



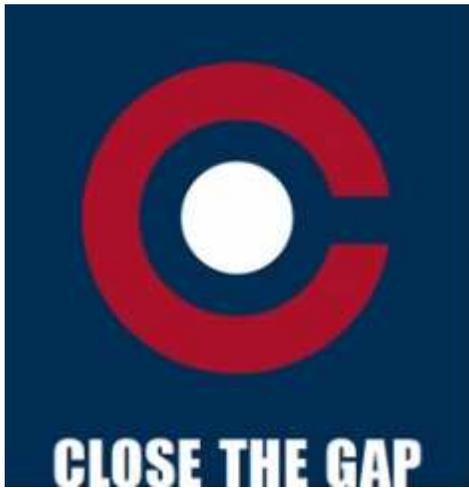
Close the Gap

BankTrack benchmark project

Presentation Budapest

March 22 2011

BANK*Track*



outline

1. A word on BankTrack
2. Close the Gap background
3. Results

BankTrack; international NGO network, 36 members and partners



Facing a huge sector

15.000 plus banks



Activities BankTrack

Pillar 1: member activities

Pillar 2: bank monitoring/policy development

Pillar 3: dodgy deal campaigning

Pillar 4: focus campaigns and activities

Pillar 5: network development, training and outreach

We focus on Dodgy Deals...

BANKTrack

home | banks | focus | **dodgy deals/companies** | members

select bank and/or sector:

Google

Kaartgegevens ©2011 MapData, Tele Atlas, Where3x(K), GeoEye, GeoEye, Ltd. Afbeeldingen ©2011 NASA, TerraMetrics - Gebruiksvoorwaarden

| dodgy deals (add new deal) | | companies (add new company profile) | |
|----------------------------------|------------------------------------|---------------------------------------|---------------------------|
| Angra 3 nuclear power plant | Asia Pulp and Paper | AECL | Alliant Techsystems |
| Baku-Tbilisi-Ceyhan oil pipeline | Bauxite mine Niyamgiri Hills | Alpiq Holding Ltd. | Andritz |
| Belene nuclear power plant | Belo Monte dam project | Ansaldo Energia | Archipelago Resources PLC |
| Biofuels | Bohunice nuclear power plant | Areva | Азро |
| Borssele nuclear unit 2 | British New Reactors | Babcock Noell | BHP Billiton |
| Buon Kuop Hydroelectric Project | Calvert Cliffs Nuclear Power Plant | BKW FMB Energie AG | British Energy |
| Canadian Tar Sands | Cemavoda nuclear units 3 & 4 | British Nuclear Fuel | Bruce Power |
| Congo Tar Sands | Darlington Nuclear Power Plant | Bulgarian Energy Holding | Camero |

And bank monitoring

BANKTrack

banks focus dodgy deals/companies members

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control panel logout search mailing list site feedback

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Deutsche Bank - Germany

basics policies practice

voluntary initiatives

Deutsche Bank has committed to the following voluntary initiatives (adopted policies are marked with ✓).

- ✓ **Carbon Disclosure Project**
Carbon Principles
Climate Principles
Equator Principles
Extractive Industries Transparency Initiative
- ✓ **Global Reporting Initiative**
- ✓ **UN Global Compact**
- ✓ **UNEP Finance Initiative**
- ✓ **UNEP Principles for Responsible Investments**
- ✓ **Wolfsberg principles**

Deutsche Bank has also developed additional sustainability policies. You can find them below, or under 'documents' in the menu.

bank feedback (public):
The responsible, value-driven management and control of Deutsche Bank (corporate governance) is a prerequisite to our international success. The essential framework for this is provided by, first and foremost, the German Stock Corporation Act and the German Corporate Governance Code. Since our share is also listed on the New York Stock Exchange, we are subject to the relevant U.S. capital market legislation as well as the rules of the Securities and Exchange Commission (SEC) and the New York Stock Exchange (NYSE).

[Read more...](#)

last save by banker: 18 months ago (Sep 22, 2009) [edit feedback](#)

other, namely

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annual reports log files external news

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SHARE

Close the Gap

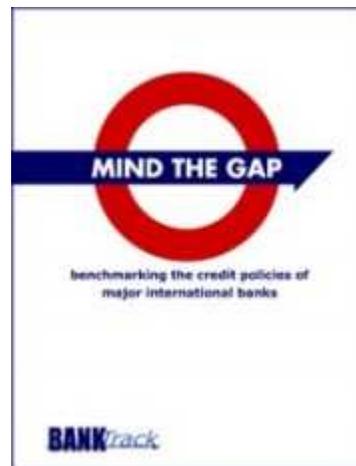
Structure of this part:

1. objectives
2. selection of banks
3. issues and sectors
4. methodology
5. scoring
6. results



Objectives

- mapping state of the art bank policies
- stimulate banks to have more robust investment policies
- encourage banks to be more transparent
- race to the top



