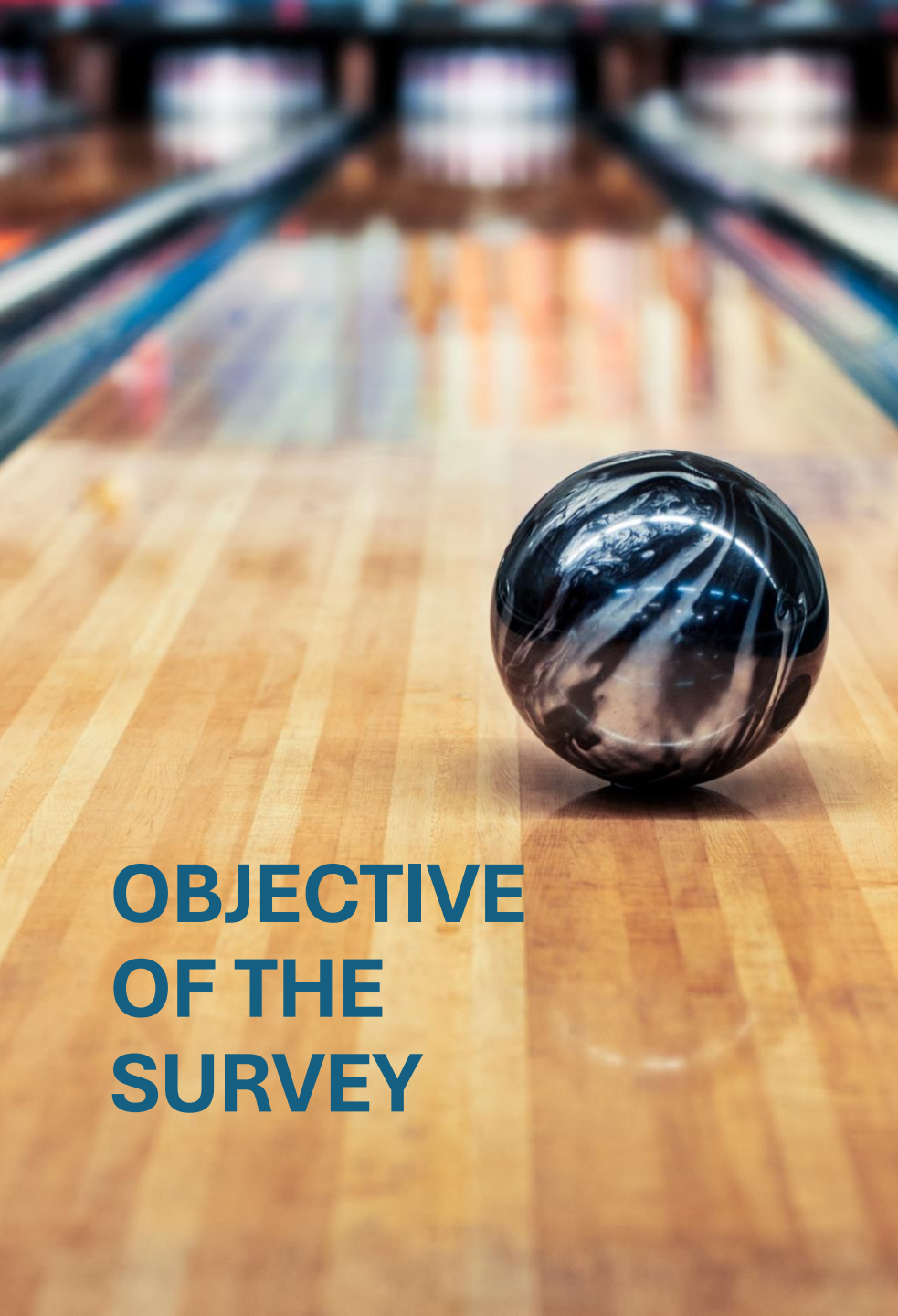


MISSION AND ORGANISATION OF CSR TEAMS

October 2024

A glass sphere sits on a light-colored wooden surface. In the background, a bowling alley is visible with bowling pins and lanes, but it is out of focus. The lighting is warm, creating a soft glow on the wood.

