

EUROPEAN ASSOCIATION
OF CO-OPERATIVE BANKS

Co-operative Banks' engagement to Green and Sustainable Finance & Fight against Climate Change



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INTRODUCTION

Fighting global warming is not a theoretical engagement. It raises the question of a sustainable transformation of our economic models that must better consider the impact of human activities on the environment in a long-term perspective.

Due to their proximity to members, co-operative banks are fully aware of the challenges and they are already multiplying their efforts for a sustainable economy that respects the environment.

Banking activities take part in this necessary transformation. Retail and proximity banks take an active role in this large scale initiative, by promoting within their network, the distribution of services and investment or savings products in favour of sustainable development. Moreover in their daily operations, co-operative banks put in place innovative solutions to use in a responsible manner the resources that are indispensable to their activities. This way they also match the aspirations of their employees of being individually engaged towards the planet.

Their branches are active on the national and regional level but also bearing in mind green financing and investing, accompanying energy transition also on the international level. Their expertise in project financing allows the creation of infrastructures that help reducing carbon emissions. Renewable energy represents the core of their new project financing for the energy production. Thanks to their innovating capacity some co-operative banks are relevant finance partners in green bonds, that play a key role in mobilising savings towards responsible projects.

Acting in favour of climate financing is in the very nature of co-operative banks whose mission is to accompany members and clients in the long-term. Due to this engagement in the long-term they call for stability and visibility but also proportionality of the regulatory framework for the banking industry. Additionally, **there is a risk that regulation will lead to a less diverse banking environment** thus undermining the sustainability and stability of the financial framework in Europe. Those are key issues to address in the debate on sustainable finance. In this light focus shall be on voluntary solutions instead of legislation with the objective of acting collectively in favour of climate.

Co-operative banks are in favour of setting a carbon price that may constitute a strong incentive to investments in low-carbon technologies and in renewable energy. The setting of a price would also allow to measure investments to finance energy transition and facilitate climate financing.

Households, local communities and local enterprises are mobilising to act in favour of climate. Co-operative banks are on their side.

The aim of this publication is to provide selected examples of the engagement of co-operative banks in various countries across Europe.

CHAPTER 1

Engagement and operational practices: reduction of emissions by members, processes that have positive environmental effects, carbon price.



Crédit Agricole

- 2003:** Signatory to the United Nations Global Compact and the Equator Principles.
- 2010:** Creation of the Sustainable Banking unit at Crédit Agricole CIB, which advises customers on their transactions taking social and environmental considerations into account.
- 2012:** Publication of initial sector policies relating to the energy, mining and transportation sectors, covering financing for fossil fuels and carbon-emitting activities. As of 2012, refusal to finance in particular any offshore oil exploration or exploitation projects in the Arctic.
- 2014-2016:** Co-founder of the Green Bond Principles, the Portfolio Decarbonisation Coalition and member of the Montreal Carbon Pledge.
- 2015:** Development of a "Low Carbon" index-based approach for funds under management allowing institutional customers to protect themselves against carbon risk.
- 2015:** Undertaking to no longer finance coal mining or companies specialising in this activity.
- 2016:** Undertaking to no longer finance any new coal-fired power plants or power plant extensions worldwide.

Sectorial policies with environmental limitation

Oil & Gas; Shale gas; Coal-fired thermal power stations; Hydroelectric power stations; Nuclear power plants; Mining and Metals; Aerospace; Shipping; Automotive industry; Transportation Infrastructure; Real Estate; Palm oil and forests.

Grupo Cooperativo Cajamar

The Grupo Cooperativo Cajamar reports annually to CDP since 2014. In 2015 the rating was "B".

The Grupo Cooperativo Cajamar is member of Spainsif (socially responsible investment forum). This forum aims to promote socially responsible investment and the introduction of ESG criteria (environmental, social and governance) in investment projects.

The Grupo Cooperativo Cajamar is a leading company in the Cluster on Climate Change. This cluster aims to lead from the scope of CSR the transition in Spain of a low carbon economy.

In 2016, the greenhouse gas emissions were reduced in all Scopes. By 2016 all energy consumption was green (renewable sources). Thus, greenhouse gases were not emitted into the atmosphere at Scope 2. In 2016, total emissions were 883 tonnes of CO₂ in scope 1; 0 tonnes in Scope 2; and 1,201 tonnes in scope 3.



Raiffeisen Bank International

RBI publishes a sustainability report, it reports to CDP, and in 2017 its rating was "A-".

RBI promotes an annual stakeholders' dialogue and carries out a comprehensive stakeholder's survey every two or three years.

In 2016 **RBI** reduced its CO2 emissions by two per cent compared to previous year. In 2017 it introduced a Carbon Policy.



DZ Bank

DZ BANK is the central bank of around 1,000 independent local cooperative banks in Germany. In 2014 the entities in the DZ Bank Group founded the Group Corporate Responsibility Committee (CRC), they have introduced group wide supplier standards, a common database structure and signed the UN Global Compact.

At the end of 2016 the Group CRC began developing a group wide climate strategy based on the German Climate Action Plan and the UN Sustainable Developments Goals.

DZ BANK publishes an annual sustainability report. The 2014 publication came third in the CSR report category at last year's Econ Awards for corporate communications.

DZ BANK has sectoral rules for sensitive industries and rejection criteria for lending concerning weaponry, prostitution, gambling, significant environmental risks and human rights abuses.