BANKTrack

Bank selection

| | | | | | |
|----|--|-----------------|----|-------------------------------|-----------------|
| 1 | ABN Amro | The Netherlands | 26 | Intesa Sanpaolo | Italy |
| 2 | ANZ | Australia | 27 | Itaú Unibanco | Brazil |
| 3 | Banco Bradesco | Brazil | 28 | JPMorgan Chase | United States |
| 4 | Banco do Brasil | Brazil | 29 | Kasikornbank | Thailand |
| 5 | Bangkok Bank | Thailand | 30 | KBC | Belgium |
| 6 | Bank of America | United States | 31 | Mizuho | Japan |
| 7 | Bank of China | China | 32 | Morgan Stanley | United States |
| 8 | Bank of Tokyo | Japan | 33 | National Australia Bank (NAB) | Australia |
| 9 | Barclays | United Kingdom | 34 | Natixis | France |
| 10 | BBVA | Spain | 35 | Nedbank | South Africa |
| 11 | BNP Paribas | France | 36 | Nordea | Sweden |
| 12 | China Construction Bank | China | 37 | Rabobank | The Netherlands |
| 13 | Citi | United States | 38 | Royal Bank of Canada (RBC) | Canada |
| 14 | Commonwealth Bank | Australia | 39 | Royal Bank of Scotland (RBS) | United Kingdom |
| 15 | Crédit Agricole | France | 40 | Santander | Spain |
| 16 | Credit Suisse | Switzerland | 41 | Standard Chartered Bank (SCB) | United Kingdom |
| 17 | DekaBank | Germany | 42 | Scotiabank | Canada |
| 18 | Deutsche Bank | Germany | 43 | SMBC | Japan |
| 19 | Dexia | Belgium | 44 | Société Générale | France |
| 20 | Fortis | The Netherlands | 45 | Standard Bank | South Africa |
| 21 | Goldman Sachs | United States | 46 | UBS | Switzerland |
| 22 | HSBC | United Kingdom | 47 | UniCredit | Italy |
| 24 | Industrial and Commercial Bank of China (ICBC) | China | 48 | WestLB | Germany |
| 23 | Industrial Bank | China | 49 | Westpac | Australia |
| 25 | ING | The Netherlands | | | |

Issues and sectors

issues

Biodiversity
Climate change
Corruption
Human rights
Indigenous peoples
Labour
Operation in conflict zones
Taxation
Toxics

sectors

Agriculture
Fisheries
Forestry, Pulp and Paper
Military industry and arms trade
Mining
Oil and gas
Power generation

Procedures

Transparency
Accountability

Methodology- what did we score

1. banks own investment **policies** (only those publicly available)
2. adoption of international standards or principles
3. transparency and accountability policies and practice



Methodology- how did we score

1. collect bank policies and draft bank profiles
2. invited Profundo- research company
3. select 'best guidelines and standards'
4. leads to content of a bank policy
5. determined essential and additional elements
6. maximum of 5 points



Distinction lending & investment banking and asset management

Scoring table

TABLE 4 SCORING TABLE

| Contents of a bank policy Investments | No policy | Bank has signed voluntary standard or initiative | Policy vaguely worded without clear commitments | Includes half of the essential elements | Includes essential elements | Includes essential and additional elements |
|---|-----------|--|---|---|-----------------------------|--|
| Lending and investment banking | 0 | 1 | 1 | 2 | 3 | 4 |
| Asset management | 0 | 1 | 1 | 2 | 3 | 4 |
| Lending and investment banking and asset management | 0 | 1 | 1 | 2 | 4 | 5 |

Example: military industry and arms trade

The screenshot shows the BANKTrack website interface. At the top right, the logo 'BANKTrack' is displayed. Below it, a navigation bar contains four tabs: 'banks' (orange), 'focus' (blue), 'dodgy deals/companies' (red), and 'members' (green). The main content area is titled 'military industry and arms trade' and features three buttons: 'issues', 'best practice', and 'scoring'. A large image of a fighter jet dropping cluster bombs is shown, with the caption 'Clusterbomb distribution' below it. To the right of the main content is a smaller image of several assault rifles lined up on a table, with a 'SHARE' button and social media icons below it. Further down on the right is a 'further resources' section with buttons for 'documents', 'videos', 'dodgy deals', 'companies', 'groups involved', and 'external news'. On the left side, there is a sidebar with a blue background. It includes a header with flags for the UK, France, Spain, and China. Below this are sections for 'issues', 'sectors' (listing Agriculture, Fisheries, Forestry, Pulp and Paper, Military industry and arms trade, Mining, Oil and gas, and Power generation), 'Transparency', and 'Accountability'. At the bottom of the sidebar are buttons for 'login', 'search', and 'mailing list'. A 'follow us on:' section at the very bottom of the sidebar contains icons for RSS, Twitter, YouTube, and Facebook.

Military industry- content bank policy

essential elements (minimum)

The bank will not invest in companies that:

Produce weapon systems banned by the existing international arms control treaties, including landmines, cluster munitions, chemical and bacterial weapons and also produce nuclear weapons;

Provide weapons to dictatorial, corrupt regimes, terrorist groups and parties in open conflict.

additional elements (comprehensive)

The bank will avoid investments in the military industry entirely, including in companies that:

Produce weapon parts and supply those to producers of weapon systems; and
Produce 'dual-use' technology.

