



BANKTRACK

ANNUAL REPORT

2014

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Colophon

Written by: Ryan Brightwell, Johan Frijns, Greig Aitken, Yann Louvel & Merel van der Mark.

Edited by: Ryan Brightwell

Design: Raymon van Vught

Front cover image: deforestation in Pulau Padang, Indonesia for the PT. Riau Andalan Pulp & Paper (RAPP) paper mill, owned by APRIL/RGE Group. Taken on a field trip by BankTrack and Environmental Paper Network in September 2014. Copyright: Joshua Martin, Environmental Paper Network.

Image credits: **p3: i.** Market Forces; **ii.** Les Amis de la Terre; **iii.** Alexander Hlavac, Castle in Thun, licensed under Creative Commons CC BY-NC-ND 2.0; **iv.** Les Amis de la Terre; **v.** BankTrack; **p5:** Joe Athialy, coal miners in India; **P6:** G.S. Lowry Design, coal infographic; **p7:** Paul Toogood, Great Barrier Reef, licensed under Creative Commons CC BY 2.0; **p8:** United States Mission Geneva, licensed under Creative Commons CC BY-ND 2.0; **p9:** Raymon van Vught, Banking with Principles?; **p11:** David Gilbert/RAN, logging truck, Indonesia; **p13:** 350.org, Global Divestment Day, licensed under Creative Commons CC BY-NC-SA 2.0; **p15:** Bizi!, Alpha Coal protest; **p16: i.** Friends of the Earth international; **ii.** Market Forces; **iii.** Rainforest Action Network; **p17:** ING, Equator Principles meeting.

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FIVE BANKTRACK SUCCESSES IN 2014

Here is an overview of some of our proudest achievements of 2014, achieved with the help of our many civil society allies and member groups.

Nine of the world's top 20 coal banks won't fund Abbot Point

Thanks to concerted campaign and advocacy pressure from BankTrack and many NGO coalition partners, nine top international banks announced throughout 2014 that they will not finance the proposed expansion of the Abbot Point coal export terminal in Australia. The two massive new terminals would, if built, ship vast quantities of as-yet unextracted coal from Queensland's Galilee Basin principally to India, and pose huge risks for the adjoining Great Barrier Reef World Heritage Area. The campaign now turns its attention to the Big Four Australian banks.

Bank	Headquarters
1. Citigroup	USA
2. HSBC	UK
3. Bank of America	USA
4. Royal Bank of Canada	Canada
5. Citibank	USA
6. Industrial Bank of Japan	Japan
7. Citibank	USA
8. Citibank	USA
9. Citibank	USA
10. Citibank	USA
11. Citibank	USA
12. Citibank	USA
13. Citibank	USA
14. Citibank	USA
15. Citibank	USA
16. Citibank	USA
17. Citibank	USA
18. Citibank	USA
19. Citibank	USA
20. Citibank	USA



Victory! Société Générale drops out of the Alpha Coal project

After more than a year of campaigning by groups including BankTrack and Les Amis de la Terre, Société Générale announced in December 2014 that it had suspended its advisory mandate with GVK Hancock on the Alpha Coal project, a giant coal mine, railway and port project in Australia. The announcement came one day before the third national day of action targeting the bank across France.

Progress as Thun Group of Banks agrees to “consider” remedy for victims of human rights abuse

In 2013 the seven-strong Thun Group of Banks produced a discussion paper on banks' responsibilities under new UN human rights guidelines. BankTrack's response to the paper highlighted that the banks had failed to address their responsibility to provide access to remedy to victims of human rights abuses. After we pushed the point further at a conference with the banks in 2014, they agreed to "explore options for addressing ... access to remedy." We await the outcome.

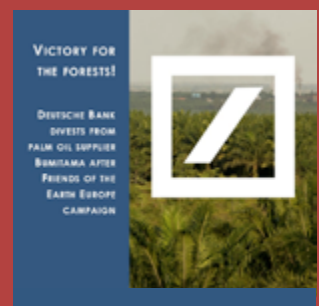


Kaliningrad nuclear plant buried

The Baltic nuclear power plant project in the Russian enclave of Kaliningrad, a highly controversial project opposed by the local population, has been abandoned by the Russian authorities. BankTrack, Friends of the Earth France and Ecodefense Russia campaigned against Société Générale's financial support for this project, contributing to its suspension.

Deutsche Bank divests from illegal palm oil producer Bumitama

In May, Deutsche Bank sold its shares in the Indonesian palm oil supplier Bumitama, an important supplier to palm oil giant Wilmar, following months of campaigning by Friends of the Earth Europe. Despite numerous promises to clean up its act, Bumitama continues to produce illegal palm oil. Friends of the Earth has also brought a complaint to the OECD against Rabobank for financing the company.



FOREWORD

2015 will be a year of change for BankTrack as we transition from being a formal network of NGOs together constituting the BankTrack network to an independent campaigning organisation working together with a great many partner groups. It's a change that we expect will bring renewed vigour to our mission to drag the banking sector towards sustainability and accountability, kicking and screaming if necessary.

Looking back at 2014, we have a number of hard-earned and substantial campaign wins to build upon. Firstly, as part of our 'Banks: Quit Coal!' campaign, we produced research showing that bank finance for coal is on an upward trend, providing a lifeline to an industry in terminal decline. If we are to avoid dangerous climate change, banks must stop prolonging its life and end funding for new coal immediately.

With the launch of the CoalBanks website, we've made the extent of bank finance for coal clearer than ever, with a database exposing the links between the biggest coal companies and 92 of the world's largest banks. This is data that the banking industry would rather you didn't know about – but we have made it freely available as a resource for campaigners, analysts and commentators around the world.

This work on the coal sector as a whole has supported campaigns on specific coal projects, leading to some significant wins. This year we've helped stop French bank Société Générale from financing the Alpha Coal project, a massive coal mine and export project proposed in Queensland, Australia. And together with many allies we've successfully pressured nine of the largest twenty coal banks to avoid finance for the new coal terminals at Queensland's Abbot Point.

This is significant enough that the Australian government is intervening, lobbying the banks on behalf of the coal industry – so the fight is not over yet. And this is only one coal hot spot among many around the world. However it adds to our previous successes in stopping banks from financing mountaintop removal coal mining, as one more sign that the tide against coal finance may be starting to turn. And not before time.

