

Saving money while saving the planet?

First CO₂ & SRI labeling scheme for retail banking products

**3rd Sustainable Finance Summit,
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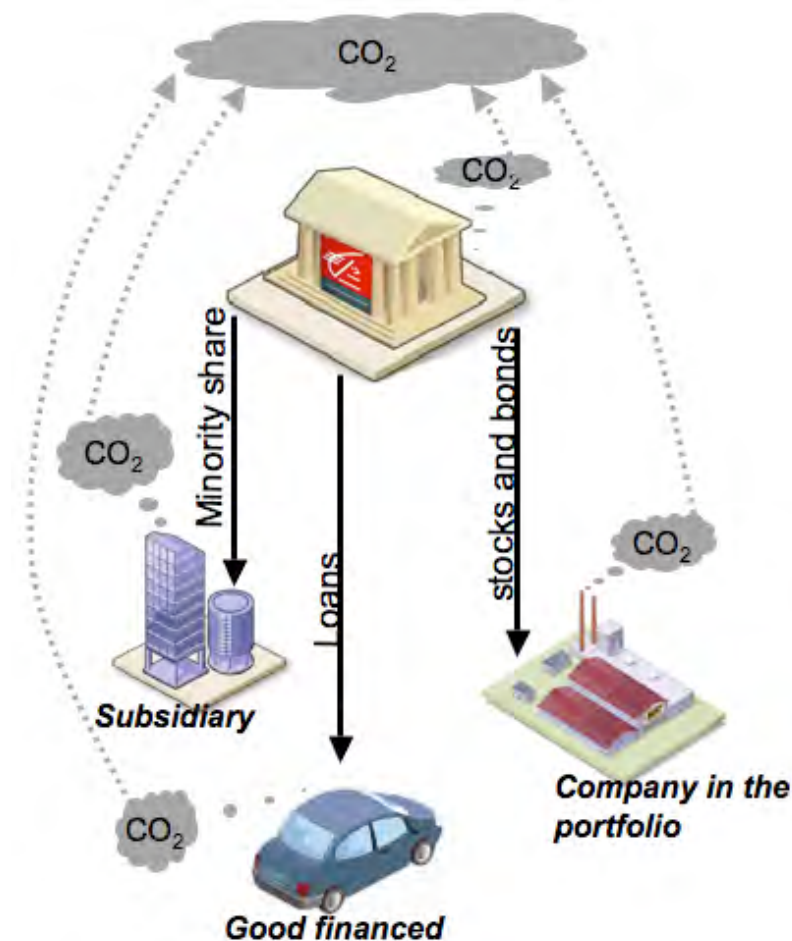
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Induced CO₂ emissions: The main issue for banks

- Latest studies from NGOs clearly show that induced emissions represent 1000 times direct emissions
- In France, the emissions induced by the bank sector represent 3 times the country's emissions



Understanding the carbon footprint of their spending: an emerging expectation from consumers

French Bonus/ Malus :

+45% for fuel-efficient cars, -
40% for gas-guzzling ones
since January

Carbon Trust & Tesco

Casino & Leclerc

Regulation in France

Émissions de CO₂ faibles



Émissions de CO₂ élevées

***HARICOT VERT EXTRA FIN 440GR**

0.440 KG

0.97 KC0₂ / KG
0.778 KC0₂



3017800048221



2.84 €/KG

**1 €
25**

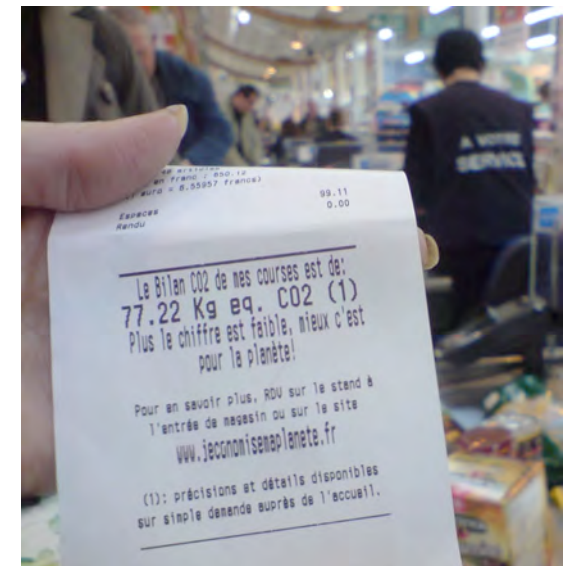
working with
the Carbon Trust



The carbon footprint of this
product is **700g** per wash and we
have committed to reduce this

By comparison the footprint of
Tesco non-biological washing
powder is **750g** per wash