OBJECTIVE OF THE SURVEY

The European Banking Federation conducted a survey amongst the CSO Roundtable members* to understand the role, mission and organisation of Corporate Social Responsibility (CSR)** teams within the banks.

The survey consisted of questions organized in 10 thematic blocks to understand the involvement of the CSR teams in e.g. the strategy setting, sustainability target setting, development of commercial offers and business deals as well as in development of methodologies and tools to measure impact and assess progress.

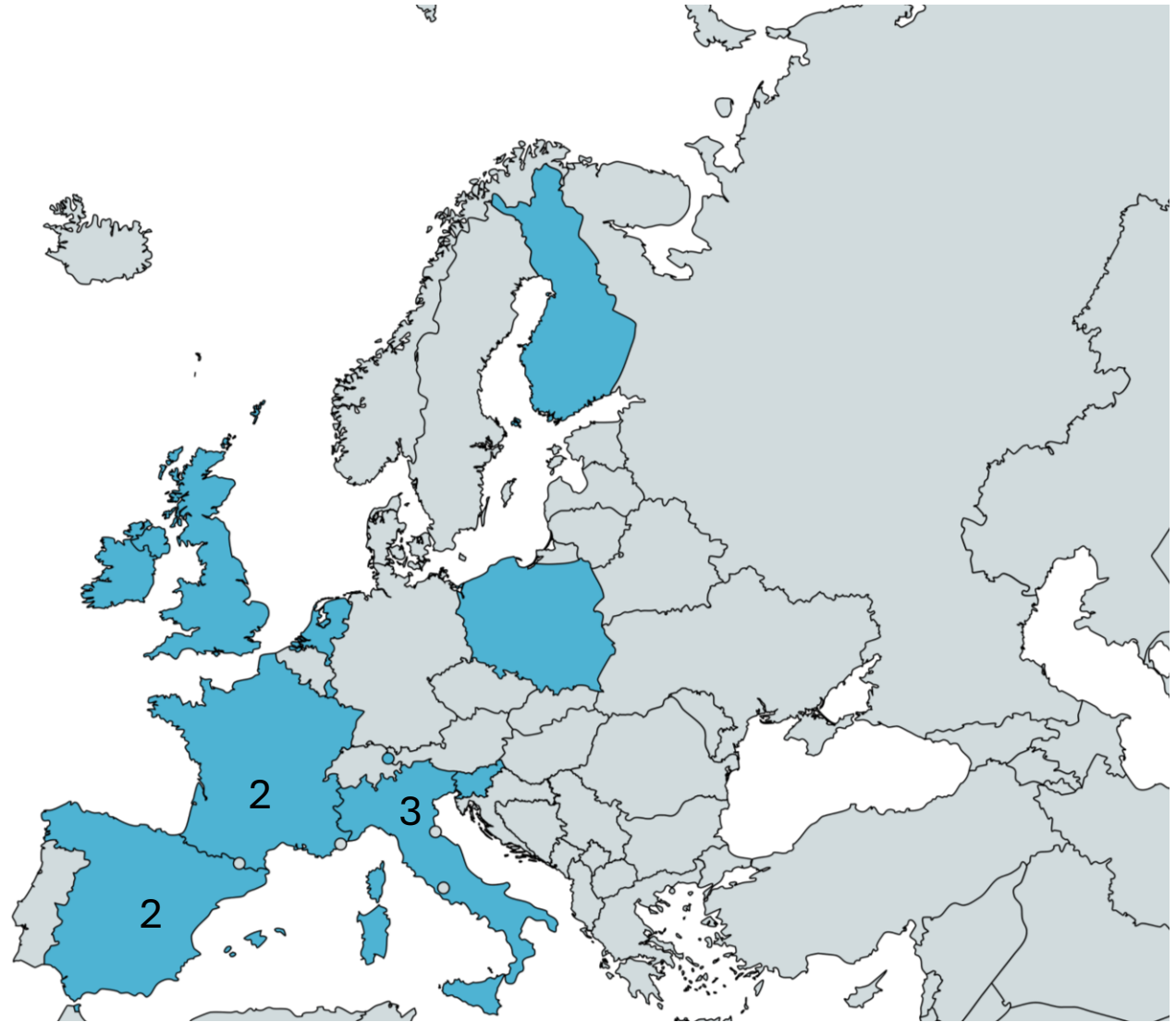
14 banks located in 11 European countries responded the survey. 11 of the 14 banks are subject of direct supervision of the European Central Bank.