Our campaign work on forests, paper and palm oil is ramping up as well. 2014 has seen Deutsche Bank divest from the Indonesian palm oil supplier Bumitama, and in early 2015 Spanish bank Santander was pressured by a Greenpeace campaign to pull out of financing APRIL. These are just two of the more visible results from a year in which we have researched banks' investments in financing deforestation and lobbied banks to avoid or divest from the most egregious cases.

Throughout 2014 our human rights work also continued, culminating in December when we produced a report which ranked 32 banks for the first time on their progress towards implementing the UN Guiding Principles. Although the Principles are not perfect, for banks to fully implement them would represent substantial progress in them taking up their responsibility to respect human rights. The campaign has already secured a promise from the Thun Group – the group of banks working most actively on this issue – to “consider” their responsibilities to provide remedy for victims of human rights abuse. But this represents slow progress. We hope that this ranking will prompt a more urgent response, as if banks fail to implement these voluntary principles it will only serve to strengthen the case for a binding human rights treaty.

Across each of these three fronts - coal, forests and human rights – we're convinced that we are succeeding in making it harder for banks to get away with financing environmentally and socially destructive projects, and in raising the pressure for higher lending standards. None of these wins is BankTrack's alone, but part of a wider global movement for change. As we look to transform our organisational structure in 2015, we expect to play an even more valuable role in this movement.

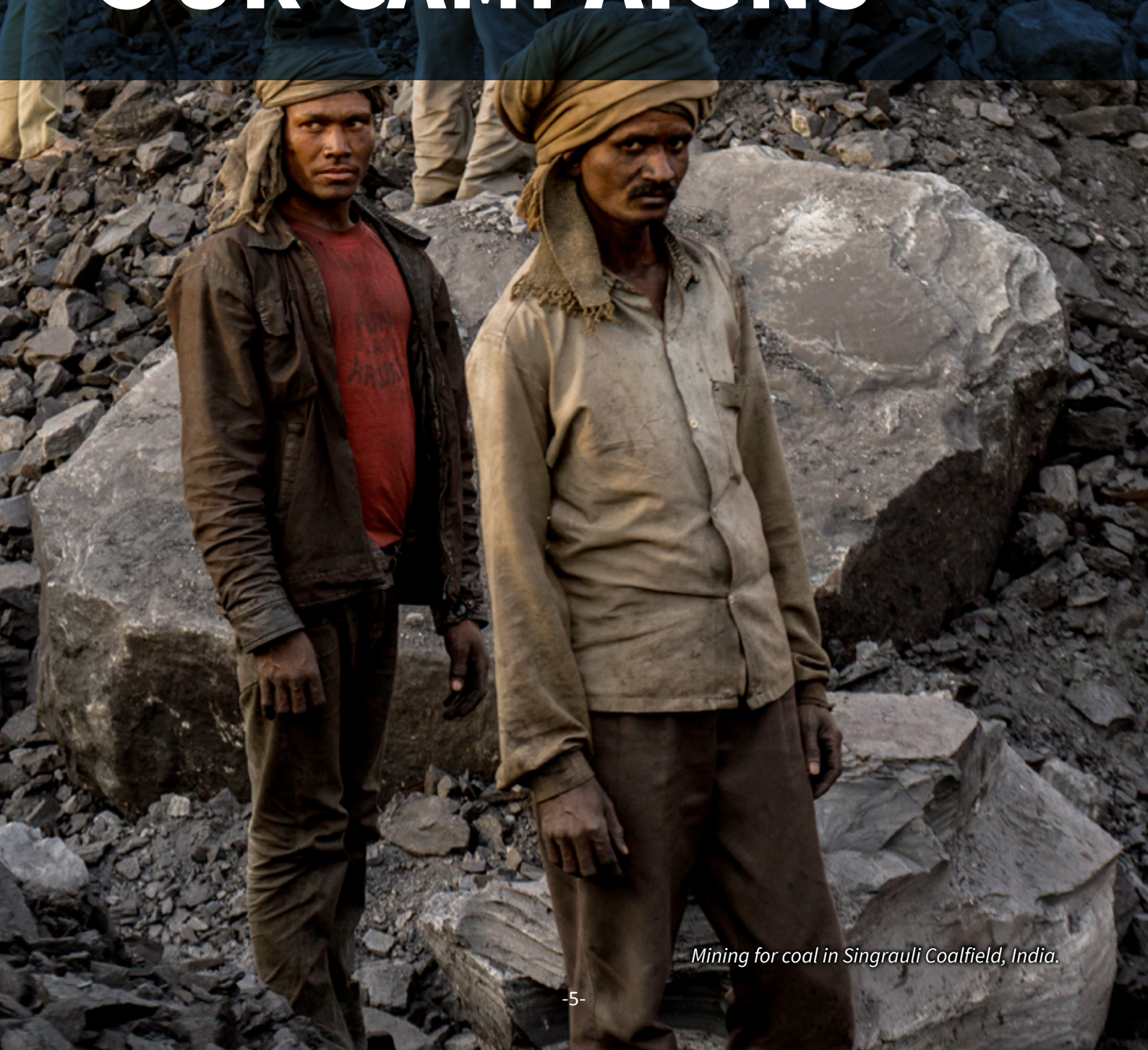
Sincerely,

Michelle Chan
Board Chair, BankTrack





OUR CAMPAIGNS



Mining for coal in Singrauli Coalfield, India.

BANKS: QUIT COAL!

Exposing the banking sector's life support for the coal industry

2014 saw the UN's Intergovernmental Panel on Climate Change (IPCC) state for the first time that the use of fossil fuels must be phased out entirely by 2100, with the phase out process starting immediately, if the world is to avoid catastrophic climate change. It was backed by UN secretary general Ban Ki-moon's explicit call for investors to reduce their support for oil, gas and coal. These statements provided authoritative backing for BankTrack's long-standing call for commercial banks to quickly reduce and ultimately end their financial support for the fossil fuels sector, and coal in particular.

While in 2014 BankTrack played a part in a range of successes and strategically important incremental steps, we were also reminded of the extent of the challenge – and the inescapable fact that our target institutions remain among the worst of the climate change laggards.

