

IBOS Sustainability Project Website Pages

Sustainability – Page 1

Sustainability – Is defined as: ‘able to maintain’ or ‘exploiting natural resources without destroying the ecological balance of an area’.

In terms of the IBOS business sustainability this means two things. (1) Reducing the environmental impact of the business and compensating where appropriate for any harm done. (2) Consider the implications of the growth of the business and evaluating the business periodically to maintain its success. In 2009 a Sustainability Report was compiled that looked into three areas;

The first section produced an **Environmental Policy** to be applied to the IBOS office and practices.

- Environmental awareness and commitment are ever-growing concepts, not just in banking but in all businesses. Discussions in researching this report have borne this out, with many clients asking for banks’ environmental policies as part of the RFP tendering process. The increased global pressure from governments and from within business is making the need for an environmental policy ever greater. The IBOS environmental statement is a list of commitments that IBOS and its staff all commit to, and plans that will mitigate the adverse effects the business has on the environment.

The second section aimed to discover how IBOS has sustained itself so far.

- It is essential to understand a system before trying to improve it. This section covered what makes IBOS sustainable and evaluated ideas and comments that could be implemented to improve IBOS further.

The final part produced a **Sustainability Policy** for the growth of IBOS. This brought together two streams of work. (1) The growth plan of IBOS as a business - How it operates via meetings and any new offices which are required to support the new banks. (2) The role of IBOS members - How they can help to add value to the IBOS group by therefore assisting the growth of the Association.

(Note – links to supporting docs, environmental policy and sustainability policy in bold)

IBOS Sustainability Action Plan 2009 – 2010 – Page 2

Acceptance of the Environmental Policy and Sustainability Policy at the 2009 AGM has led to the development of the IBOS Sustainability Action Plan. This plan outlines how the policies and their commitments will be achieved in the coming year. The set of actions is outlined below;

IBOS Office Actions

- Introduction of dedicated paper recycling bin.
- Employee engagement over increasing energy efficiency.
- Monitoring of all business travel for an annual CO₂ offset.
- Generate a Sustainability section on the IBOS Association website.
- Main suppliers review to ensure environmental compliance.
- Implementation of group-wide initiatives.

IBOS Group Actions

- Suggest membership of the **Equator Principles** (EP) and **UN Environment Protection Finance Initiative** (UNEPFI) organisations to the group members.
- Offset business travel offset via the **World Land Trust** group.
- Develop group-wide policies on industry initiatives.

The performance and implementation of these points will be monitored through the year and a brief report published on the website to show how these commitments have been met.

(Note – Website links to WLT, EP and UNEPFI in bold; www.worldlandtrust.org, www.equator-principles.com, www.unepfi.org)

IBOS Sustainability Report – Page 3

There are three parts to the group reporting,

- Firstly reporting on the compliance of the previous year’s action plan. As this is the first year of the IBOS sustainability report this stage is not yet possible.
- The second is the disclosure of the CO₂ offset from IBOS related business travel. This is for all business trips taken by IBOS staff and all trips taken by IBOS representatives from the member banks.
- The third is the disclosure of the member banks’ efforts in sustainable finance which is fundamental to a sustainable future.

Carbon Offsetting

This is the process of offsetting the carbon produced by travel through paying for a renewable energy or carbon free project. There are a large number of organisations available for those who wish to do this. However it should only be used when all other alternatives have been explored. Part of the 2009 sustainability report looked into different ways of reducing business travel. As a result there are still outstanding meetings that can only take place face-to-face.

After researching a number of carbon offset companies it has been decided that the most appropriate one to use would be the World Land Trust which focuses on reforestation of areas in South America. This organization was chosen for a number of reasons.

- It is a registered charity ensuring that a greater proportion of its income goes to projects and its accounts are presented in greater detail in their literature.
- They focus on reconstituting forest areas which increases bio-diversity as well as providing a valuable carbon sink.
- The projects work to remove CO₂ rather than reduce the future output of CO₂.
- At £15/tonne it is one of the more expensive organizations.
- Trips can be organised to visit the areas being funded.

The offset will be compiled through the year and paid once annually.