Military Industry-results

military industry and arms trade



scores

how do we score this?

| | | |
|---|---|--|
| Germany Commerzbank | 4 | |
| Netherlands Rabobank | 3 | |
| Italy UniCredit Group | 3 | |
| Netherlands ING Group | 3 | |
| Spain BBVA | 2 | |
| Canada Royal Bank of Canada | 2 | |
| Norway DnB Nor | 2 | |
| Canada TD Bank Financial Group | 2 | |
| Belgium KBC | 2 | |
| Hungary K&H Bank | 2 | |
| France Crédit Agricole | 1 | |
| United States Citi | 1 | |
| Netherlands ABN AMRO | 1 | |
| Italy Intesa Sanpaolo | 1 | |
| United Kingdom HSBC | 1 | |

- Half of the 49 banks developed a policy
- Commerzbank excludes both controversial weapons and controversial trade
- Majority of banks is accredited with one point

Bank interaction

Letter No. 1 to banks on
launch profile- login
BankTrack website

Letter No. 2: presentation
scores

Letter No. 3: final scores

Strong involvement of
BankTrack members

The screenshot shows the BankTrack website interface. At the top right is the **BANKTrack** logo. Below it is a navigation bar with tabs for **banks**, **focus**, **dodgy deals/companies**, and **members**. The **members** tab is highlighted in green. On the left is a blue sidebar with a navigation menu: **home**, **publications**, **about banktrack**, **contact us**, and **close the gap**. Below the menu are buttons for **control panel** (yellow), **logout** (red), **search** (blue), and **mailing list** (green). At the bottom of the sidebar are social media icons for RSS, YouTube, Twitter, Facebook, and LinkedIn. The main content area is titled **Welcome Dustin Neuneyer**. It contains several sections: **Review your bank profile** with a **WestLB** button and a **see your comments** button; **Review deal files (green is active file, red is on record)** with a grid of buttons: **Baku-Tbilisi-Ceyhan oil** (green), **Cluster Munitions producers** (green), **Toka Tindung Goldmine** (green), **Grasberg Mine** (red), **Dynergy coal power plants** (red), **Bauxite mine Niyamgiri Hills** (green), **Mountain Top Removal Coal** (green), **Canadian Tar Sands** (green), and **Block 31, Yasuni National** (red); **Review company profiles** with **Lockheed Martin** and **National Thermal Power** buttons; and **Policies** with a **csr documents** button. On the right side of the main content area is a red Swiss Army knife icon and a red-bordered box with the text: **Welcome to your bank profile. Feel free to comment on your profile and dodgy deals (in case you are related to some) in the indicated comment boxes. If you have difficulties, please let us know: jora@banktrack.org**

General conclusions

- Large majority of policies received score of 1 point
- 6 banks out of 49 banks no policies
- no bank all sectors and issues covered (but West LB and Barclays come close)

- On *transparency* procedures, banks score an average score of 1,5 (highest score 3)
- On *accountability*, banks score an average score of 0,81 (highest score 2)

- climate change hot issue; 28 banks out of 49 banks developed own policies on *climate change*. 46 banks scoring 1 point (highest score).

Top 3: Rabobank, with an average score of 1,7. Second best scores HSBC (1,2) followed by ING (1,16). Santander and WestLB share position four with an average score of (1,1).

Final remarks



Close the Gap only assesses bank's investment policies, not actual investments of banks

This study is a snapshot of 49+ banks

Low scores should be regarded as encouragement

Banks made progress over the years, we will continue to encourage banks to be powerful agents of change

Thank you

BANKTrack

banks focus dodgy deals/companies members

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follow us on: [social media icons]

Governments should name banks that took corrupt money from Gaddafi, Mubarak and Ben Ali

Freezing of assets shows catastrophic failure of anti-money laundering laws.

London, Mar 21 2011 | Global Witness

The governments that have frozen funds controlled by Gaddafi, Mubarak, Ben Ali and their cronies should name the banks holding their assets, anti-corruption group Global Witness demanded today. A clear message must be sent to banks that doing business with corrupt dictators is unacceptable: first, those banks holding dirty money should be publicly named and then regulators need to devise a new system which stops banks from taking suspect funds in the first place.

Some \$32 billion has been frozen by the US, \$3.2 billion by the UK, and other countries such as Switzerland, South Africa, Japan and Austria have frozen funds connected with North African despots. This has been hailed by governments...[read more](#)

Climate Week in turmoil over revelations of sponsor's climate damage

Celebrities and groups withdraw from event after RBS shown to be UK's biggest financier of coal mining and power

London, Mar 20 2011 | Platform

Development Bank of Japan key financier of nuclear industry

Tokyo, Japan, Mar 15 2011 | Finance GreenWatch

Development Bank of Japan (DBJ) has provided 1.4 trillion yen (roughly



Petition to Bank CEOs - Stop Funding Coal!

Explosions in Japanese nuclear reactors; risk of disastrous meltdown.

Who on earth finances this deadly gamble called nuclear energy? Find out here

www.banktrack.org
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