Tracking banks' finance for coal

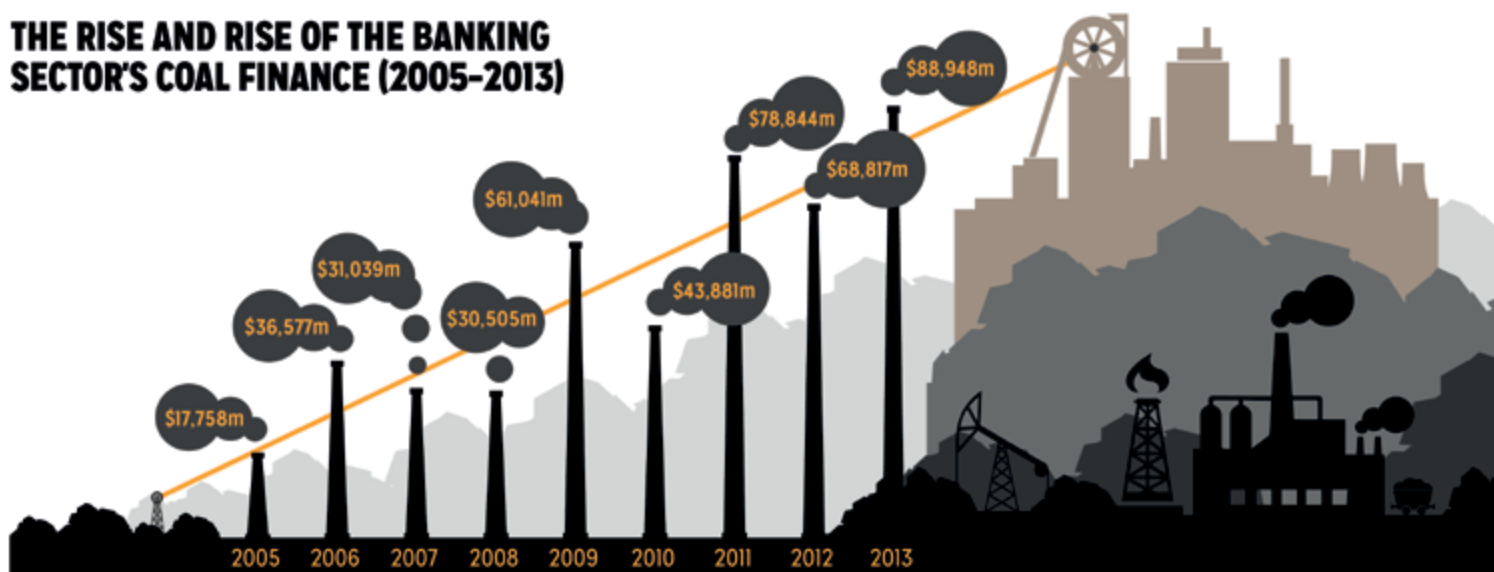
In 2014 BankTrack built on the work of the 2011 Bank-rolling Climate Change report and the 2013 Banking on Coal report, generating the most extensive data set so far on the links between banks and the coal industry. The research investigated the financial links between 92 of the largest global banks and 93 of the largest coal companies, in both mining and power, unearthing bank lending and underwriting activity between 2005 and April 2014.

The key findings from the research were that:

- between 2005 and April 2014, EUR 373 billion worth of financing was identified for the coal industry – although research limitations mean that this figure may account for less than 50% of the real total;
- the long-term trend of coal finance is rising, with the 92 banks covered providing at least EUR 66 billion to the coal industry in 2013 – a highly regrettable 'record year'.

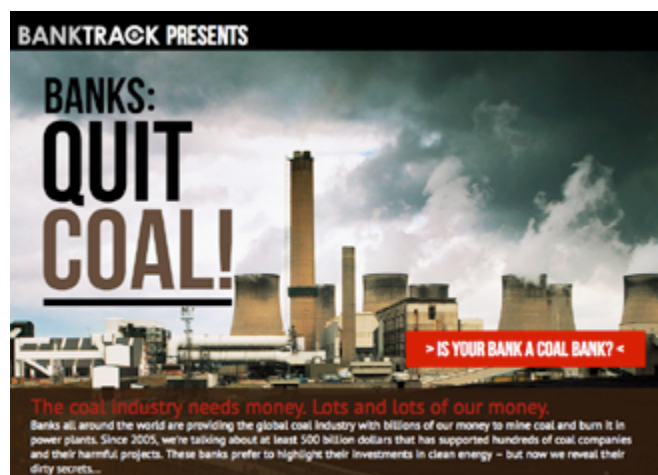
The research was presented in the form of a report, 'Banking on Coal 2014', and a new website, www.coalbanks.org, launched simultaneously in October 2014 in the run-up to the publication of the UN IPCC's fifth assessment report. The website and report highlight the world's top 20 coal banks, and the website also presents the coal Dodgy Deals that BankTrack and partners are tracking around the world.

THE RISE AND RISE OF THE BANKING SECTOR'S COAL FINANCE (2005-2013)



This new, dynamic site provides constantly updated, extensive data about the banking industry's deep links with the coal industry, relays information about global anti-coal campaigns and initiatives, and gives people around the world an opportunity to directly call on their banks to end their coal financing. Supplementing this is a new regular BankTrack email digest – the 'Banks: Quit Coal!' newsletter that provides subscribers with coverage of all the global developments related to bank financing of the coal industry.

Since its launch in October, we have continuously updated the CoalBanks website, including with new coal Dodge Deals profiles such as the Maules Creek coal mine in Australia, the IndoMet coal mine in Indonesia and the Rampal coal-fired power plant project in Bangladesh.



www.coalbanks.org, launched October 2014

Divestment – holding the banks (directly) to account on climate change

Given the extent to which fossil fuel investments still feature in the balance sheets of all the top banks around the world, it's little wonder that bank customers are increasingly turning to peaceful means to effect change at their banks – they're taking direct action and ending their association with climate destructive finance by closing their bank accounts. Our partner Market Forces has been at the forefront of the growing divestment drive in Australia, and we intend to continue both our support for the inspiring divestment actions cropping up around the world and our engagement with coordinating groups such as 350.org.

Saving the reef and the mountain tops

Thanks to concerted campaign and advocacy pressure from BankTrack and many NGO coalition partners, nine of the biggest international coal banks (including the top four: JP Morgan Chase, Citi, Barclays and RBS) announced in 2014 that they will not finance the proposed expansion of the Abbot Point coal export terminal in Australia. The two massive new terminals would, if built, ship vast quantities of as yet unextracted coal from Queensland's Galilee Basin principally to India, and pose huge risks for the adjoining Great Barrier Reef World Heritage Area.

