

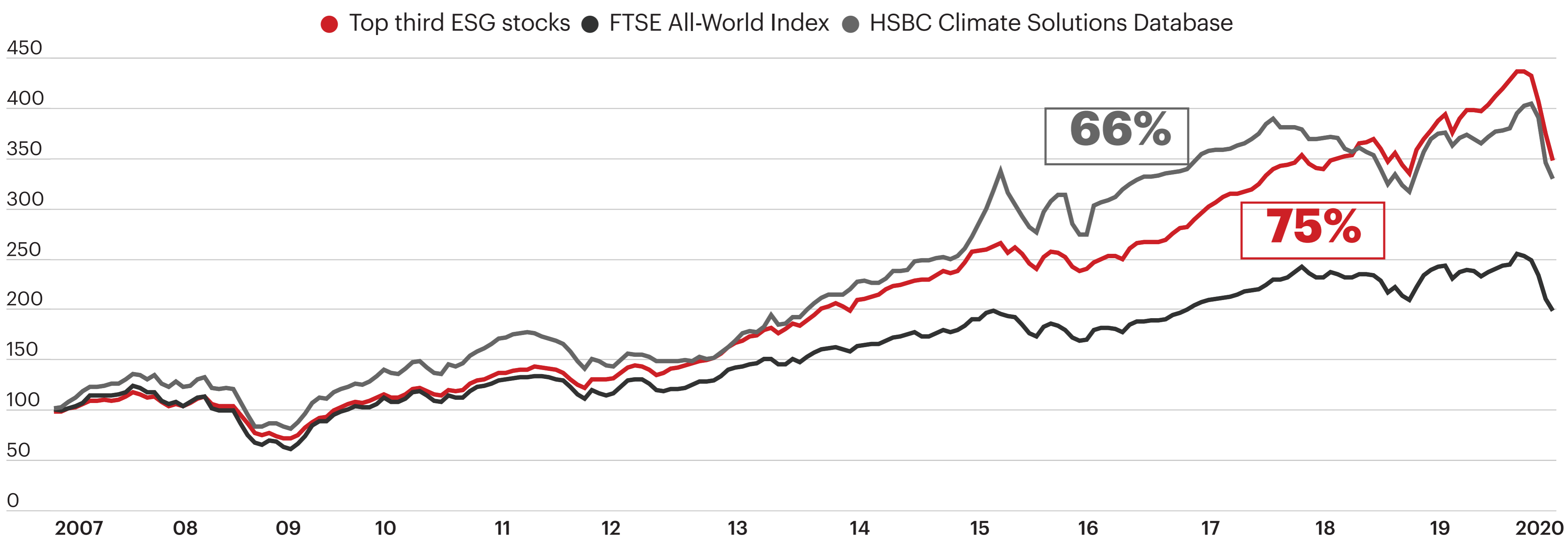
Banks Are Mining New Forms of Value with Sustainability

Many banks are warming to sustainability principles and practices, as evidence of the benefits continues to build.

Sustainable investing pays off

Leaders in environmental, social and governance (ESG) practices outperformed by 66% or 75% since 2007, depending on the index

