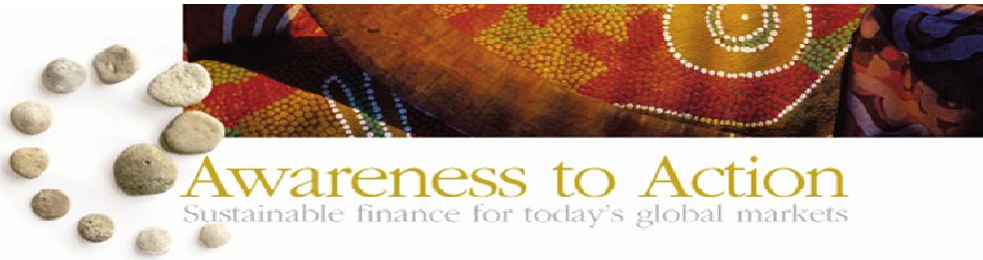




Session Summary

DAY 1 Wednesday 24 October	
Session Details	Workshop 1.3.1 Sustainable Retail Banking- Push or Pull? 11:15am – 12:45pm
Speakers	<ul style="list-style-type: none"> • Katie Sullivan, Associate, ICF International • Dae-Woong Lim, Director, Sustainable Finance Center, Eco- Frontier • Tony Innes, Deputy CEO, Savings and Loans Credit Union • Moderator: Damien Walsh, Group Manager Corporate Services, mecu
Notable Highlights	Summary points: -Sea change in thinking among banks and other financial institutions. -Huge markets around the globe. -Institutions will face increased scrutiny- green washing won't work. -Consumers have good intentions and want to be green but need incentives to do so. -People won't pay a premium to be green. -Largest demographics are youngest consumers, who take it for granted that companies will offer green products, and the retired population, who want to 'give back' to the community. -Government co-operation a huge driver of growth opportunities- e.g. Korea.
Sustainable Retail Banking- Push or Pull?	
<p>Financial institutions around the world are increasingly responding to the surging market for sustainable retail banking products, according to industry leaders at the 2007 UNEP FI Roundtable in Melbourne.</p> <p>"There's a real sea change in what's going on right now in the corporate mindset," said Katie Sullivan, an associate at ICF International. Ms. Sullivan said institutions of all sizes are beginning to see sustainable products as essential profit areas, pushing products aggressively rather than as experiments or 'whims'.</p> <p>In many regions around the globe, consumer awareness is ahead of demand, said Tony Innes, Deputy CEO of Savings and Loans Credit Union. Demand is highest among retirees and school leavers, said Mr. Innes. "People coming out of school are expecting us to be doing this", while the retired population feels a need to give something back to their communities.</p>	

UNEP FI Global Roundtable
24-25 October 2007, Melbourne Park Function Centre



But government initiatives are also key creators of this consumer demand. In the United States, the number of banks offering 'green' mortgages tripled after its government made climate emissions commitments last year. And in Korea, government support has been critical in creating the six-year-old SRI funds market.

But while Australian customers want to support the environment, they aren't yet prepared to do so at premium costs, said Mr. Innes. "People have good intentions, but we need to create the incentives," he said. "A lot of customers want to help the environment but can't afford to pay extra."

Savings and Loans Credit Union sees its green car loan, which counts for seven per cent of all personal loans, as essential to staff and client engagement as well as brand differentiation. It's one example, said Mr. Innes, of the way green credentials are increasingly vital to the health and vitality of any financial organization, internally as well as externally.

With rapid market growth, lack of research grounding and market information can make it hard for companies to know where their products sit in comparison to others. Smaller companies have some advantage, with consumers more readily trusting that they're doing "the right things for the right reasons," said Ms. Sullivan.

But with the growth of the sustainable banking market, Ms. Sullivan warned consumers are placing increasing scrutiny on 'green' credentials. "If you're going to invest in an offset program for a car loan or a credit card, make sure the offsets are verified by a third party/have their independent stamp. I can't re-iterate enough that the benefits must be real, or it will come back to haunt you."