Having made major breakthroughs with potential international financiers, the Save the Reef campaign has turned its attention to the Big Four Australian banks: ANZ, Commonwealth Bank, NAB and Westpac. We intend to maintain our support for the campaign in 2015.

Important policy commitments were also made by JPMorgan Chase and RBS in 2014 regarding mountaintop removal (MTR) coal mining, the highly destructive practice that continues to cause havoc for communities in Appalachia in the USA. Building on previous bank policy breakthroughs and persistent campaigning from Rainforest Action Network (RAN) and BankTrack over the last five years, JPMorgan Chase announced a phase out from MTR financing, while RBS has prohibited further finance for with companies with significant involvement in MTR. Meanwhile Barclays scaled up its finance to become the biggest bank supporter of MTR, as evidenced in the fifth annual Coal Finance Report Card, produced with RAN and Sierra Club.

BANKS AND HUMAN RIGHTS

BankTrack has campaigned on the human rights responsibilities of commercial banks for more than a decade. This campaign has been given new impetus by the emergence of the United Nations Guiding Principles on Business and Human Rights, which were unanimously endorsed by the UN Human Rights Council in June 2011. The Principles, while not perfect, give the clearest expression yet of the expectations of the international community towards businesses, including banks. However, these expectations go significantly above and beyond banks' current business practices.

An informal grouping of banks known as the Thun Group was formed in 2012, and it has developed the industry response to the Guiding Principles. In October 2013 it produced a paper detailing its recommendations for the banks on implementing the Principles. In December the same year we published a response to the paper, in which we welcomed the banks' engagement with the Principles but outlined some significant criticisms. In particular the banks had not covered those Principles related to the business responsibility to provide access to remedy for those whose human rights are impacted by bank activities. The same month, we presented our response at the UN Forum on Business and Human Rights in Geneva, one of the largest gatherings on this topic.

Banks agree to consider remedy for human rights impacts.

While the Thun Group's discussion paper was written behind closed doors, in June 2014 BankTrack was for the first time invited to a meeting with the Thun Group banks, where we presented our concerns on the shortcomings of the Thun group recommendations. Later that month we had the opportunity to present them again at the OECD Global Forum on Responsible Business Conduct in Paris, where Andreas Missbach of Berne Declaration, a BankTrack board member, presented our concerns.

Following this pressure, the Thun Group announced in August 2014 that they would "explore options for addressing ... access to remedy." This is positive progress, although we are concerned at the slow pace of the banks' deliberations. It took two years for the first discussion paper to emerge – we hope that we do not have to wait as long as August 2016 to hear more on this topic.

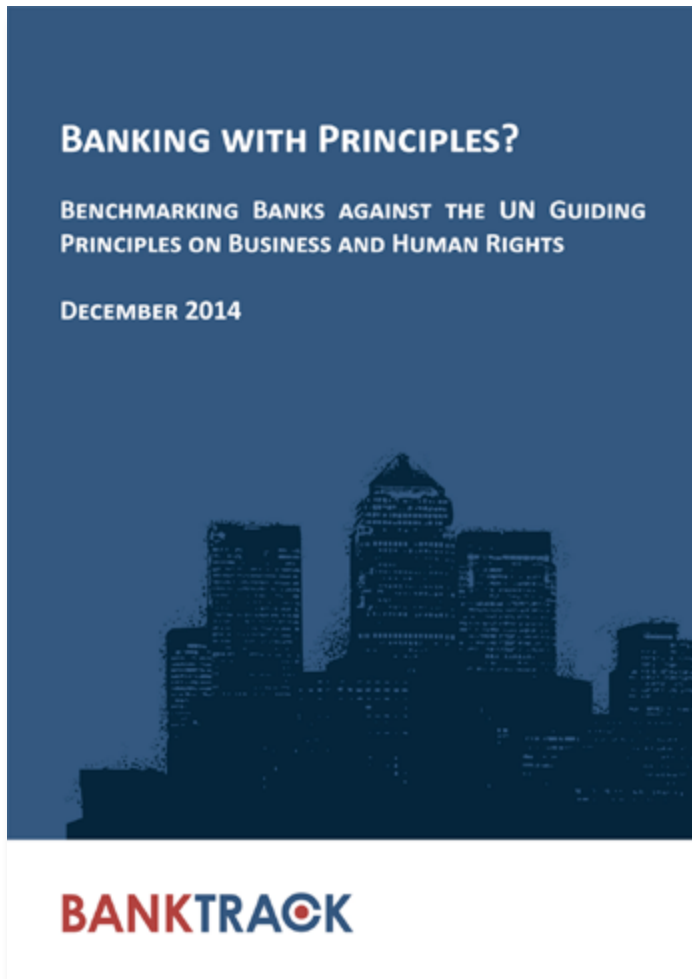
“Of the 32 banks covered, half had developed human rights policies that include a clear commitment to respect human rights, and a majority did not provide any reporting on human rights”



Room XX, the Chamber for Human Rights at the United Nations Office in Geneva.

“Banking with Principles?”

After extensive engagement with the self-selected Thun Group banks – which consists of just seven European banks according to its last discussion paper – the focus of our campaign shifted to looking at how the sector as a whole was progressing in actually implementing the Guiding Principles, and developing human rights policies and practices which meet its standards, three and a half years on from their launch.



We researched and rated the policies and practices of a sample of 32 banks, including the largest commercial banks in the world by assets, the seven Thun Group banks, and those banks with the strongest human rights rankings in our 2010 study *Close the Gap*, to measure their performance in implementing the Guiding Principles. In preparing the research, we provided the banks being covered with the opportunity to comment on a draft of the rating criteria, as well as on a draft of the ratings, and we worked with an independent human rights expert who reviewed the ratings to ensure their robustness.

The report, launched in December, found the banking sector's efforts to implement the UN Guiding Principles to be at an early stage. Banks achieved a broad range of scores, between 0 and 8 points out of a possible 12, but the average score received was just three. Of the 32 banks covered, half had developed human rights policies that include a clear commitment to respect human rights (one of the most fundamental requirements of the Guiding Principles). A majority (17 out of 32) did not provide any reporting on their human rights developments or impacts. And none of the banks covered were found to have grievance mechanisms in place, meaning there are no transparent means for communities or individuals to raise complaints when they feel banks have caused or contributed to a human rights abuse.

BankTrack convening the debate

The “Banking with Principles?” report was launched at the UN Forum in Geneva, the world's largest gathering on business and human rights, at an event organised by BankTrack. Organising the event ensured that the topic of the finance sector's responsibilities under the Guiding Principles were discussed in detail at the Forum.