DZ Bank has achieved its target of reducing CO2 emissions by 30% in 2011 compared to 2008, i.e. one year earlier than expected. The current target is to lower the total CO2 emissions by 15% by 2020 (compared to 2012) and progressively make DZ BANK carbon neutral.



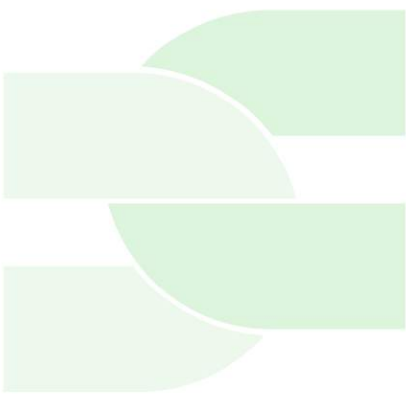
Crédit Mutuel

Societal and environmental issues in financial activities are mainly addressed through the corporate and investment banking activity. It represents only 6,2% of the Group's net banking income, but that's where the main environmental, social and governance risks can be dealt with.

The Group takes these challenges into account through practices and procedures which do not only include financial criteria, in particular, with an internal assessment method based on the "Equator Principles".

Furthermore, the Group (or its components) has participated in the United Nation's Global Compact since 2003 and it is a signatory of the Principles for Responsible Investment of the Paris Climate change





call and the Carbon Disclosure Project. By signing the manifest of the Shift Project geared towards all actors, certain of the Group's executive directors commit themselves to urgently undertake consistent and concrete actions commensurate to the climate challenge and to the preservation of natural resources.

Climate commitments take various forms with regards to the corporate and investment bank and its large corporate clients. The publication of the five main sectoral policies complements policies published by asset management companies and highlights the Group's commitments:

- coal-fired power plants, (Crédit Mutuel-CM11 et CIC) ;
- civil nuclear energy, (Crédit Mutuel-CM11 et CIC) ;
- mining activities, (Crédit Mutuel-CM11 et CIC) ;
- defence, (Crédit Mutuel-CM11 et CIC) ;
- private banking, (Crédit Mutuel-CM11 et CIC) ;
- controversial weapons, (La Française AM, Federal Finance Gestion).

For their real estate assets, asset management companies such as La Française (CM Nord Europe) favour green or low carbon investments (Lille, Berlin, Paris...).

Crédit Mutuel de Bretagne is engaged with the International Chamber of Commerce for Brittany on private tertiary buildings and local secondary schools renovation. The goal is to reduce energy consumption by 26% by the year 2030. In addition, tools suit to their needs are provided to households in order to support the financing of energy-efficiency improvements on residential estate.

The Banque du Luxembourg, subsidiary of the **Caisse Fédérale de Crédit Mutuel**, develops alternative funds to finance sustainable agriculture and support rural producers, in particular, in the South America and Africa regions. **Crédit Mutuel Nord Europe** is committed in the reforestation and supports the planting of 3000 trees in Senegal, Perou and Haiti. The projects of its partner, ReforestAction, contribute to the development of the local economy, to the restoration of the environment and to the protection of the biodiversity.

Furthermore, the Group is committed to control its energy consumption and to sharply reduce greenhouse gas emissions since the first situation analysis undertaken in 2012. This has helped to formalize collecting and reporting tools. More than 350 energy audits covering all Group entities were carried out in 2015-2016. They enable us to define the work to be done.

OP Financial Group

OP's CSR program- Positive driver of change through responsibility – is based on 4 main themes: We foster sustainable a sustainable economy, We support local vitality, We act with a people-first ap-

proach and through engagement and We foster health, security and wellbeing.

OP is a signatory in United Nations Global Compact, UN PRI, the Montreal Carbon Pledge and the Equator Principles. OP reports annually according to GRI. Impacts driven by climate change OP reports to CDP, where in 2017 the rating was "B".

Ecology Building Society

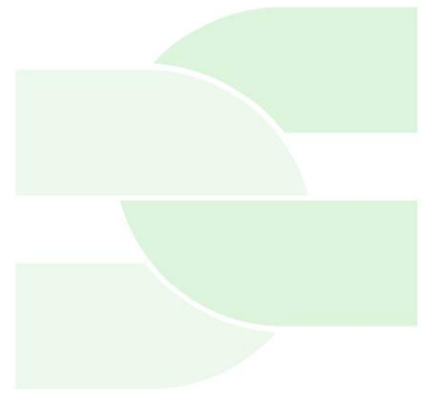
Ecology Building Society is dedicated to building a greener society by supporting ecological building and sustainable communities. We do this through:

- **Sustainable mortgages** – lending on projects and properties that support the environment including renovations, self- and custom build and energy efficiency improvements as well as moorings and woodlands
- **Affordable housing** – supporting shared ownership and community-led housing such as Community Land Trusts and housing co-operatives
- **Ethical saving** – simple, transparent, fair savings accounts that offer the benefit of knowing where your money goes
- **Mutual values** – we are owned by our members and driven by our mission to build a sustainable future.

Our commitment to sustainable lending is enshrined within our Memorandum which states that we exist:

"...to promote ecological policies designed to protect or enhance the environment in accordance with the principles of sustainable development"

We also practice what we preach in terms of our own financial and environmental operations. Our head office was designed to an airtight structure, high levels of insulation and low energy requirements, and we have offset the carbon emissions our operations have generated since 1981. We're committed to fair pay - we are a Living Wage accredited employer and the salary of the highest paid member of staff never exceeds eight times the salary of the lowest paid full-time member of staff. In addition in 2016 we became the first building society to be awarded the Fair Tax Mark.