Help to reduce this footprint.
Washing at 30°C rather than 40°C
saves **160g** CO₂ per wash



Caisse d'Epargne: 4th French retail bank



- **Retail banking activities (2007)**
 - Loans amounts: €270 bn
 - Current & savings accounts: €360 bn
 - Net banking income: 10 bn€
- **Savings under management (2006):**
 - Savings and current accounts : €340 Bn
 - Mutual funds
- **Staff: 52 000**
- **Regular customers : 3.2 millions**
- **Average performance in Friends of the Earth France latest bank study:**



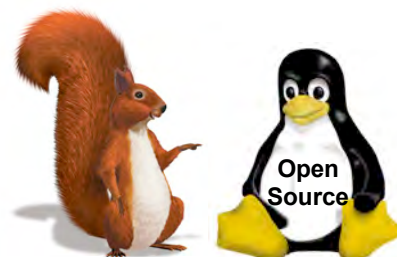
The Caisse d'Epargne project

Labeling all their savings products

- **Commitment in June 2007**
- **Designed by Caisse d'Epargne and Utopies in collaboration with a stakeholder panel**
- **Open source methodology:**
 - Accessible to everybody on Caisse d'Epargne website
 - Every Bank is free to implement it
 - All banks will be invited to take part to a multi-stakeholders initiative to improve the methodology



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Le meilleur choix pour votre argent



The Caisse d'Epargne project

So what is this label?

- **3 criteria: financial risk, SRI, CO₂**
- **Short label on each product leaflet**
- **Detailed fact sheet on each product on the website**
- **All products labelled by Jan. 2009**
- **All savings products already labelled**



Example: Are your savings...

Safe for you?



No financial risk for you with this product, the annual interest rate is warranted.

Responsible?



A Socially Responsible Investment approach is applied but the impact on the asset management process is limited.

Low-Carbon?



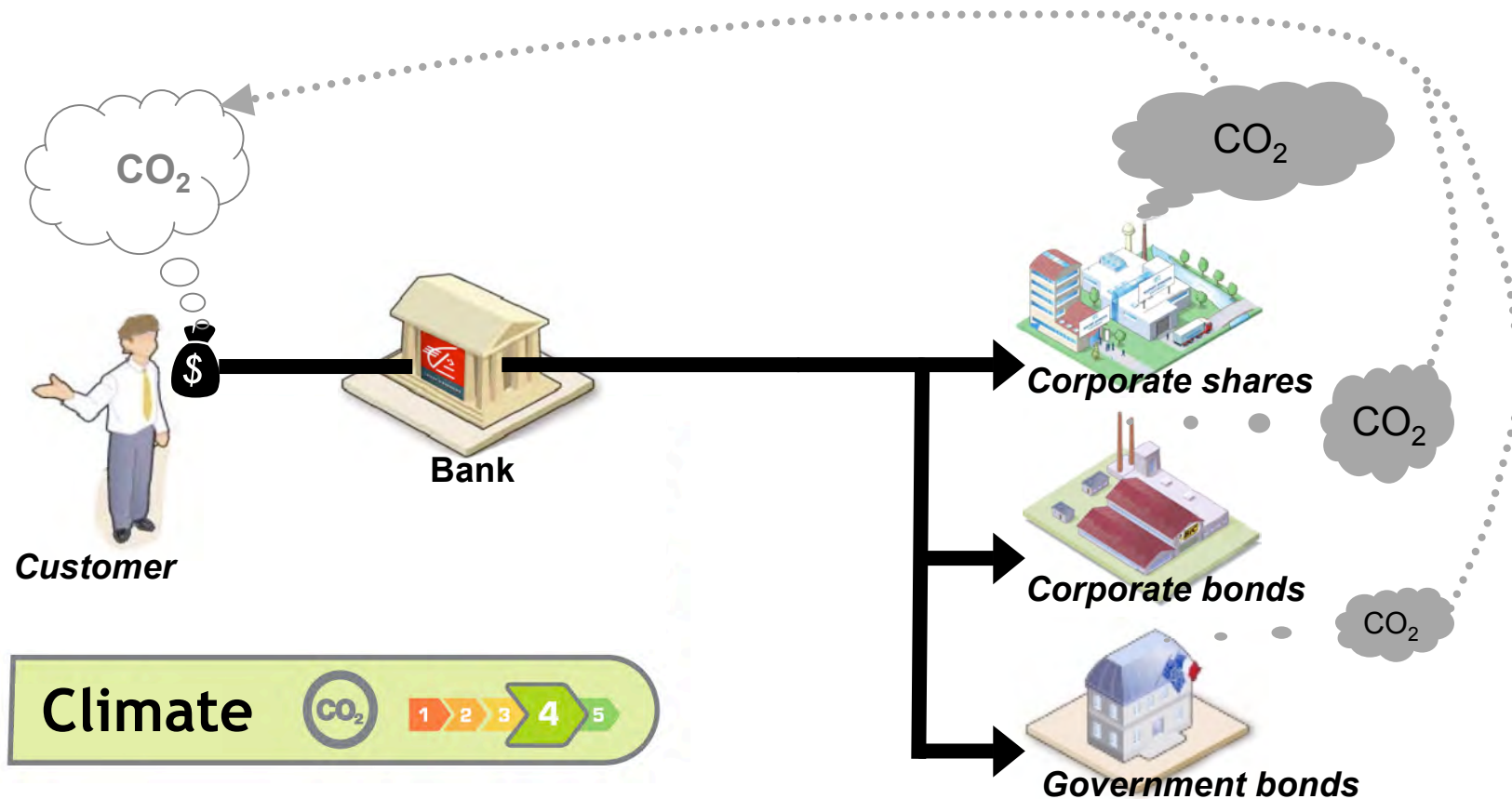
Your money is invested in French Government bonds and low carbon intensity industries: 220g of CO₂ per € of savings