Also in 2014, we joined a call by more than 200 civil society organisations and human rights experts for ministers meeting at the UN Climate Change Conference in Lima to enshrine human rights for all in the next year's global climate agreement.

The campaign will continue in 2015 with engagement with banks and lobbying for improved practice on human rights in general, and on access to remedy for human rights abuses in particular.

BANKS AND FORESTS: PALM OIL, PULP AND PAPER

According to research by the World Resources Institute, 30% of the world's forest cover has already been cleared, while another 20% has been degraded. This is a threat to human society as forests play a crucial role in stabilizing the climate, providing water, food, wood, vital medicines and in supporting the world's biodiversity. Some 1.6 billion people depend on forests for their livelihoods but forest destruction and land grabbing are putting their livelihoods at risk.

BankTrack's forest campaign focuses on the financiers of two major drivers of deforestation: the palm oil sector and the pulp and paper sector. Our aim is to stop banks financing the most destructive companies in these sectors and to encourage banks to develop robust investment policies that protect the world's remaining forests. Our palm oil campaign is a coalition of six groups, and our pulp and paper campaign is run in partnership with the Environmental Paper Network (EPN), a network of 133 NGOs. Our website hosts some 30 live profiles of companies and Dodgy Deals in these sectors.

Palm oil

The impacts of deforestation caused by the expansion of palm oil production are especially strong in Indonesia and Malaysia, which together produce nearly 90% of palm oil globally. However, since these countries are running out of suitable land for further expansion, companies are increasingly investing in new plantations abroad, especially in Africa and South America.

In July, campaign partners Friends of the Earth Netherlands and Friends of the Earth Europe filed an OECD Guidelines complaint against Rabobank with the Dutch

National Contact Point, for providing loans worth over EUR 45 million to Bumitama, a palm oil company that was sourcing from illegal plantations in Borneo. The complaint accuses Rabobank of being in breach of the OECD guidelines for failing to carry out human rights due diligence and for failing to prevent or mitigate adverse impacts linked directly to its operations. The complaint remains under consideration.

In September, BankTrack sent an investment warning over its mailing list regarding the Indonesian palm oil company PT SIL, which is involved in a social conflict with local communities over land grabbing claims.

BankTrack also played a role in strengthening civil society capacity to campaign on palm oil financiers. As a follow up to the palm oil finance training sessions given in 2013 to campaigners in Indonesia, two more sessions were provided this year, one in Sulawesi in May and one in Bengkulu, Sumatra in August. Around 30 people participated in each session. The training was organized by RAN, Friends of the Earth, Profundo, TuK and Walhi, and used BankTrack's "finance for campaigners" training materials.

Pulp and paper

In 2014 the EPN teamed up with BankTrack to work together on the financiers of the pulp and paper sector. BankTrack also joined more than 120 organisations around the world in signing up to EPN's Global Paper Vision, which aims to unite the many voices challenging the paper industry to adopt more sustainable practices.

In January 2014 BankTrack co-hosted a meeting of global pulp and paper finance activists in

“Between 2009 and 2014 the top 15 financiers of the pulp and paper industry provided it with \$474 billion of loans. Half of these banks have no specific forestry policy”

Heemskerk, Netherlands, to discuss campaign strategies. One result of this has been co-ordinated campaigns to prevent irresponsible investment in several pulp mill projects. In January a joint campaign succeeded in preventing irresponsible investment in a pulp mill in Tasmania, Australia, which would threaten the UNESCO World Heritage forests there. We are also closely monitoring the Angara pulp mill project in Siberia, which would destroy a huge area of pristine forest, to ensure no irresponsible investment in that project takes place. And in the next couple of years the world's biggest pulp line will be installed at the OKI mill, in South Sumatra, Indonesia, by Asia Pulp and Paper. The mill will be funded primarily by a loan from the Chinese Development Bank. We have been urging the bank to take proactive steps to ensure that fibre sourcing for the mill will not result in forest destruction and social conflict.

Research by Profundo has shown that between 2009 and 2014 the 15 top financiers of the pulp and paper industry provided it with USD 474 billion of loans. Half of these banks have no specific forestry policy. In September we wrote to all 15 banks outlining the issues affecting the sector and pointing out the investment risks. Further dialogue has been established with 10 of these banks to discuss the implementation or improvement of their forest policies.

We also wrote to 10 banks that are investing in the Indonesian company APRIL, a company has repeatedly broken its own Sustainable Forest Management Policy, published in January 2014, including by failing to make HCV assessments, failing to implement a moratorium on logging areas where no assessment has yet been made, and by failing to solve social conflicts. Given APRIL's long track record of illegal deforestation, social conflicts and broken promises, the letter asked banks to divest from the company.

BankTrack and allies including Greenpeace, Rainforest Action Network and the EPN held conversations with a number of large European banks financing APRIL. Following this, Greenpeace launched a major campaign in early 2015 against Santander's finance for the company. The campaign has proved successful, with first Santander and then ABN Amro agreeing to cease financing APRIL until it has addressed its involvement in deforestation.

Next steps

For both sectors, BankTrack and its campaign partners will aim to publish position papers in 2015 highlighting the critical elements that a bank forestry or palm oil policy should contain. BankTrack will also continue to map the involvement of banks in deforestation and campaign for them to adopt good sector policies.

A logging truck transporting rainforest timber in Jambi Province, Sumatra, Indonesia, in 2009.

TRACKING PRINCIPLES

THE GREEN BOND PRINCIPLES

In January 2014 a group of 13 commercial banks announced their support for the Green Bond Principles, a new set of guidelines for issuers of green bonds. The Principles are now signed by 80 organisations, including banks, bond issuers and investors.

BankTrack gave a cautious welcome to the release of the Principles, as a bank-led initiative intended to increase the volume of finance available for renewable energy, energy efficiency and other environmentally positive initiatives. However we were concerned that the Principles did not contain genuine commitments, but only broad recommendations. Additionally, we recommended that the Principles should tackle the important issue of what can and cannot be considered 'green' head on.

We made these points in an open letter to the Green Bond Principles banks in April 2014, co-signed by Friends of the Earth US, Rainforest Action Network, International Rivers, Amigos da Terra - Amazonia Brasileira, Global Witness and Berne Declaration. We also became an official "observer" of the

Principles, allowing us to set out these concerns in a submission on the 2015 revision of the Principles. Further, we produced, with International Rivers and Friends of the Earth US, an Issue Briefing highlighting issues and recommendations for the industry.