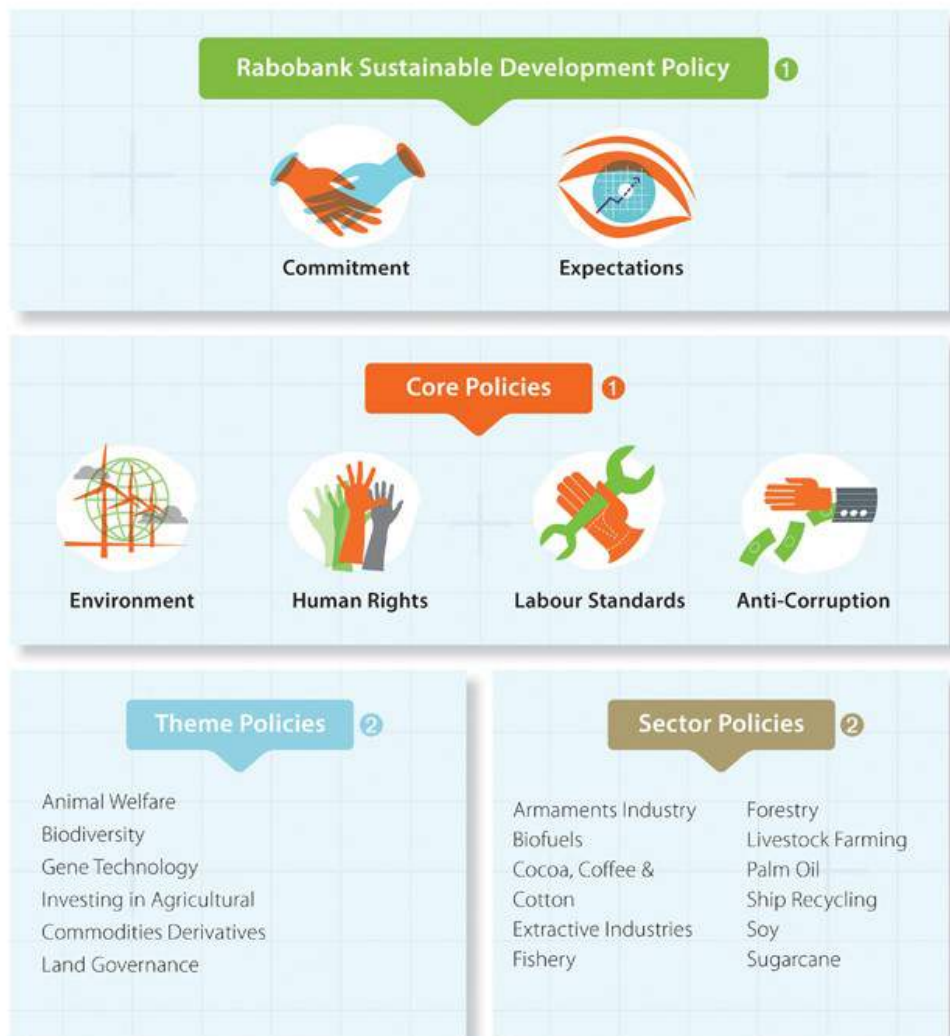




Rabobank

Rabobanks signatories examples are UNEPFI, UN Global Compact, OECD Guidelines

The sectoral policies include: Animal Welfare, Biodiversity, Investing in Agricultural Commodities Derivatives, Land Governance, Biofuels, Extractives, Fisheries, Forestry, Livestock Farming, Palm Oil, Ship Recycling, Soy and Sugarcane policies that all incorporate environmental assessments.



Source: Rabobank, *Sustainability Policy Framework*, 2015, p. 13.

Rabobank's practices to reduce emissions are specified per sector in our Sustainability Policy Framework, for example in **Biofuels Policy**: *'Rabobank expects all clients active in the biofuel industry to produce biofuels that provide clear greenhouse gas emission benefits after considering the entire lifecycle of raw material from cultivation, production and utilizations compared to fossil fuel.'*

Another example in **Livestock Farming policy**: *'Rabobank expects all clients active in the livestock farming sector to produce safe products based on sustainably produced inputs including minimal emissions of minerals, metals and greenhouse gases originating from animals, manure, fertilizers and crop protection chemicals.'*

Our commitment to sustainability initiatives

Rabobank commits to several initiatives of external bodies related to sustainability and also the financial sector.

Soft Commodities Compact of the Banking Environment Initiative <http://www.cisl.cam.ac.uk/business-action/sustainable-finance/banking-environment-initiative/programme/soft-commodities>

The Banking Environment Initiative (BEI) was established in 2010. Its mission is to lead the banking industry in collectively directing capital towards environmentally and socially sustainable economic development. The 'Soft Commodities' Compact, developed in alliance with the Consumer Goods Forum, aims to mobilize the banking industry to help transform soft commodity supply chains (with a focus on beef, palm oil, soy and forestry), thereby helping corporate clients to achieve zero net deforestation by 2020. Rabobank is non-member adopter of the BEI 'Soft Commodities Compact'.

Equator Principles <http://www.equator-principles.com>

The *Equator Principles (EP)* is a voluntary risk management framework, adopted by financial institutions, for determining, assessing and managing environmental and social risk in projects and project related finance. The EP apply globally, to all industry sectors and to specific financial products above certain thresholds. The specific products are project finance advisory services, project finance¹⁵, project-related corporate loans and bridge loans. Rabobank applies the EP to all products and services where the EP are applicable.