Regarding the size of the CSR teams, three banks indicated less than 5 people in the team. An equal number of banks have 6-15 members, and two CSR teams consist of 15 to 25 members. One bank did not provide the size of the team. The remaining 5 banks have teams of more than 26 employees, with the largest team consisting of 45 people.

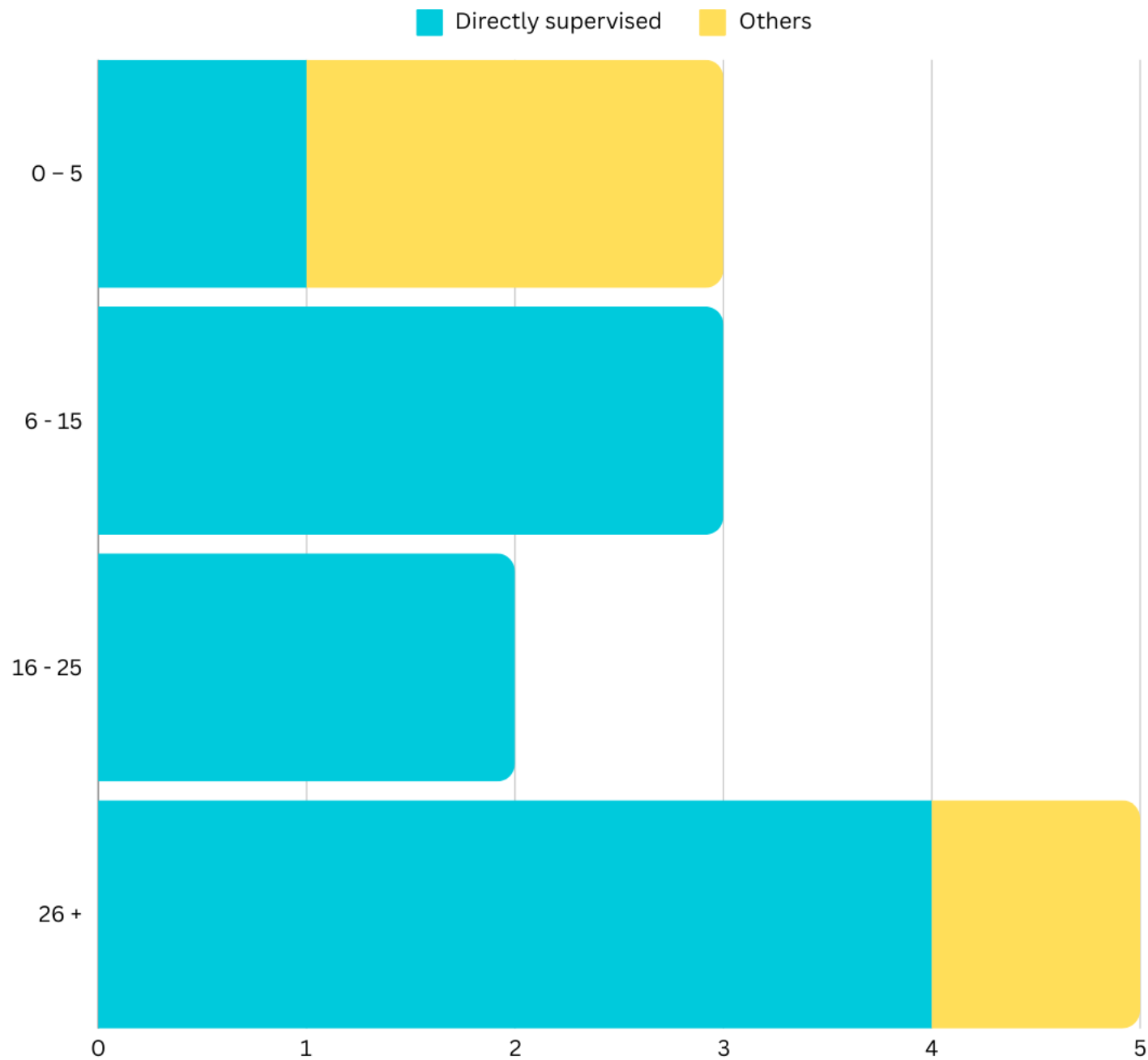
- [EBF CSO Roundtable link](#)