One case which illustrated the risks of greenwashing connected with this fast-growing class of bonds was the launch by GDF Suez of a "green bond" which was earmarked to finance, among many other projects, the Jirau Dam in Brazil, a megadam with severe impacts on freshwater ecology and nearby communities. BankTrack and International Rivers wrote a comment for Environmental Finance magazine drawing attention to the case, helping bring it to wider attention. We also wrote to Citi and Crédit Agricole, the two banks underwriting the bond, asking them to ensure the project did not receive "green" finance from this bond. The banks have not responded, but the case has become the iconic example of what can go wrong in a green bond market where the use of the term "green" goes unregulated.

“GDF Suez launched a ‘green bond’ which was earmarked to finance the Jirau Dam in Brazil, a megadam with severe impacts on freshwater ecology and nearby communities”

EQUATOR PRINCIPLES

BankTrack has followed the Equator Principles closely since their launch in 2003. The Principles - a set of voluntary commitments by banks to take social and environmental impacts into account when providing loans to clients for large scale projects - were revised substantially in 2013.

In May 2014, Mizuho Bank took over from ING as the chair of the Equator Principles Association - the first Asian bank to chair the Association. The Japanese bank has huge exposure to the fossil fuel industry, and is among the world's top 30 financiers of coal mining. BankTrack called on Mizuho to lead by example by meeting the new Equator Principles transparency requirements in full, and by taking significant steps to tackle the climate impacts of its lending.

BankTrack will be carefully monitoring the disclosures resulting from the Equator Principles' new reporting requirements. No such disclosures have yet been made, and no names of projects financed have yet been reported on the Equator Principles website.





NETWORK FOCUS

Protestors in Sydney, Australia call for the big four Australian banks to protect the Great Barrier Reef, February 2015.

DODGY DEALS

Despite improvements in the sustainability commitments of many large banks, even the most advanced continue to finance projects and companies with highly negative impacts on people and planet. At BankTrack, we call these ‘Dodgy Deals’; projects that should have no place in the portfolio of responsible banks. The BankTrack website includes a database of some 60 active Dodgy Deal profiles, each representing a campaigning platform for activists and a one-stop information source for civil society, journalists, investors and others. These profiles highlight projects with egregious impacts on the environment and society, tracking their progress and exposing their financiers. They are complemented by company and bank profiles which together form an evolving repository of information on banks’ real-world impacts.

The cases below present a sample of Dodgy Deal focused work by the BankTrack network in 2014. As we transform into an independent organisation, we will continue to provide this space to working partners to highlight dodgy projects, as a way to raise attention and increase reputational risk for banks considering financing such projects.

Campaigning on coal Dodgy Deals

Since the launch of the coalbanks.org website in October, we have used this platform to expand the number of coal company and deal profiles available. We have also continuously updated this site, including with new coal Dodgy Deals profiles such as the [Maules Creek coal mine](#) in Australia, the [IndoMet coal mine](#) in Indonesia and the [Rampal coal-fired power plant project](#) in Bangladesh.

Together with partners we have sent warning letters to banks on the Rampal coal power project as well as the [Batang coal power plant project](#) in Indonesia and the [Plomin C coal power project](#) in Croatia. We received an answer from 20 banks to the letters sent on these projects. We also relayed the publication of a fact finding report by JATAM, Indonesia’s Mining Advocacy Network, documenting the human rights abuses and massive environmental contamination caused by the [Kaltim Prima Coal project](#), owned by [Bumi Resources](#). This report was published as part of a campaign by a coalition of NGOs targeting a share issue by Bumi, which was placed in selective default by Standard & Poor’s in August.

New Dodgy Deal profiles

Barro Blanco Dam, Panama: The Barro Blanco dam is under construction on the Tabasara river, in the Chiriqui Province of Panama. Local groups in Panama, supported by Netherlands-based NGOs SOMO and Both ENDS, filed a complaint against FMO’s investment in the project to the development bank’s recently established Independent Complaints Mechanism – the first complaint the mechanism has received. FMO is also financing the Agua Zarca dam in Honduras, subject of a Dodgy Deal profile created in 2013 and further community opposition in 2014.

Dominion Cove Point LNG terminal, United States: US company Dominion Midstream Partners, which owns Dominion Cove Point LNG in Maryland, made an Initial Public Offering (IPO) on the New York Stock Exchange in October 2014. BankTrack supported Chesapeake Climate Action Network in raising awareness of serious governance and sustainability risks linked to the project.

El Mirador Copper Mine, Ecuador: El Mirador is a copper mine project located in the Southeast Ecuador. Its location in La Cordillera del Condor is widely considered one of the most biodiverse regions in the world. If built, the Mirador copper mine would consist of six copper concessions. Indigenous peoples and Ecuadorean NGOs have voiced concerns with Chinese banks funding the project regarding how it is consistent with the Green Credit Directive.

China Tuna Industry Group, China: CTI applied for an IPO of its shares on the Hong Kong Stock Exchange in June 2014. The sole sponsor of the IPO was Deutsche Bank (Deutsche Securities Asia). Based on the company’s record of over-fishing, banks were advised not to finance, or assist in finance, CTI until the company can address the environmental, social and governance issues of its tuna longline operations.

MEMBER HIGHLIGHTS

While BankTrack is moving in 2015 to become a campaigning organisation in its own right, it will continue to support civil society campaigning activities targeted at banks, and to foster cooperation between organisations. In 2014 we supported - among others - the following civil society initiatives, helping news stories to reach further and building research and campaigning efforts into our online database.