¹⁵ Rabobank defines 'project finance' as a method of finance whereby we look primarily to the revenues generated by a single project, both as the source of repayment and as security for the exposure. Repayment therefore depends primarily on the project's cash flow and on the collateral value of the project's assets. 'project-related corporate loans' are defined by Rabobank as corporate loans where the majority of the proceeds are related to a single project. For definitions of 'project finance advisory services' and 'bridge loans', we follow the definitions of the Equator Principles.

Natural Capital Declaration

<http://www.naturalcapitaldeclaration.org>

The *Natural Capital Declaration (NCD)* is a global finance-led and CEO-endorsed initiative to integrate natural capital considerations into financial products and services, and to work towards their inclusion in financial accounting, disclosure and reporting. The initiative is jointly convened by the *United Nations Environment Programme Finance Initiative (UNEP FI)* and the *Global Canopy Programme (GCP)*.

OECD Guidelines Guidelines for Multinational Enterprises

<http://www.oecd.org/about>

The mission of the *Organisation for Economic Co-operation and Development (OECD)* is to promote policies that will improve the economic and social well-being of people around the world. The OECD provides a forum in which governments can work together to share experiences and seek solutions to common problems. It strives to work with governments to understand what drives economic, social and environmental change. The OECD also sets the international standards on a wide range of things, from agriculture and tax to the safety of chemicals. Rabobank endorses the OECD Guidelines and is guided by its principles.

UNEP Finance Initiative

<http://www.unepfi.org>

The *United Nations Environment Programme Finance Initiative (UNEP FI)* was established in 1992 as a platform associating the United Nations and the financial sector globally. It is a global partnership of over 200 institutions, including banks, insurers and fund managers, working with UNEP to understand the impacts of environmental and social considerations on financial performance. Rabobank endorses the *UNEP Statement of Commitment by Financial Institutions on Sustainable Development* and is guided by its commitments.

Source: Rabobank, *Sustainability Policy Framework*, 2015, p. 80-81.

CHAPTER 2

Financing practices: financial products including promotional financing and services oriented to energy efficiency, renewable energy, green bond issues

Crédit Agricole

As a retail and investment bank, institutional investor and real estate developer, Crédit Agricole plays the role of energy efficiency financier -advisor for all of its customers.

The Regional Banks finance home energy renovations with products such as "Eco-PTZ" zero-interest eco-loans and "PEE" energy saving loans provided for heating, hot water, cooling or insulation works. From the outset and as at 31 December 2016, over 104,000 offers had been made totalling over €2.1 billion.

Crédit Agricole Assurances favours investments able to support the transition to new energy sources. Real estate acquisitions take environmental criteria into account and increase the proportion of retail and office properties with at least one environmental accreditation.

Crédit Agricole Immobilier has founded the BBKA (Bâtiment Bas Carbone) low carbon building association with other sector operators to help to reduce the carbon footprint of buildings at the level of construction and operation. It ensures the development of more environmentally-friendly buildings using bio-sourced materials and favouring moderate consumption of materials. Three BBKA certified buildings are in the process of being constructed within the Group.

Alternatives to fossil fuels, photovoltaic energy, wind power, biomass, methanisation and other renewable energies require heavy investment in research and development and infrastructure. Crédit Agricole is the leading financier of the sector in France.

Crédit Agricole Leasing & Factoring (CAL&F) uses the energy and environmental expertise of its subsidiary Unifergie to help to finance renewable energy projects by farmers, companies and local authorities. The cumulative capacity financed by CAL&F at end-2016 was in excess of 3,700 MW, equivalent to supplying power for 1,500,000 French households.

+21% increase in one year in renewable energy financing (€514 million in 2016 vs. €425 million in 2015).

More than one in two of these renewable energy projects is financed in partnership with the **Regional Banks**.

Crédit Agricole Assurances and Engie founded FEIH in 2013. This partnership was furthered in 2016 with the integration of wind farms operated by Maïa Eolis and now represents total capacity of 810 MW, making FEIH one of the biggest operators in France in terms of installed capacity.

Financing the transition to new and more environmentally-friendly energy sources implies a generalised approach in terms of consumption, economic models and regions. The Group offers specialised solutions for financing investment in water and waste management, heating networks, biodiversity and transportation.

Crédit Agricole CIB has arranged €28 billion of financing to support the climate, around half of the target announced at **COP21**.



€1.1 billion of cash invested in green bonds by Credit Agricole S.A. and Crédit Agricole CIB

In close collaboration with individuals and institutional investors, **Crédit Agricole** is using financial strength to support useful and responsible savings for financing the transition to new energy sources and a low carbon economy. Amundi, French market leader in socially responsible investment (SRI) with assets under management of €168 billion, is central to this approach.

Amundi offers its institutional investor clients a range of index-linked low carbon funds representing over €5 billion under management.

Amundi offers the Amundi Valeurs Durables fund, which invests in European companies that generate at least 20% of their revenues from the development of "green" technologies. At end-2016, assets under management totalled €237 million.

Launched in 2015, the **Amundi Green Bonds** fund offers a bond investment solution in the area of energy and climate transition financing. In 2016, the Amundi Impact Green Bonds fund, consisting entirely of green bonds, allowed investors to measure greenhouse gas emissions avoided as a result of their investment choices. At end-2016, these two funds had collected €65 million of assets under management.

€150 million mobilised by asset management company Amundi Transition Energétique at end-2016.

