

BANKTRACK

RECIPIENT

ATT. MR B
HEAD OF SUSTAINABILITY
EARLY ENDORSING BANK B
UNITED STATES

SUBJECT:

YOUR BANK'S IMPLEMENTATION PLAN FOR THE PRINCIPLES FOR RESPONSIBLE BANKING

29 JULY 2019

Dear [name person],

On 22nd July 2019 UNEP-FI launched the final version of the six Principles for Responsible Banking (PRBs), opening the process for banks to become part of the group of initial signatory banks when they are publicly launched on 22nd and 23rd September in New York.

Last May, BankTrack and 44 other civil society organisations made a [submission](#) to the public consultation process on the Draft PRBs, carrying the key message that we seek *commitments* and not just principles, and arguing that banks should develop ambitious commitments and concrete plans to “align their business with society’s goals as expressed in the Sustainable Development Goals and the Paris Climate Agreement” upfront, prior to signing.¹

The organisations that submitted the document continue to have serious concerns about the low level of concrete commitment currently required from banks when signing on to the PRBs, as well as the slow pace at which signatory banks will be allowed to implement their self-determined goals after adoption, with the implementation period extending to as much as *four years* for banks considering themselves ‘starter banks’.²

The world, caught up in the middle of an unprecedented climate and species extinction crisis, exacerbating the plight of millions of people already living in poverty, cannot wait that long for signatory banks to start delivering in a meaningful way on the Principles they sign up to. For the PRBs to gain the necessary credibility as a bank-led sustainability initiative that makes a real difference to the world, they need to start delivering ‘from day one’, that is, from 22nd September 2019.

This brings us to the reason why we are writing you today:

As one of the banks that was amongst the first to endorse the PRBs, your institution has had the benefit of at least 6 months to consider and plan how it will approach and implement the PRBs. We therefore expect that you have already made considerable progress towards assessing the areas where you think you have most impact, in setting targets related to these areas, and in otherwise getting ready to implement the PRBs across your organisation. Early Endorsing Banks, as well as the Founding Banks, are therefore uniquely placed to

¹ See:

https://www.banktrack.org/download/we_seek_commitments_not_just_more_principles/190529_we_seek_commitments_not_just_more_principles_1.pdf

² See: <https://www.unepfi.org/wordpress/wp-content/uploads/2019/07/Key-Steps-to-be-Implemented-by-Signatories.pdf>



demonstrate what immediate and tangible difference signing up to the PRBs will make for banks and for the world.

As such, we kindly seek to understand what your bank as an Early Endorsing Bank has already put in place to ensure that no further time is lost and that you will hit the ground running when the PRBs come into effect in September. We would therefore very much appreciate it if you could respond to the brief set of questions on the next page of this letter, so your preparations are all clear to us.

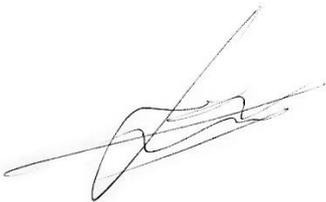
It is our aim to publish a complete overview of all concrete plans and arrangements of the 30 Founding Banks and the Early Endorsing Banks at the launch date of the PRBs. We expect that publishing such a comprehensive overview of concrete plans and arrangements from this group of banks will help strengthen public confidence that the PRB initiative will not be merely a declaration of good intentions but will indeed lead to rapid and fundamental changes in banking practices in the year to come.

You are kindly asked to send your responses to the questions below to Daisy Termorshuizen (daisy@banktrack.org) before Wednesday 31st August 2019 end of business.

I would like to thank you in advance for your participation in this important stock taking exercise and I look forward to perhaps meeting you in person in New York on 23rd September.

Sincerely,

Johan Frijns, Director BankTrack
Johan@banktrack.org



For questions see next page

OUR QUESTIONS ON HOW YOUR BANK IS IMPLEMENTING THE PRBs

1. Alignment

We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

- a. Can you explain briefly what **concrete steps** your bank will take to 'align your business strategy to be consistent with and contribute to society's goals, as expressed in the Paris Climate Agreement'?
- b. What **concrete consequences** will adopting this principle have for your current and future involvement in the fossil fuel industry (coal, oil and gas)?

2. Impact & Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

- a. Which **positive and negative impacts** of your business operations has your bank already identified?
- b. Which **concrete targets** have you already formulated to reduce your negative impact, and where possible increase your positive impact?

3. Clients & Customers

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

- a. Which **specific clients or business sectors** have you already identified as priority for engagement on encouraging sustainable practices?
- b. What **specific procedures** does your bank have in place for identifying, issuing sanctions to, or divesting from clients whose operations continue to be unsustainable or damage prosperity for current and future generations?

4. Stakeholders

We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

- a. Which **concrete stakeholders** (names) have you engaged with until now when implementing the PRBs in your bank?
- b. As we consider ourselves a prime stakeholder with a sincere interest in your PRB implementation process, with **who** (name, contact details) should we be in contact within your bank to follow this process?

5. Governance & Culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking.

- a. Which **board members** have been assigned to oversee the proper implementation of the PRBs within your bank?
- b. Which **section/unit of your organisation** has been tasked with ensuring the proper implementation of the PRBs within your bank?

6. Transparency & Accountability

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

- a. What **reporting format** have you developed to review and report on your implementation of the PRBs?
- b. What **concrete procedure** have you put in place to allow stakeholders to engage with you on your implementation of the PRBs, or file a complaint in case of apparent non-delivery on the public commitments made by your bank?