Carbon footprint of savings product

How does it work?

All classes of assets taken into account

data provided by:  **UTOPIES**®



Carbon footprint of savings product

How does it work?

*All scopes of taken
into account*

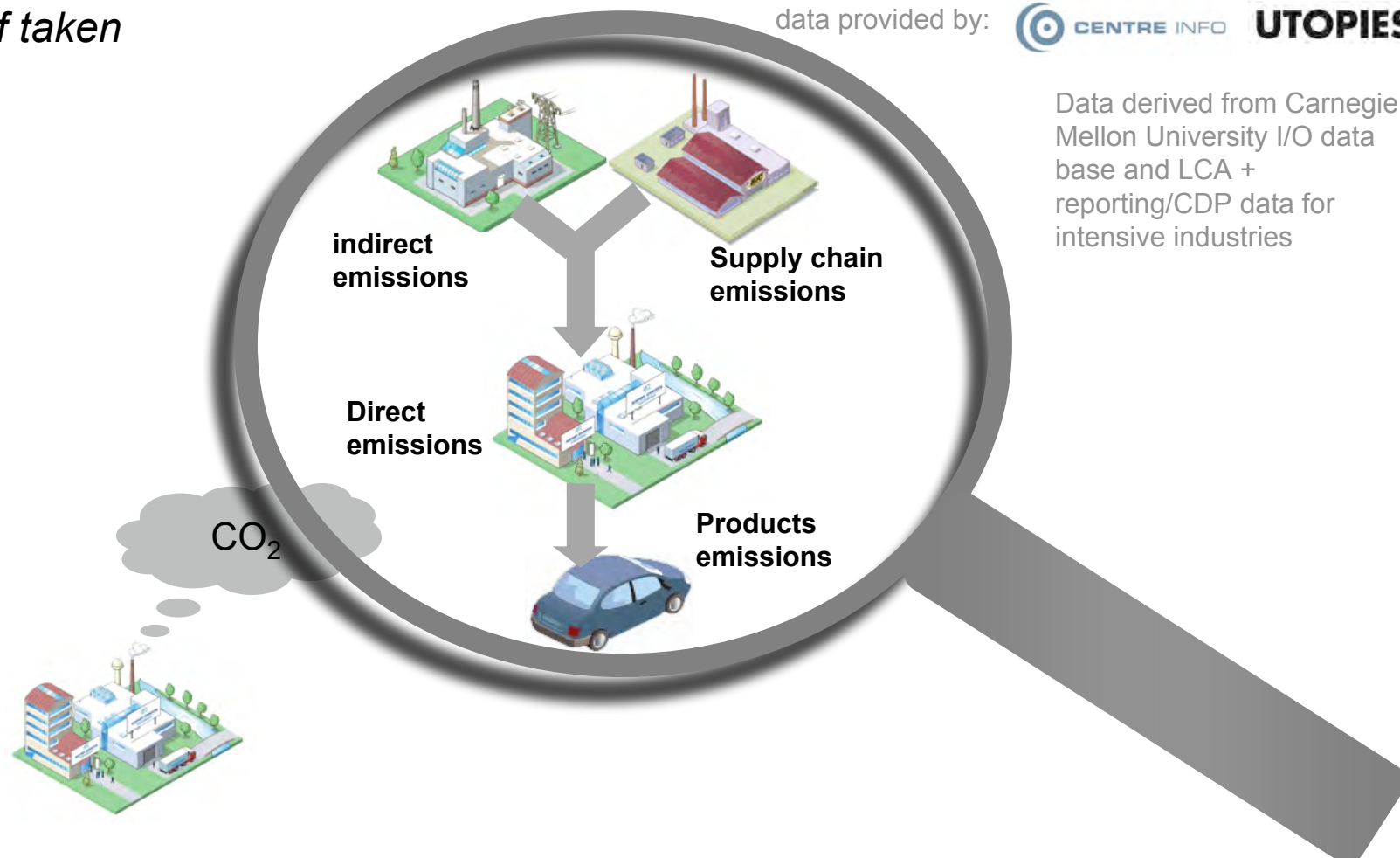
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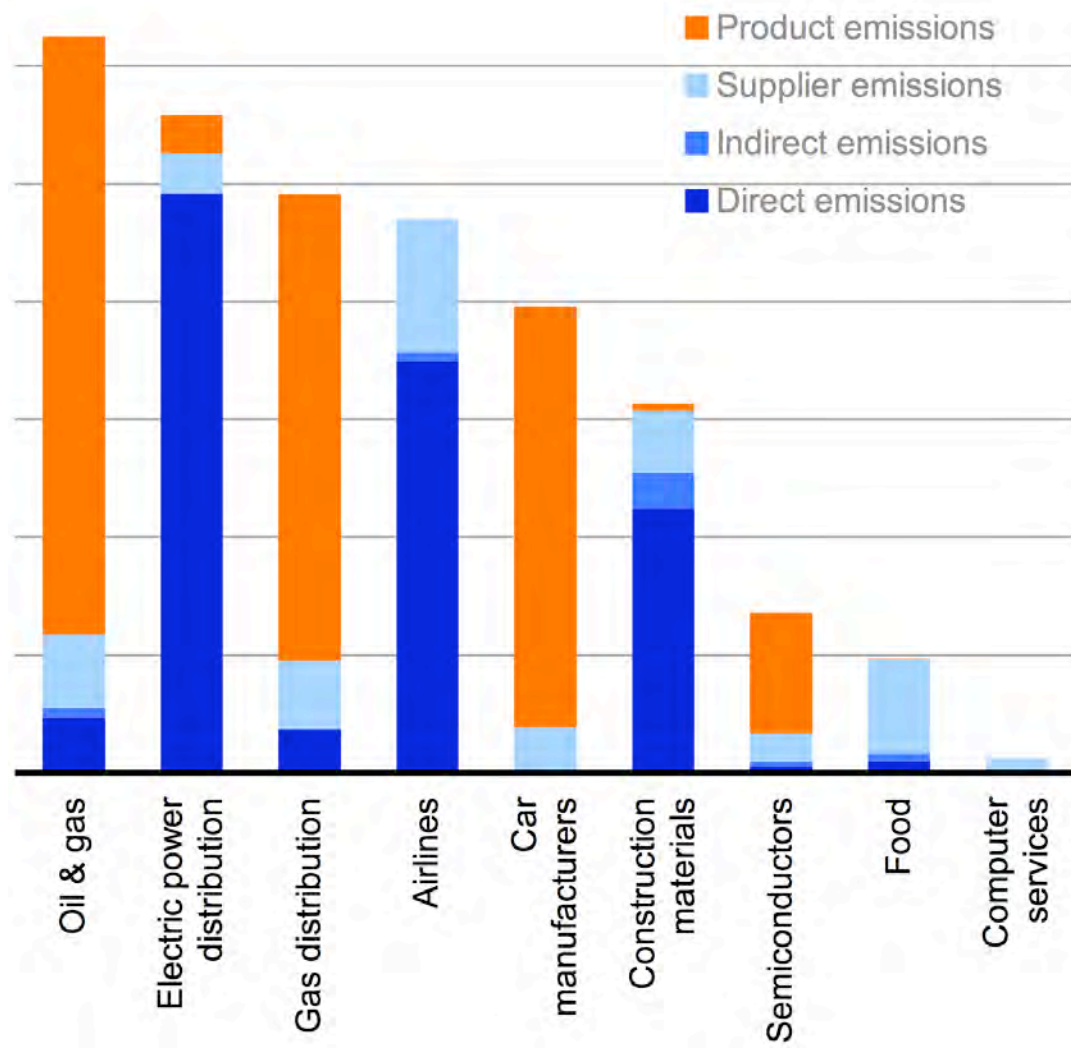
UTOPIES[®]

Data derived from Carnegie Mellon University I/O data base and LCA + reporting/CDP data for intensive industries