Krajowy Związek Banków Spółdzielczych

The **Polish co-operative banking sector** comprised of more than 550 independent, local co-operative banks, it is a common practice to cooperate with The National Fund for Environmental Protection and Water Development. This includes preferential **loans for growth of renewable energy sources**, e.g. construction of small installations, producing energy from renewable sources for own consumption, purchase of environmentally friendly solar panels.

Having a wide network of regional and local branches, Polish co-operative banks provide financial support for **green investments** even to small, rural communities, individuals and farmers. Co-operative banks are very often the only source of funding for such investments in these areas.

This puts Polish co-operative banks in the key role in locally providing promotional and preferential retail financing for energy-efficient investments in central heating and water heating, energy-efficient building insulation, waste management, construction of small and home sewage treatment plants, investing in energy-efficient lighting, purchase and installation of ventilation and air conditioning systems with heat recovery.



Federcasse

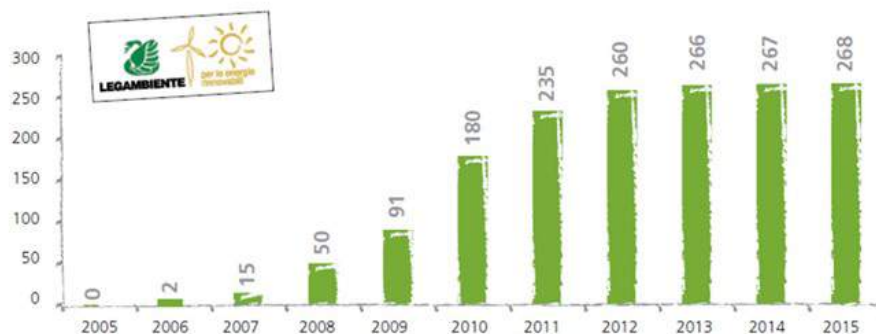
In the framework of the clean energy agreement with **Legambiente** (Italian League for the Environment) and Federcasse (Italian Association of the Credit Cooperative Banks) 5.697 projects received a positive appraisal for a total of more than 268 million euro. These benefits, as of December 2015, of the national framework agreement between Federcasse and Legambiente launched in December 2006 with the aim of promoting and facilitating agreements between the individual BCCs (Banche di Credito Cooperativo-Co-operative Credit Banks) and Legambiente for the purposes of incentivising - via soft loans - the **use of renewable sources of energy**. Projects that can be financed include: energy efficiency systems, solar heating and photovoltaic systems, wind systems, biomass systems, high efficiency boilers.

Legambiente, on its part, is committed to promoting the content and aims of the agreement and to providing training and support to banks in the technical appraisal of the projects to be financed.

The project has recorded notable success in **photovoltaic energy**. More than half of the loans have in fact concerned this system of energy production.



Finanziamenti cumulati. Milioni di euro.



More info: [BCC website](#)

Grupo Cooperativo Cajamar

The **Grupo Cooperativo Cajamar** is working on identifying social and environmental risks, as well as on carrying out actions aimed at implementing audits that assess these risks, while expecting to advance in this scope in the medium term. Specifically, in recent years it has developed a method that allows assessing the economic and financial risks of environmental nature. This method includes several lines of work:

- **Assessment of the risk of non-compliance of environmental regulations:** The regulatory non-compliance by companies involves the accumulation of environmental liabilities in its balance sheets due to the exposure to sanctions or to activity cessation.
- **Assessment of the risk linked to climate change:** The effect of climate change on the business activity may have an impact on the different stages of the value chain that are taken into consideration.

Genossenschaftliche FinanzGruppe Volksbanken Raiffeisenbanken (including DZ BANK)

Development lending in environmental protection, sustainability and energy efficiency are key components of the financing solutions of the **German cooperative banks**. The German cooperative banks have high market shares in promotional lending. According to the number of new promotional loans of KfW offered by cooperative banks to SME Volksbanken and Raiffeisenbanken were the market leader in Germany in 2016.

DZ BANK has been active in **green bonds** market segment since 2013. It is one of the ten leading syndicate banks operating in this segment. The fact that sustainability has been a major aspect of the cooperative principle and culture is proving to be an advantage. DZ BANK as well as Crédit Agricole and Rabobank, two other European syndicate banks with cooperative roots, are in the list of market leaders in this segment.

Crédit Mutuel

Crédit Mutuel provided environmental incentives for adapting to climate change consequences at local and regional levels for several years. It has developed specific products: it provides **energy savings loans** (short and long term) in addition to **eco-loans zero**. Furthermore, the Group supports the development of renewable and alternative energies by offering, for example, a home insurance which covers renewable energy installations (heat pumps, geother-



mal heat, aerothermy, solar panels...) and the properties on which they are installed. A civil liability insurance related to the energy production is provided in case of reselling of the electricity if panels are declared.

Crédit Mutuel is committed through investments and products of its asset management companies:

Federal Finance has launched two climate initiatives to support financial flows to projects consistent with low carbon economies:

- **the set up of a climate indicator**, developed with two extra financial data providers, Sustainalytics and Grizzly Responsible Investment, specialized in sustainable development research;
- **the launch of a formula fund**, Daipazen Climat (net asset of 16 millions of euros) exposed to the Federal Objectif Climat index, composed of 50 companies committed in policies to reduce their carbon emissions.

Federal Finance Gestion, signatory of the Principles for Responsible Investment (PRI), is committed to improve its practices as an investor on behalf of third parties. This commitment was recognized through an A+ rating for the PRI 2015 assessment.

