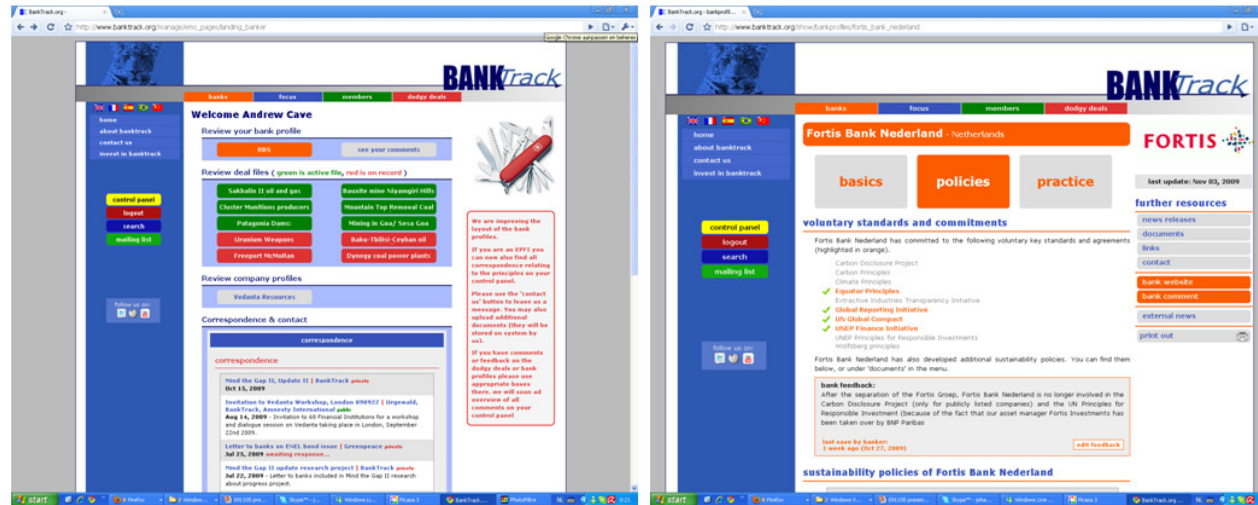
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But stir up trouble when needed!



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We are transparent and accountable



- all banks have log in to our website
- banks can provide public comments and private feedback on all our findings
- ensures accuracy of findings and mechanism for feedback
- all members channel their work through this system
- seen by the right people in bank, well used

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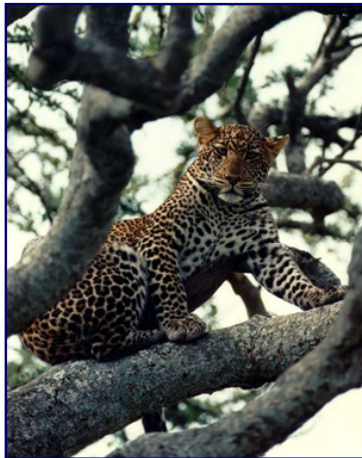


Still plenty of needs / opportunities



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www.banktrack.org



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