Carbon footprint: comparing industries

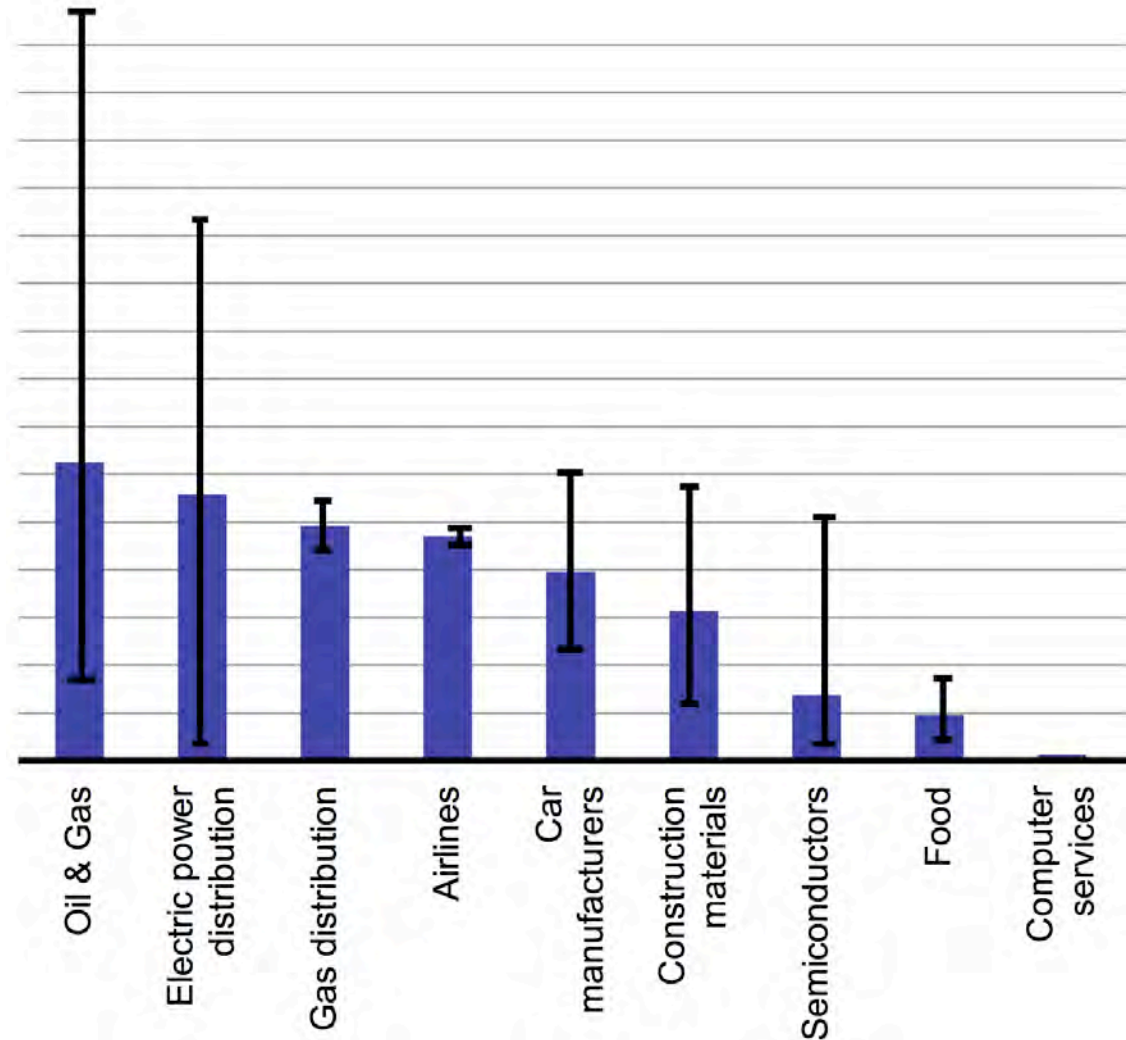
CO₂/turnover



data provided by:

Carbon footprint: comparing companies within industries

CO₂/turnover

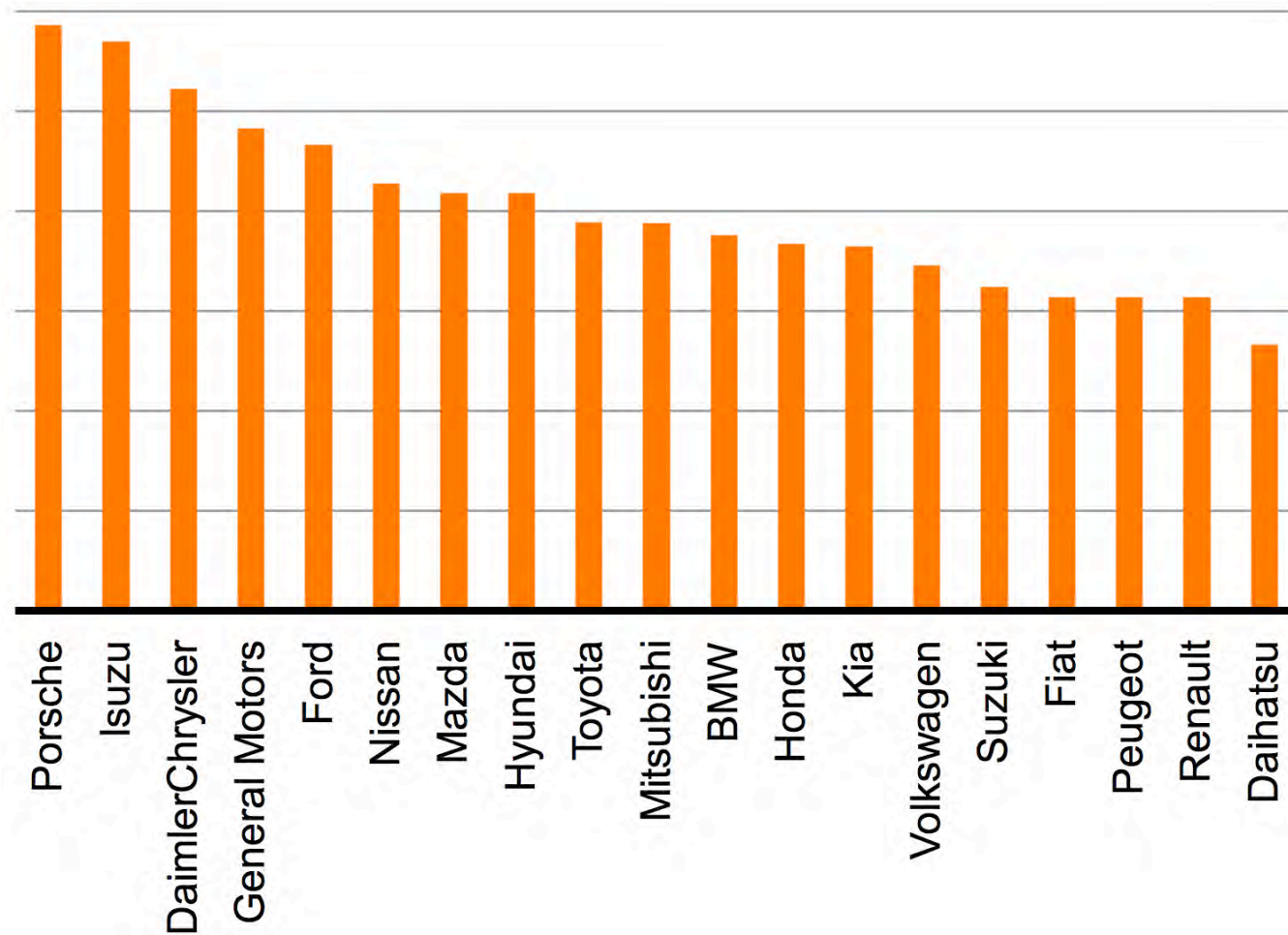


data provided by:

Carbon footprint:

