



Eurobank EFG

UNEP FI CONFERENCE

Sustainability and CSR in Banking and Insurance

Greening Banking Products

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Facts

- SRI assets in the U.S. have reached \$2.29 trillion in 2005
- Time magazine, 19th December 2005 issue, features an analysis on SRI Funds
- SmartMoney magazine, February 2006 issue, proclaims SRI funds as "one of the 7 funds to buy right now"
- Leading bankers endorse sustainable banking, Sustainable Banking Awards, Financial Times

Facts

- “Megatrends 2010” book by author Patricia Aburdene, identifies SRI funds as a huge trend in the economy
- U.S. total SRI assets grew faster (260%) than the rest of the investment world over the last decade
- Social Investment Forum: Nearly 1 in 10 Dollars now in SRI Screening, Shareholder Advocacy and Community Investing
- **CSR Europe Survey:** 86% of financial experts believe SRI investment provides long term benefit for company’s value. Already 1/3 of them offer SRI funds to their clients, while 15% have plans to introduce them



Growing importance of SRI funds

- SRI advocates claim that environmental & social “performance” affect a company’s:
 - Risk profile- >Profitability- >Stock Performance
- SRI investors assess corporate performance on:
 - Environmental – Social – Governance Issues
- Membership requirement by SRI Equity market indices (e.g. FTSE4Good, DJSI): reporting on environmental performance



Growing importance of SRI funds

- Rising regulatory pressure on asset managers to adopt SRI:
 - EU organised the 1st SRI Congress in Lisbon in 2000
 - UK Trustee Act requires all pension fund managers to disclose SRI policies
 - Similar laws are enacted in France and Germany
 - In Sweden, all government pension plans are required by law to implement SRI policies



SRI funds rising worldwide

- SRI Equity Market Indices created:
 - FTSE4Good Indices: € 1.5 bn of assets directly linked
 - Dow Jones Sustainability Indexes, € 2.3 bn directly linked
- SRI Funds in 2005 (according to the IFC):
 - \$ 2300 bn in the US (12% of total market cap)
 - \$ 354 bn in the UK (19% of total market cap)
 - \$ 17.6 bn in the rest of Europe (1% of total market cap)



Greek Banks and the Environment

- National Bank of Greece (NBG) launches 1st SRI fund, Nov. '03
- Alpha, Emporiki, Eurobank and NBG members of the FTSE4Good Index
- Eurobank and Emporiki join UNEP FII
- Piraeus Bank joins EU programmes: 'Life' on green banking products and 'GreenLight' on energy consumption
- Eurobank certified according to ISO 14001:2004

Concept -Green Banking Products

- Investing in environmental projects (recycling, farming, technology, waste, etc)
- Providing option for customers to invest in environmentally friendly banking products (“green products”)
- Investing in resources that combine ecological concerns and social concerns

Approach

- Green bankers state:

"Depositors do business with us because they know we are going to loan it out to environmentally conscious companies"

Examples

- Green Loans:
 - e.g. reduced rate home equity loan to homeowners who install a solar energy system
 - reduced rate loan for construction of renewable energy generation installations
- Green fund: gather funds from green banking products and contribute to NGOs for finance of environmental activities
- Green employee / customer fund: collect funds from employees / customers and invest in Green Fund (banks double the total amount collected by employees / customers)

Examples

- Green credit card: % of interest is diverted to Green Fund (no cost for client)
- Green cheque book: % of interest is diverted to Green Fund (no cost for client)
- Green current / savings account: Bank makes an initial donation to the Green Fund when a new account is opened. Bank donates further regular sums on the client's behalf, based on account usage or portion of the average daily balance (no cost for client)
- Green leasing

Green Portfolio

A. Retail banking

- Eurobank EFG WWFVISA credit card

B. Small business loans (SBL)

- Replacement of old polluting taxi vehicles with environmental friendly vehicles
- Installation of natural gas powered equipment
- Upgrading dry cleaners with environmental friendly equipment

Green Portfolio

C. Corporate banking

- loans for purchase of environmental friendly buses by the government and local authorities
- Financing construction projects for power generation from renewable energy sources:
 - wind energy installations
 - solar energy installations

Eurobank EFG - WWF VISA credit card

- VISA credit card aiming at consumers with environmental awareness
- Support WWF Hellas actions
- Dissemination through website: www.savenature.gr



Eurobank EFG - WWF VISA credit card

- Card details:
 - For each newly issued card, Eurobank EFG donates 3 euro as well as 1.5 euro every year (with the annual subscription) to WWF Hellas
 - 0.25% of the total value of customer spending while is donated (quarterly) to WWF Hellas, at no expense to the consumer



Eurobank EFG - WWF VISA Card performance