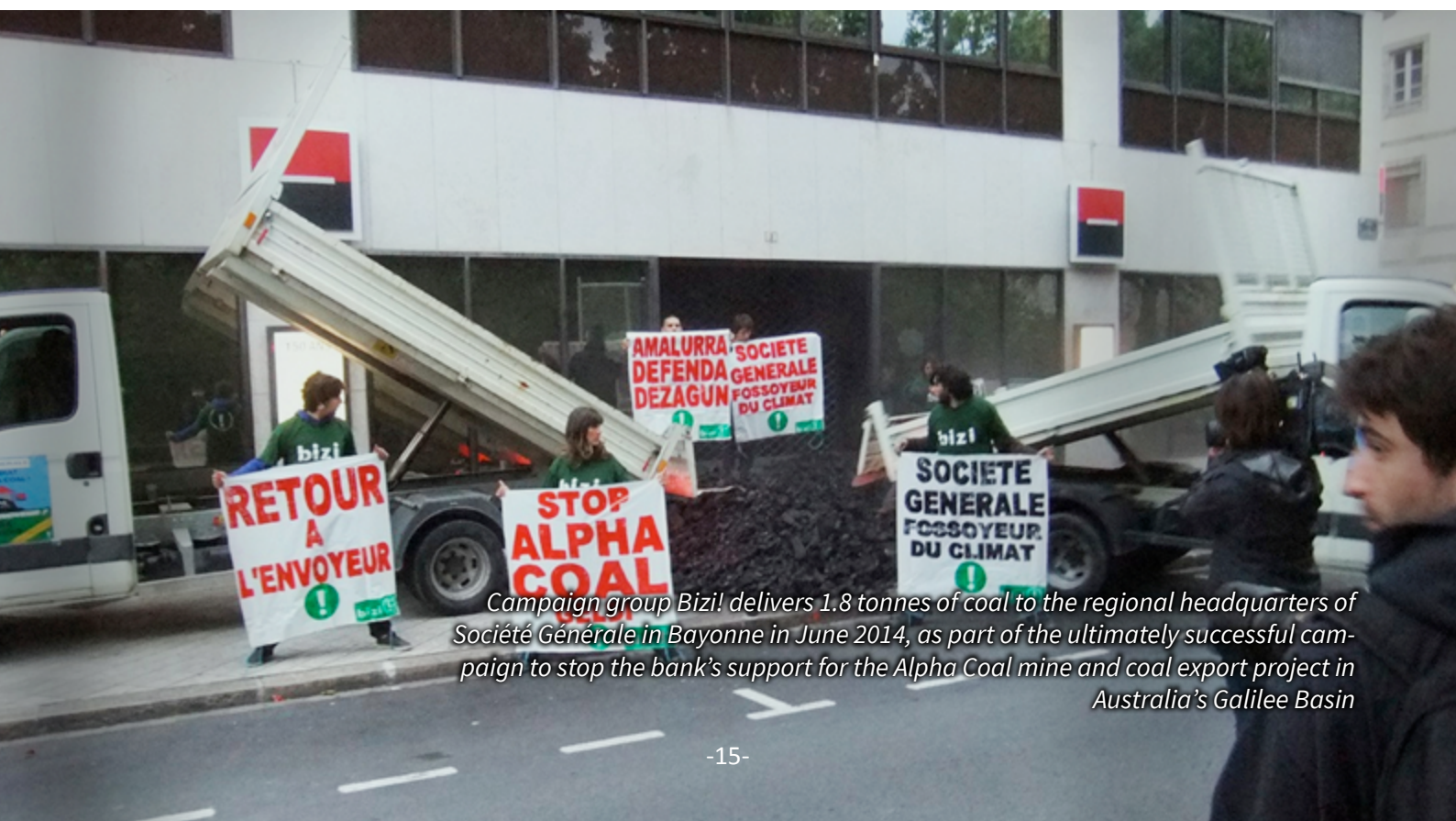
The **BDS Movement** helped secure the divestment of Dutch pension giant PGGM from five Israeli banks, and called for a boycott of Barclays over its investments in Elbit Systems.

Facing finance launched the third Dirty Profits report, documenting sample cases of serious violations of internationally established norms and standards and the extent to which these are supported by European financial institutions.

FairFin launched a web tool, Mind the Map, to allow Belgian bank customers to trace their bank's investments, and in early 2015 launched the Belgian Fair Finance Guide.

A report by **Friends of the Earth Scotland** called on the post-referendum Scottish Government to break up the country's two dominant banks and reform the banking system to better meets the needs of society.

Friends of the Earth France (Les Amis de la Terre) helped secure a big win with Société Générale's exit from the Alpha Coal project in December, after a national day of action against the bank's involvement in March, a study showing the bank was breaching its own standards in backing the project in April, and further pressure at the bank's AGM in May. The group also challenged BNP Paribas over coal and tax and Crédit Agricole over finance for mountaintop removal at their respective AGMs.



Campaign group Bizi! delivers 1.8 tonnes of coal to the regional headquarters of Société Générale in Bayonne in June 2014, as part of the ultimately successful campaign to stop the bank's support for the Alpha Coal mine and coal export project in Australia's Galilee Basin

Friends of the Earth Europe and **Friends of the Earth US** together produced research on the impacts and financiers of palm oil producers Bumitama Agri and Wilmar. FOE Europe also filed an OECD complaint against Rabobank for financing Bumitama. In September, Bumitama terminated its relationship with an illegal palm oil plantation in Borneo after pressure from the campaign group. FOE US was instrumental in getting JPMorgan Chase to establish its new Environmental and Social Risk Management policy, which makes palm oil a “sensitive sector” requiring enhanced due diligence, and also released the report “Going out but going green?” assessing the impact of China’s Green Credit Directive.



Global Justice Now (formerly **World Development Movement**) won a historic ruling from the European Union to introduce legislation to prevent speculation by banks and hedge funds driving up food prices and exacerbating the global hunger crisis, and targeted the AGMs of the big four UK banks, Barclays, HSBC, Lloyds and RBS, over their funding for coal.

Greenpeace put Deutsche Bank under pressure over the bungled IPO of one of China's largest tuna companies, and in early 2015 pursued a successful petition campaign for Santander to withdraw from funding Indonesian paper company APRIL.

International Rivers highlighted the support of Deutsche Bank and JP Morgan for an Ethiopian bond sale which is set to fund destructive dams and land grabs, and together with BankTrack highlighted the potential damaging impacts of GDF Suez’ green bond issue.



Market Forces organised two Australian Divestment Days, pioneering the concept in advance of the first Global Divestment Day in February 2015. Together, hundreds of customers turned out to close their accounts with the big four Australian banks. Market Forces was also instrumental in the successful campaign to persuade Deutsche Bank and many more of the world’s top 20 coal banks to steer clear of financing the Abbot Point coal terminal, and is continuing to campaign for the big four Australian banks to follow suit.



Rainforest Action Network (RAN) issued the fifth Coal Finance Report Card; brought a coalition of shareholders and community leaders to Bank of America’s AGM to protest against the bank’s finance for coal; and successfully pressured Citigroup, Goldman Sachs and JPMorgan Chase to reject finance for Abbot Point. In addition RAN helped secure Goldman Sachs’ withdrawal from Carrix, the company behind a colossal coal export terminal proposal in Washington.