The key role of product-related emissions

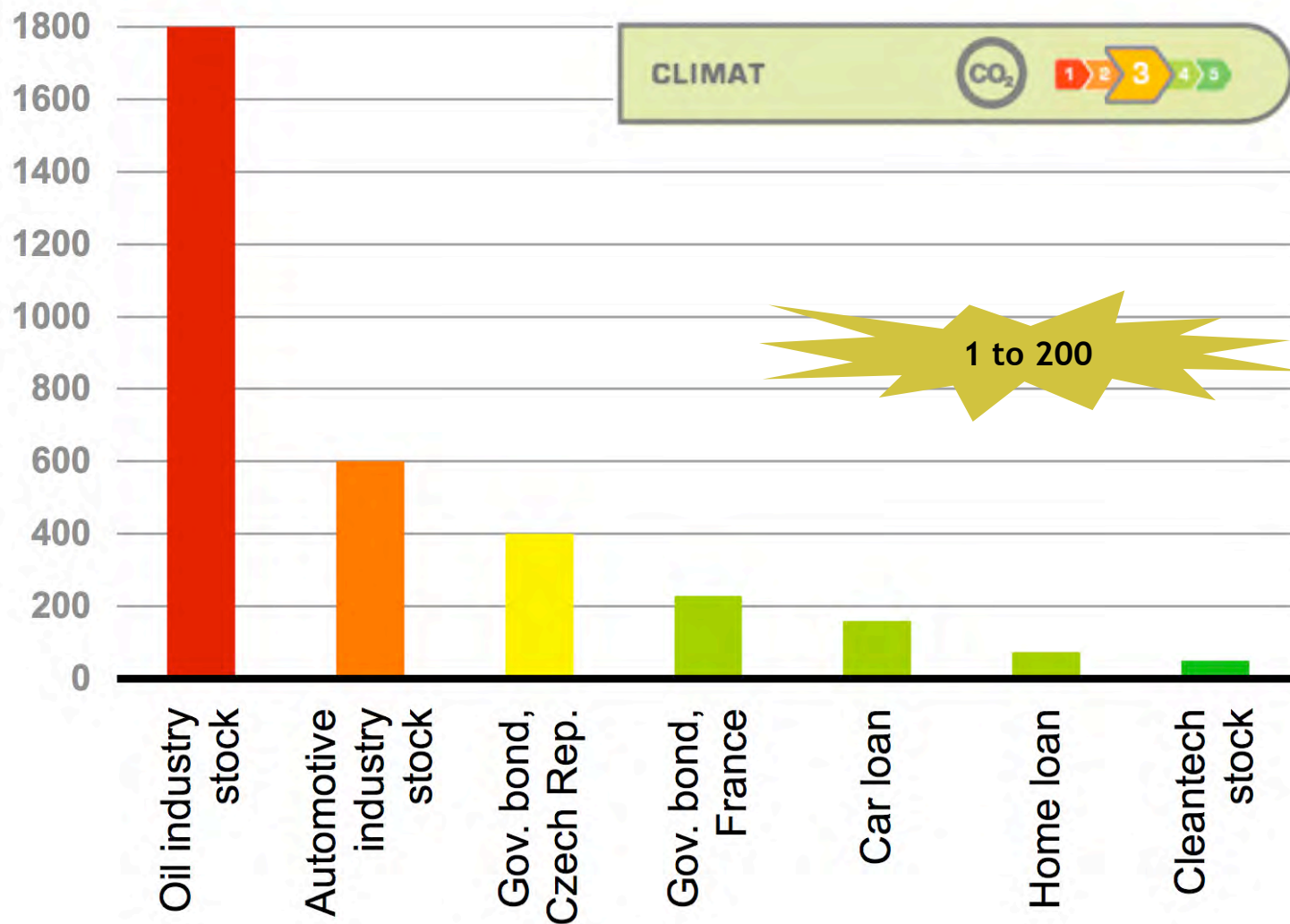
CO₂/turnover



data provided by:

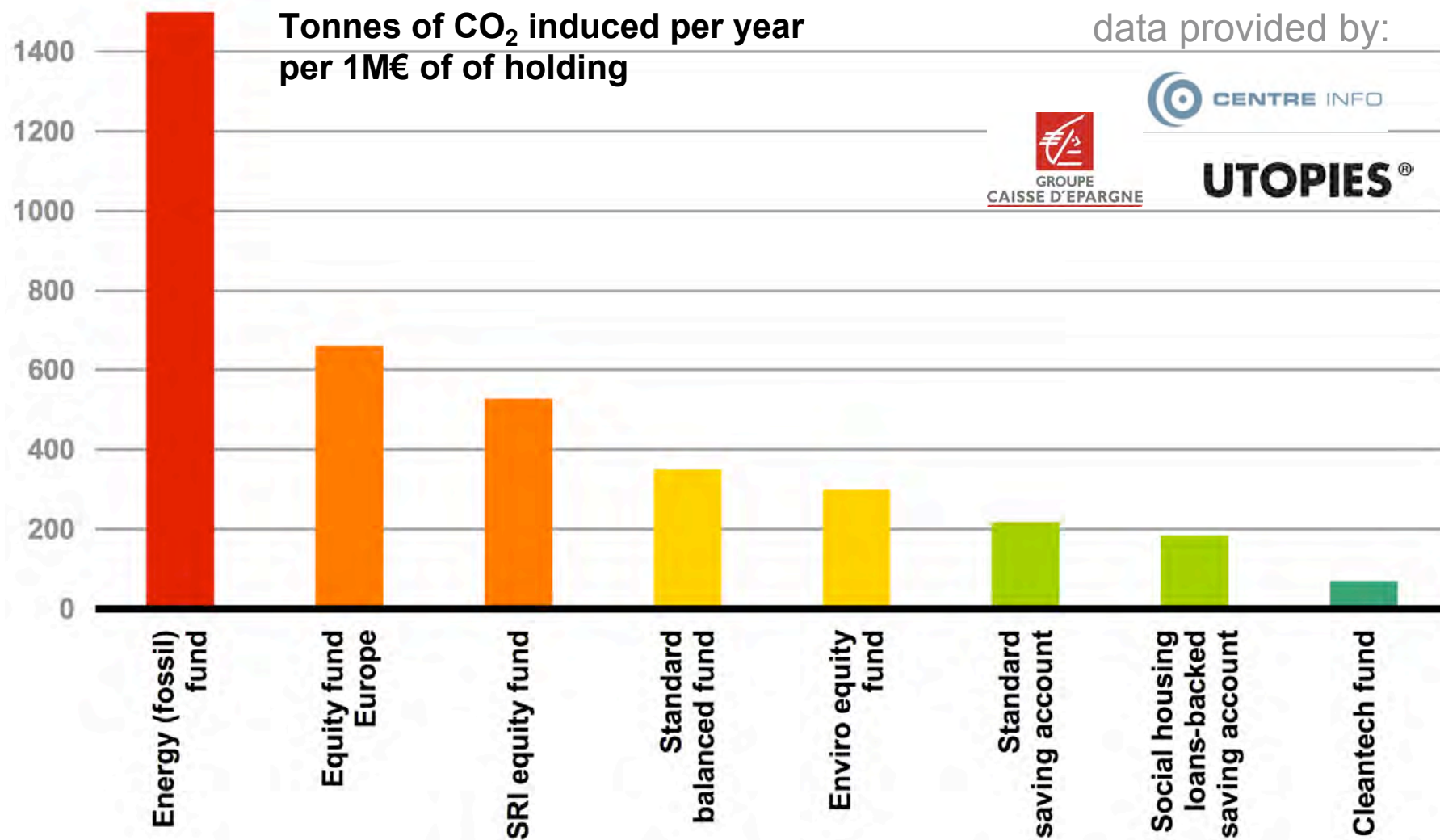
Carbon footprint: Comparing classes of assets