The table below shows the Q4 2009 meeting offset total. The 2010 total will be compiled through the year and the offset will be purchased once a year and the certificate can be viewed [here](#).

Meeting	Number of Attendees	WLT	
		CO ₂	Cost (£15/t)
BD Copenhagen Oct 09	14	11.07	166.05
AGM Madrid Nov 09	12	14.56	218.4
GSL Milan December 09	13	8.2	123
BD Dublin December 09	13	4.38	65.7
Total		38.21	573.15

From this an annual estimate of CO2 produced can be calculated.

Estimated annual cost	CO2 (tones)	WLT cost
3 workshops (using GSL data)	24.6	369
4 BD meetings	30.9	463.5
2 GSL meetings	16.4	246
1 AGM + 2 Board meetings	43.68	655.2
Total	115.58	1733.7

This money is paid through the IBOS Association account which is funded by the member's annual fees. The **World Land Trust** website provides a list of projects that are sponsored and includes details of their current development.

Member Bank Disclosure

As part of the 2009 sustainability report several recommendations were made to help improve the association and help with its expansion plans.

This has led to the acceptance of a group-wide stance on environmental issues. As such membership of the Equator Principles and the UN Environment Protection Finance Initiative has been suggested for the group.

Membership of these organizations is irrelevant if there is no disclosure to go with it. The following table shows the member banks' commitment to the EP by showing the projects they have financed that have gone through this system. The bank titles also link to their individual Corporate Social Responsibility reports or equivalent that have Environmental and Sustainable sections that adhere to the UNEPFI requirements.

	EP Projects Funded by Category			Notes
	A	B	C	
RBS	4	72	24	2008 Figures
JP Morgan	13	55	58	2008 Figures
Intesa Sanpaolo	0	6	6	2008 Figures
Santander	N/A	N/A	N/A	Unavailable during first year grace period
HSBC France	3	59	38	2008 figures - only 1 project refused
US Bank	N/A	N/A	N/A	Awaiting membership approval
Silicon Valley Bank	N/A	N/A	N/A	Awaiting membership approval
Scotiabank	1	6	3	2008 Figures
HVB	1	14	11	2008 Figures
Nordea	0	2	1	2008 Figures *
KBC	4	19	22	2008 Figures
	Total Funded	Projects	422	

Data on which category the projects fell into was unavailable.

Category A – Projects with potential significant adverse social or environmental impacts that are diverse, irreversible or unprecedented;

Category B – Projects with potential limited adverse social or environmental impacts that are few in number, generally site-specific, largely reversible and readily addressed through mitigation measures; and **Category C** – Projects with minimal or no social or environmental impacts.

(Note – links to WLT website www.worldlandtrust.org and all member banks CSR reports via bank names in the table above).

RBS – <http://www.rbs.com/microsites/sustainability-report-2008/environmental-impact/default.htm>

JP Morgan Chase - www.jpmorganchase.com/corporate/Corporate-Responsibility/document/jpmc_corpresp_jpmc_crr08.pdf

Intesa Sanpaolo -

http://group.intesasanpaolo.com/portallsir0/isInvestor/en_sostenibilita/BilancioSociale08_en.pdf

Santander -

<http://www.santander.com/csgs/StaticBS?blobcol=urldata&blobheader=application%2Fpdf&blobkey=id&blobtable=MungoBlobs&blobwhere=1224971345936&cachecontrol=immediate&ssbinary=true&maxage=3600>

HSBC France -

http://ir3.quartalflife.com/data/hsbc/igb_html/index.php?bericht_id=1000001&lang=ENG

US Bank – Unavailable

Silicon Valley Bank – Unavailable

Scotiabank -

http://ir3.quartalflife.com/data/hsbc/igb_html/index.php?bericht_id=1000001&lang=ENG

HVB - <http://www.sustainabilityreports.unicreditgroup.eu/?ln=en>

Nordea - http://www.nordea.com/sitemod/upload/Root/www.nordea.com%20-%20uk/AboutNordea/csr/csr_2008_uk.pdf

KBC -

https://multimediafiles.kbcgroup.eu/ng/published/KBCCOM/PDF/COM_RVG_pdf_CSR_Report_2008.pdf