La Française (subsidiary of CMNE) has launched a **Zero Carbon fund**, which is a SICAV launched with 25 millions of euros (15/09/2017 – assets of 150 millions of euros).

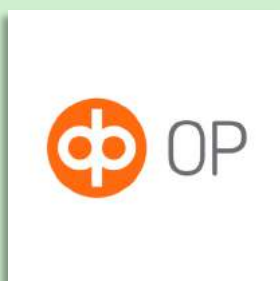
CM-CIC Asset management has launched «**CM-CIC Objectif Environnement**», a fund invested in «green» value-added companies (15/09/2017- assets of 30 millions of euros). It has been ISR certified by Novethic.

OP Financial Group

OP Financial Group bases its financing for private customers on its Code of Business Ethics and Code of Ethics for Lending. As a financial services group, OP has indirect responsibility when it comes to financing for corporate customers. Financing decisions take account of social responsibility and environmental issues.

In terms of current outstanding loan portfolio in selected green business areas, OP Corporate Bank has financed

- **wind and hydro energy production** in aggregate value of approximately EUR 0.5 billion
- **forest management companies** in aggregate value of some EUR 300 million
- **water and waste management** in aggregate value of some EUR 100 million



Ecology Building Society – Our sustainable lending

The **Ecology Building Society** provides mortgages for properties and projects that support individuals and communities to improve the energy efficiency of our building stock and live in a way that promotes a sustainable economy. These are funded through our simple, ethical savings accounts and our members trust us to use their money in line with our mission. The energy wasted by our homes is a critical barrier to reducing our national and global carbon footprint. It's also an increasingly important social and economic issue, with more than 2.3m households in fuel poverty in the UK and successive government schemes to encourage domestic energy efficiency have only had limited success.

For 36 years Ecology has proven that the market can support **domestic energy efficiency initiatives**, delivering warm, healthy, affordable homes while generating a fair return for our members who choose to save with us.

Lending decisions are based on the ecological risk and reward of projects, as well as the financial aspects. So Ecology Building Society will consider projects that other lenders may reject, because they are innovative, unusual or complex. Ecology Building Society led the way in lending for self-build projects when the market barely existed and supported the refurbishment of empty homes long before the issue hit the headlines. We are undaunted by houses built of straw, timber or cob and we actively embrace alternative tenures, including housing co-operatives and cohousing.

Ecology Building Society mortgage pricing is **aligned to climate risk**, offering our unique 'C-Change' discounts for achievement of a recognised energy efficiency standard or significant improvement in a home's Energy Performance Certificate (EPC) rating. By the end of 2016 over 32% of mortgages were benefitting from one of these discounts, showing that our growth in lending was not at the expense of environmental quality.

Ecology Building Society impact is not just direct: its lending for pioneering techniques has stimulated growth in the market for **green building** and encouraged other lenders to follow suit. Self-build market in the UK is unlikely to have existed without Ecology Building Society willingness to lend in the early days. Today Ecology Building Society continue to support innovations such as the Passivhaus standard for energy efficiency, which attracts the greatest level of C-Change discount.

Within this community of borrowers and savers, the role of the society is to balance the different financial interests of our members, while making maximum progress towards our shared vision. Profit is not an end goal, but a means to an end. It is retained as capital, enabling us to further our lending and increase our environmental impact. Ultimately, it belongs to our **members** and we have a duty to use it in pursuit of our common goal.



Rabobank

Rabobank has a **Green Mortgage**, to enhance the sustainability of housing. In order to provide affordable and clean energy, it issues green bonds and is a market leader in this segment. See page 17 of Rabobank Annual Report.



1 No poverty

- Investing EUR 28.7 mln by Rabo Foundation to alleviate poverty
- Impacting 4.7mln smallholder farmers in developing countries
- Impacting 450,000 vulnerable people in the Netherlands

2 Zero hunger

- Investing EUR 102 bln worldwide to stimulate sustainable food supply
- Offering over 200 knowledge reports on Food and Agri to relations
- Connecting parties in the F&A chain by organizing events like Farm2Fork Summit and Foodbytes!

3 Good health and well-being

- Financing over 21,000 business clients in the primary care sector
- Investing EUR 8 bln in hospitals, youth care and assistance for elderly

4 Quality of education

- Contributing, together with clients, to the education of over 1.8 mln Dutch students
- Training more than 268,000 farmers in developing countries by Rabobank Foundation

5 Gender equality

- Organizing 48 events to empower women within Rabobank
- Striving to have at least 30% woman working at executive level by 2020

7 Affordable and clean energy

- Investing EUR 2.3 bln in renewable energy generation
- Issuing the first EUR 500 mln Green Bond

8 Decent work and economic growth

- Investing over EUR 121.4 bln in Dutch Businesses and EUR 101.9 bln worldwide to stimulate economic growth
- Strengthening the capacity of domestic banks in emerging countries, expanding access to banking services locally for over 10 mln customers

9 Industry, innovation and infrastructure

- Investing around EUR 570 mln in the construction and infrastructure sector
- Investing around EUR 85 mln in information and communication technology
- Investing EUR 428 mln in industry in emerging markets together with development banks

11 Sustainable cities and communities

- Providing EUR 72.8 mln to community funds and donations
- Introducing the 'Green Mortgage' offering EUR 50 mln to enhance the sustainability of housing
- Supporting 381 new collective local community initiatives with finance, knowledge and our networks