**Tonnes of CO₂
induced per year
per 1M€ of of
holding**



data provided by:

Carbon footprint: Savings products



How can you use this?

- **As consumers**
 - Understand where your money goes
 - Choose climate-friendly products
 - Favor Best-in-class or cleantech sectors
- **As asset managers**
 - Identify carbon intensive activities in your portfolio
 - Use the carbon intensity as a basis for carbon risk exposure
 - Prevent reputation risks
 - Design climate-friendly products!
 - -35% without breaking the balance between industries
 - Divided by >100 by investing in cleantech
 - Bonds and loan-backed securities are not intensive

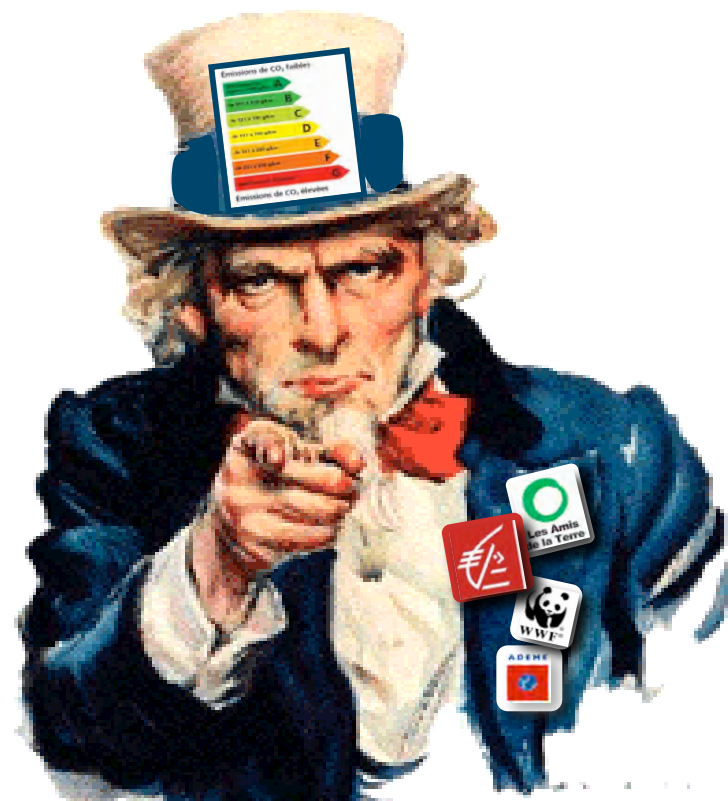
Challenges...

- **Engage customers:**
 - Need education about financial products & how they can act
- **Training staff:**
 - Sales people
 - Product managers
- **Changing product design**
 - Using the scheme to actually redesign the products
 - And boost green sales
- **Improving the methodology**
 - Limits highlighted in the document
 - States emissions need to be finetuned, emissions saved not taken into account, degree of responsibility/leverage not considered
- **Engage other banking activities within the bank and other banks...**

Conclusion

- Engage in the peer review process
- Take part to the project and implement the labeling scheme in your bank !
- Join the the methodology review association

Download the executive summary of the results & the methodology on www.utopies.com/bank-label



WE NEED YOU

www.utopies.com/bank-label