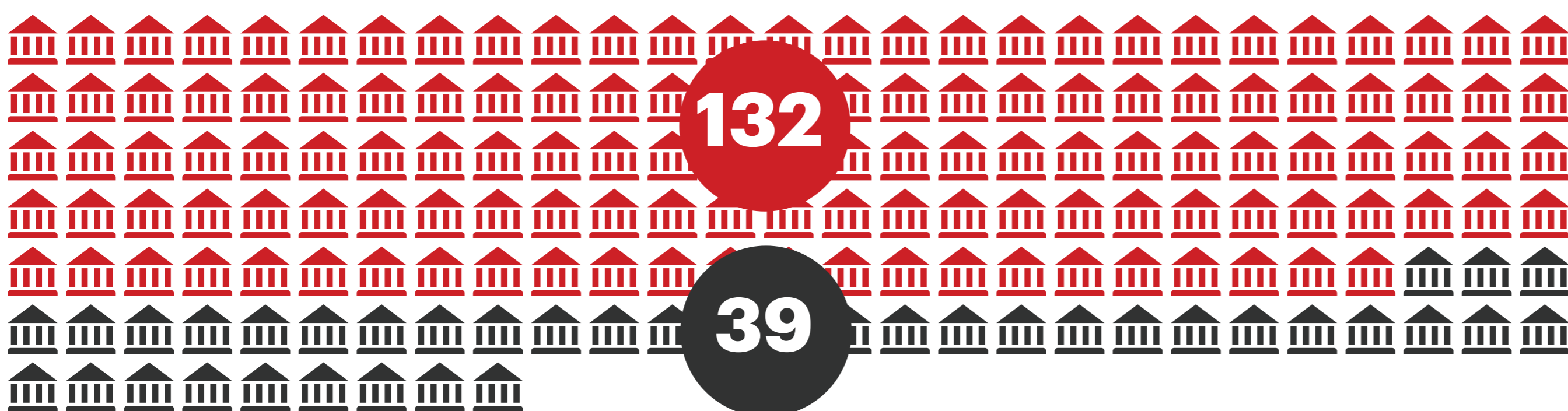
Index performance (indexed to January 31, 2007)



The benefits go beyond the bottom line

As more banks sign on to the principles of responsible investing ...

● As of September 2019 ● Added since September 2019



... the additional benefits of ESG have become clear

- Access to indexes with strong ESG ratings
- Better customer loyalty
- Higher employee engagement

Leading banks bring sustainability into the core business

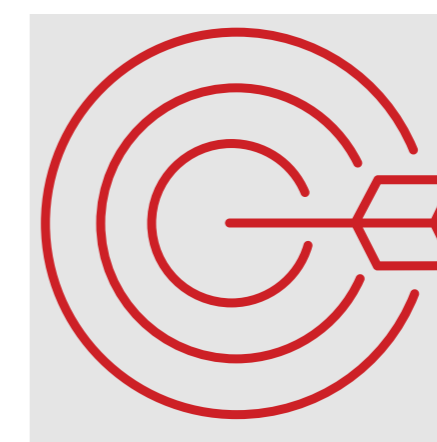
While ESG was already on many banks' radars, Covid-19 is accelerating the response, including:



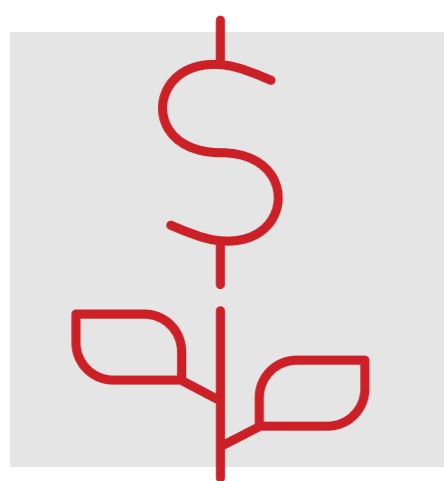
Prohibiting lending or investing in areas that run counter to sustainability



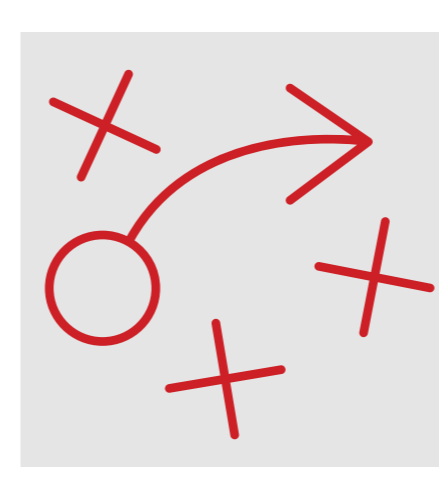
Screening for best-in-class companies on ESG criteria