12 Responsible consumption and production

- Offering EUR 18 bln in sustainable financing and EUR 2.5 bln in sustainable funding
- Initiating two Circular Economy Challenges (impacting 24 companies)
- Active in 9 roundtables for sustainable supply chains and offering 2 value chain visions

13 Climate action

- Funding EUR 70 mln for projects aimed at CO₂ reduction by offering an impact loan to around 100 clients
- Excluding the extraction of coal, financing of coal fired power plants and extraction of gas below the Wadden Sea from our activities

14 Life below water

- Supporting clients in developing sustainable aquaculture operations

15 Life on land

- Providing EUR 326 mln to organic farming and EUR 23 mln in nature conversation
- Partnering in the Tropical Rain Forest Alliance 2020

16 Peace, justice and strong institutions

- Asking investment funds to comply with the UN Principles for Responsible Investment and UN Global Compact Principles
- Contributing to the IMVO covenant for sustainable development

17 Partnerships for the goals

- Commitment to multiple United Nations entities in the realm of food security, nutrition and agriculture
- Partnering with the WWF on sustainable production
- Involved in the World Economic Forum

Source: [Rabobank Annual Report 2016](#), p.17

CHAPTER 3

R&D&I, and other social action initiatives

Krajowy Związek Banków Spółdzielczych

Polish co-operative banks carry out the mission of **promoting sustainable development in their local communities**, mostly by their engagement in local social initiatives, supporting local culture, sport events, activity and development of young and senior citizens, supporting financial education, local entrepreneurship, reconstruction of damages caused by random events, including natural disasters, as well as supporting public services and public benefit organizations. Polish co-operative banks are especially involved in supporting concept of sustainable and coherent development of rural areas, by providing sustainable financing. An important aspect of each of these activities is to share an awareness on sustainable growth and necessity to take into account the surrounding environment. These social action initiatives are very often set directly to achieve this goal, e.g. organizing school meetings on environmental attitudes for children and youth.

Federcasse

MUTUAL CREDIT BCC- BUONA IMPRESA!

Launched in 2012, it is an integrated project of the Italian Cooperative Credit Movement young entrepreneurs (under 35) who start or develop own business, including cooperatives or non-profit. The objective is to facilitate access to credit providing services of assistance and tools to guide in the design, verification and presentation of their business plan (dedicated website and " App" for Apple and Android systems). During 2015, 148 BCC (with more than 2.000 branches) funded through "Buona Impresa" 4.870 youth enterprises, with 2.873 start-ups for a total amount of € 183 million (December 2015). The average amount is about € 25.000. Special feature of the project is the partnership of local organizations that provide support services and mentoring : Rete Imprese Italia (Confartigianato , CNA , Casartigiani , Confcommercio, Confesercenti) Confcooperative , Confcooperative, Camere di Commercio, etc.

The project includes a plafond of subsidized loans (start-up loan for a maximum of € 100.000 to due in 60 months, leasing, ad hoc funding for renewable energy, etc.), free tutoring and assistance (for 2 years) thanks to partnerships mentioned above, a website dedicated and a free "app" for business plan preparation. Some CCBs activated specific business incubators and accelerators, such as BCC Manzano (Udine), BCC Alba (Cuneo) or BCC of Pontassieve (Florence), who opened new spaces to meet young entrepreneurs in city centres.

Grupo Cooperativo Cajamar

The Grupo Cooperativo Cajamar's impact on the primary sector and the agro-industry is projected via two clearly differentiated lines, but deeply integrated since the Group's origins: the banking activity (financing and management of agricultural credit risk), and research. During 2016, more than a hundred projects were open in experi-



mental centres of the Grupo Cooperativo Cajamar. The vast majority were developed by the Group's own researchers, and others were developed in collaboration with different Spanish and foreign companies, technological centres and universities. The partnership with companies and research centres is essential to improving research efficiency and, in turn, multiplying the positive impact of research for the agricultural sector, the environment and society as a whole. The three R+D+i areas of the Grupo Cooperativo Cajamar are: agricultural sustainability (69% of projects); food and health (14%); and greenhouse technology (17%).

Genossenschaftliche FinanzGruppe Volksbanken Raiffeisenbanken



Genossenschaftliche FinanzGruppe
Volksbanken Raiffeisenbanken

The national association of German cooperative banks **BVR** yearly publishes an [annual report on corporate citizenship](#). This report gives an insight into the wide variety of corporate citizenship activities that German cooperative banks undertake.

Crédit Mutuel

Employees are also made aware of the corporate, social and environmental responsibility, whether for energy consumptions or solidarity-based savings or responsible investment or good practices:

- Distribution of a newsletter which contains general and competitive information and highlights some good practices of group entities for the last 9 years. The aim is to ensure an active pedagogy on corporate, social and environmental responsibility.
- This weekly publication is accessible to all members of the staff and to most of the mutualist elected directors on the intranet websites of Group entities, representing 100 000 potential readers.
- Some information taken from this newsletter has been published on the Group's national website for customer-members, clients and web surfers.

A sustainable development portal has been set up in the intranet website designed to employees, mutualist elected directors and the Group entities, in order to encourage respectful behavior towards the environment. It contains news, actions taken in this area and a space on eco-gestures ("under development").

OTHER INFO: data and reporting

Credit Agricole

Crédit Agricole is publishing this year, in addition to the Reference Document, its first Integrated Annual Report, which replaces the activity report and the CSR report. For the first time in a single publication, all the key elements are included in the understanding of the Group's economic model and its ability to create medium- and long-term value by comparing them with the changes in our ecosystem.