SOMO helped to submit the first complaint to Dutch development bank FMO’s new grievance mechanism, based on its finance for the Barro Blanco dam in Panama, as well as producing a briefing on the complaints mechanism together with other organisations including BankTrack.

urgewald visited the AGM of Deutsche Bank together with Facing Finance, FOE Europe, Market Forces and others, successfully pressuring the bank not to finance Abbot Point and calling for a wider cultural shift towards sustainability. The group also released a damning report on the Norwegian Government Pension Fund’s coal investments, with Greenpeace and others.

LOOKING AHEAD

In 2015 BankTrack will make the most substantial transformation in its 13 year history, as we move from being a formally structured network of 40 civil society organisations, towards becoming an independent organisation teaming up with many old and new working partners from all over the globe.

While it's a new start, much will stay the same. We will continue tracking the private sector banks and holding them to account on their sustainability promises. We will continue to provide a platform for Dodgy Deal profiles and company profiles, to publicise the deals that banks would rather you didn't know about. And we'll continue supporting other NGOs working to change the banking sector or influence it on specific projects – only with a wider remit to support civil society as a whole rather than just the members of our network.

The key question to answer before embarking on such a reinvention is 'why go through this exercise?' The short answer is that we have felt for some time that being a formal network of civil society organisations involves imposing an artificial structure on what are in reality fluid relationships. This structure has started to become an obstacle rather than an aid for fostering the best possible cooperation between NGOs sharing our mission.

BankTrack was established in 2003 with the objective to provide an effective cooperation platform for civil society groups working on banks. Our aim was to be a 'solid pack of campaigners', tightly organized into a formal network, with enough clout to be able to influence bank decision making on policies and investments, and to pursue a radical agenda for a truly sustainable banking sector. By and large this worked; BankTrack has become recognized by banks and other NGOs alike as the leading campaigning organisation on banks and (un)sustainability. The last 12 years have seen banks adopt standards and policies which were virtually non-existent when we started, and our continuous efforts against bank investments in damaging "dodgy" projects and companies has helped stop or change many such projects, and push banks towards ensuring their commitments translate into tangible results on the ground (though, of course, a lot remains to be done here). In short, we have much to be proud of.

However, the landscape has changed since 2003. More NGOs and larger NGOs are targeting banks as part of their work, sometimes within the BankTrack network but often outside of it, and often on a short term and ad-hoc basis. Our abilities across civil society are strengthened by this. But a formal network is less able to serve this landscape.

So, the new BankTrack will be a tracking, campaigning and support organisation, able to work more fluidly to support civil society organisations, but also able to pursue our own campaigns determinedly, as we have done in practice in the past. The former "Secretariat" with its office in the Netherlands will become the core team of an independent, leading campaign organization on banks, capable of delivering on its core mission to stop banks from financing environmental and social destruction, push banks towards sustainability and defend the rights of communities.

Our former members have already given this strategy change their enthusiastic support and we are busy with the reorganisation. We look forward to continuing to work with all of them and others to continue to hold the banking sector to account.

Johan Frijns
Director, BankTrack

March 2015



FINANCIAL SUMMARY

The full financial report for 2014 can be found on our [website](#).

RECEIVED IN 2014 (IN EURO)

Grants:

CS Mott Foundation	77,778
Oxfam Novib	91,002
JMG Foundation	9,931
European Climate Foundation	69,848
V. Kann Rasmussen Foundation	13,709
Total grants	262,268
Interest	2,183
Member fees	20,189
Network support	5,272
Donations / Other income	1,447
Total income 2014	289,176
<i>(total income 2013)</i>	<i>271,757</i>

EXPENSES IN 2014 (IN EURO)

Staff	208,616
Secretariat	24,307
Work programmes	22,646
Total	267,540
<i>(Total expenses 2013)</i>	<i>241,616</i>
Added to reserves	23,819
<i>(Added to reserves 2013)</i>	<i>30,141</i>

ABOUT BANKTRACK

BankTrack is a non-profit tracking, campaigning and support organisation, working collaboratively to track and transform the operations of private sector banks and their effect on people and the planet.

Our mission is 'to promote fundamental changes in the banking sector, so that banks, operating in a transparent, accountable and regulated manner, positively contribute to healthy and just societies, take the rights and interests of all legitimate stakeholders into

account in all business decisions, respect and promote human rights, and protect and strengthen the environment and the ecological health of the planet'.

Our focus is on private sector banks, but where investors, insurance companies, pension funds and others in the finance sector are involved in financing socially or environmentally damaging activities, these companies also become a focus of our work.

In 2015 BankTrack is changing from a network of civil society organisations to a stand-alone organisation, with a mandate to support civil society campaigns on banks. This report covers the calendar year 2014, during which BankTrack operated as a network. Our network members and partners in 2014 were as follows:

MEMBERS AND PARTNERS IN 2014

MEMBERS

Amazon Watch - US
Amigos da Terra Amazonia Brasileira - Brazil
Berne Declaration - Switzerland
CEDHA - Argentina
CounterCurrent/GegenStrömung - Germany
ECA watch Austria - Austria
Fairfin - Belgium
Friends of the Earth Scotland - UK
Friends of the Earth US - US
Global Justice Now (formerly World Development Movement) - UK
Greenovation Hub - China
Green Watershed - China
International Rivers - US
Japan Center for a Sustainable Environment and Society (JACSES) – Japan
Les Amis de la Terre - France
Market Forces - Australia
Milieudefensie - Netherlands
Mineral Policy Institute - Australia
Pacific Environment - US
Platform - UK
Rainforest Action Network - US
Re:Common - Italy
urgewald - Germany

PARTNERS

Accountability Counsel - US
Antiatom Szene - Austria
Banca Armada – Spain
BDS Movement - Palestine
European Environmental Paper Network - UK
Facing Finance – Germany
Finance GreenWatch - Japan
Friends of the Earth Europe - Belgium
Friends of the Earth Japan - Japan
Global Witness - UK
Greenpeace International - Netherlands
International Accountability Project - US
London Mining Network - UK
Profundo - Netherlands
SOMO - Netherlands
World Resources Institute - US

BankTrack
Vismarkt 15
6511 VJ Nijmegen
The Netherlands
www.banktrack.org

 @banktrack

 facebook.com/banktrack