Creating lending targets for climate-change solutions and similar goals

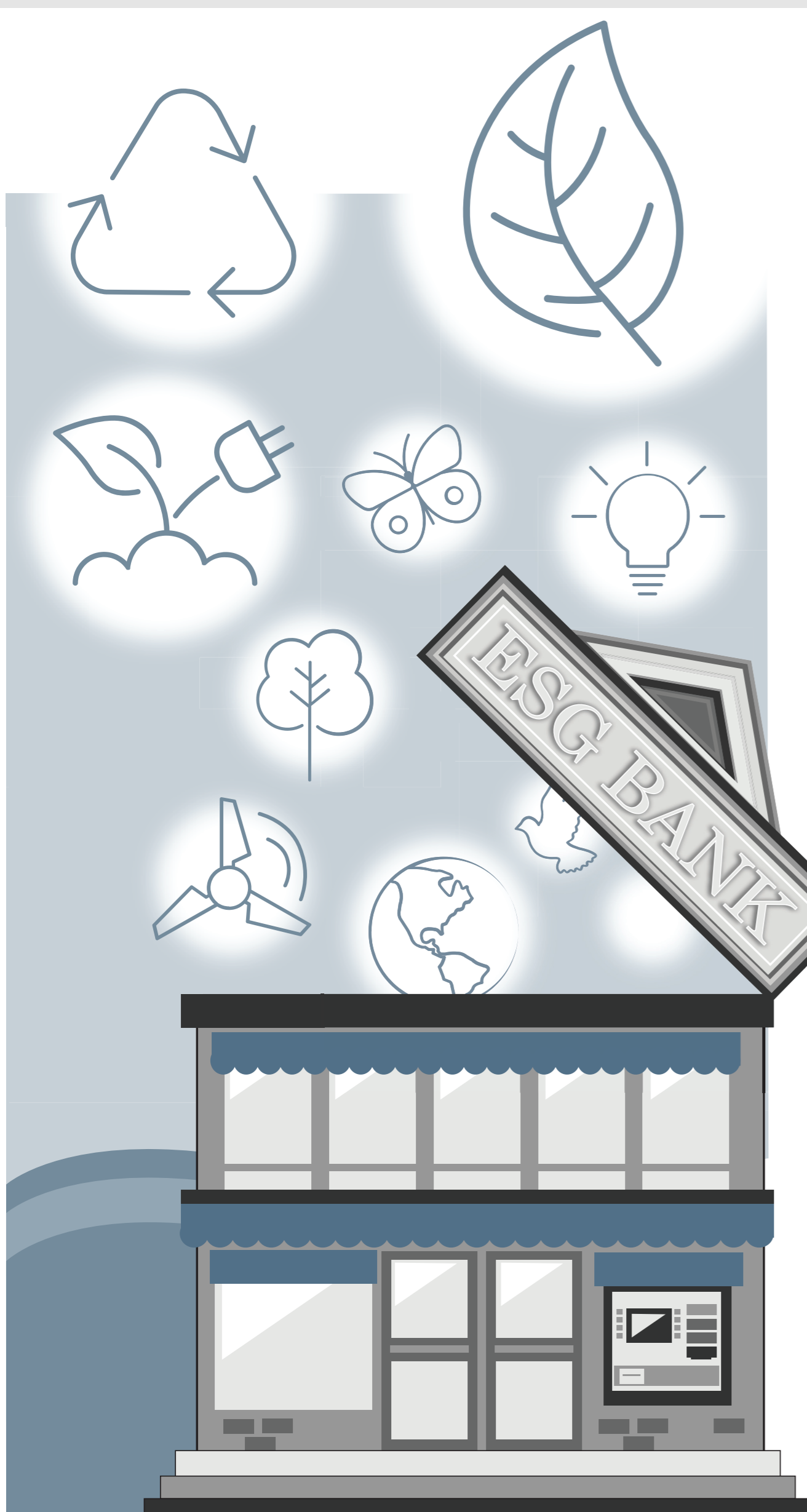


Issuing green bonds to raise money for environmental projects



Codeveloping plans to integrate ESG strategies into clients' core businesses

Six steps to ESG transformation



1
2
3
4
5
6

Articulate a clear ambition with themes that fit your company's DNA

Fully integrate sustainability with the overall business strategy

Factor ESG into decision making alongside traditional risk/return considerations

Create a sustainability committee at the highest levels to forge accountability

Take the long view by embarking on multiple small, pragmatic steps

Use metrics internally for careful steering and externally for greater transparency