Grupo Cooperativo Cajamar

Grupo Cooperativo Cajamar is publishing [Integrated report](#); Carbon Disclosure Project Questionnaire; Report on the socio-economic and environmental impact of the Grupo Cooperativo Cajamar.

Item	Definition	Type et number of projects	Amount
Loans for house energy efficiency	Financing for the improvement of efficiency (agricultural sector)	4,668 transactions (loan)	600 million €
Savings and investments for environment	SRI (Socially Responsible Investment)	Investment funds with ESG criteria (environmental, social and governance)	1.600 million €
Donations and sponsoring of local projects (cooperative dividend)	Endowment to Foundations (R+D+i agri-food)	77 projects: agricultural sustainability; food and health and greenhouse technology	4.9 million €

Federcasse

Federcasse is publishing the CSR report of CCBs (Italian Co-operative credit Banks) with a specific section on environment and in particular on the ecological footprint

Item	Definition	Type et number of projects	Amount
Lending renewable energy	To promote clean energy	7.234 green projects	480 million euro in soft loans (All CCBs system-December 2015)

Raiffeisen Bank International

RBI is publishing its [Sustainability Report](#). In 2016, RBI won the first price of the Austrian Sustainability Reporting award for its Report 2015. Specific data on ecological footprint.

Item	Definition	Type et number of projects	Amount
RBI AG Lending renewa-			174 million €
RBI AG Loans for house energy efficiency	Financing for the improvement of effi-		418 million €
Raiffeisen KAG Savings and investments for environment	SRI (Socially Responsible Investment)	Investment funds with ESG criteria (environmental, social and gov-	1.800 million €
RBI Donations of investments in the community	Endowment to Foundations (R+D+i agri-	1653 projects:	4 million €

Crédit Mutuel

Crédit Mutuel is publishing its [CSR report](#) with a lot of indicators (governance, social, environmental, societal ...).

Item	Type et number of projects	Amount
Loans for house energy efficiency « éco-prêt à taux zéro »	5442	94,5million €
SRI (Socially Responsible Investment)	/	9000 million €
épargne salariale solidaire	/	357 million €
Investment funds with ESG criteria	/	47000 million €



Ecology Building Society

Ecology Building Society which operates in the UK, specialises in mortgages for properties and projects that benefit the environment. This includes sustainable new builds, renovation or conversion of derelict buildings, and energy saving improvements to existing buildings.

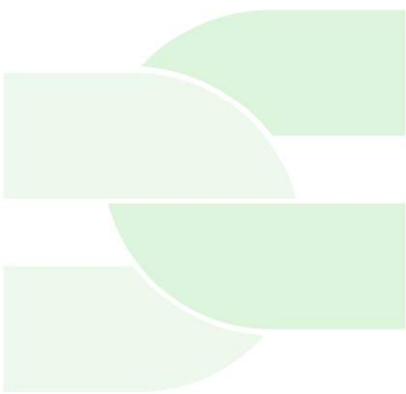
By offering interest rate discounts linked to energy saving measures in a property, Ecology's borrowing members are encouraged and rewarded for reducing the carbon footprint of their homes.

In 2016 Ecology provided £31 million of new lending for 120 sustainable properties and projects. The loans included:

Sustainable new builds	64
Conversion (of a non-residential building into a residential property)	9
Renovation (of a residential property)	23
Woodlands (for biodiversity)	2
Social and community-led housing	26
Projects involving renewable energy technology	43

Rabobank

Rabobank reports on environmental and CSR aspects both via a specific report and as part of the [Annual Report](#) and the [Sustainability Policy Framework](#).



Item	Definition	Type et number of projects	Amount
Lending renewable energy	Providing affordable and clean energy	Renewable solar and wind energy projects, energy efficiency, lighting, water and waste management, power consumption.	EUR 2.3 bln
Loans for house energy efficiency	Green Mortgage: mortgage that encourages customers to opt for an energy efficient new home by giving them a discount (0.5%) on the interest.	Build energy efficient houses	EUR 50 mln
Savings and investments for environment	Impact loan: loan with a significant interest account introduced by the European Investment Bank and Rabobank for sustainability frontrunners in the Netherlands with a positive social impact. Funding projects for climate action, life below water and life on land	Sustainable investments for SMEs	Climate action impact loan: 70 mln Total impact loans: 80.6 mln Life on land: organic farming 326 mln nature conservation 23 mln
Green bonds issues	Rabobank has Green Bonds: Funds allocated to the financing of renewable energy projects (solar and wind).		EUR 500mln
Donations and sponsoring of local projects (cooperative dividend)	Sustainability Bond: funds allocated to loans provided to SMEs with sustainability certifications on products, processes or	Supporting 381 new collective local community initiatives with finance, knowledge and our networks	EUR 72.8 mln

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The Co-operative Difference : Sustainability - Proximity - Governance

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EUROPEAN ASSOCIATION
OF CO-OPERATIVE BANKS

About EACB

The European Association of Co-operative Banks (EACB) represents, promotes and defends the common interests of its 28 member institutions and of cooperative banks, with regard to banking as well as to co-operative legislation.

Founded in 1970, today the EACB is a leading professional lobbying association in the European banking industry. Co-operative banks play a major role in the financial and economic system.

They contribute widely to stability thanks to their anti-cyclical behaviour, they are driver of local and social growth with 3.135 locally operating banks and 58,000 outlets, they serve 209 million customers, mainly consumers, SMEs and communities.

Europe's co-operative banks represent 80.5 million members and 742,000 employees and have an average market share of about 20%.

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