**While some banks have CSR teams, some have established different sustainability functions. The CSR term should therefore be understood in a broader sense.

GEOGRAPHICAL REACH



**How many
employees does
your CSR
department have?**



STRATEGY

1. Define Group CSR strategy
2. Define sustainable financing and/or investing targets
3. Set NZBA portfolio alignment targets

1. Define Group CSR Strategy

- Except for one, all banks indicated the responsibility of CSR team for defining the Group CSR strategy. One bank specified that its strategy is defined by the CSR department in collaboration with the Executive Committee.
- The bank that does not have the responsibility for the definition of the CSR Group Strategy specified that the CSR strategy is defined at group level by the HQ located outside the EU , with strong contribution of the bank due to stricter EU ESG requirements.

2. Define sustainable financing and or investing targets

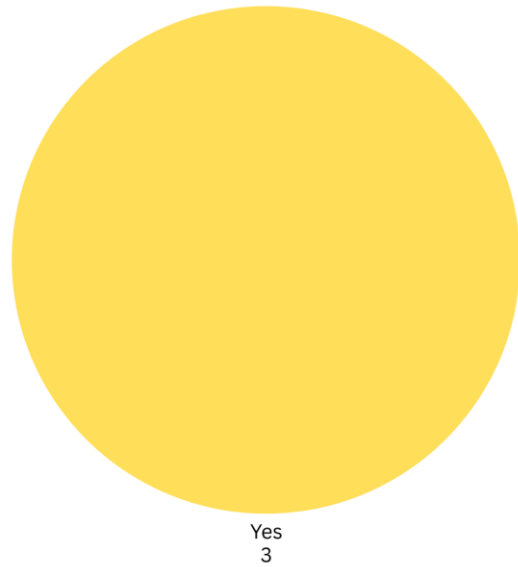
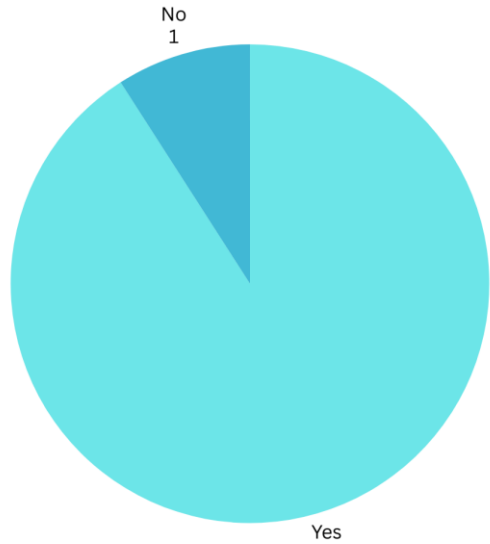
- 10 banks responded that they are responsible for target settings.
- Two out of the 10 banks specified that the targets are defined in collaboration with other units (Business unit or in collaboration with CFO and the business units).
- Four banks indicated responsibility with departments other than the CSR (Sales & Risk, Business function, non-EU HQ, CSR Committee, Wholesale Banking, WB Sustainable Finance, Retail Banking, and Business Banking departments).

3. NZBA portfolio alignment target setting

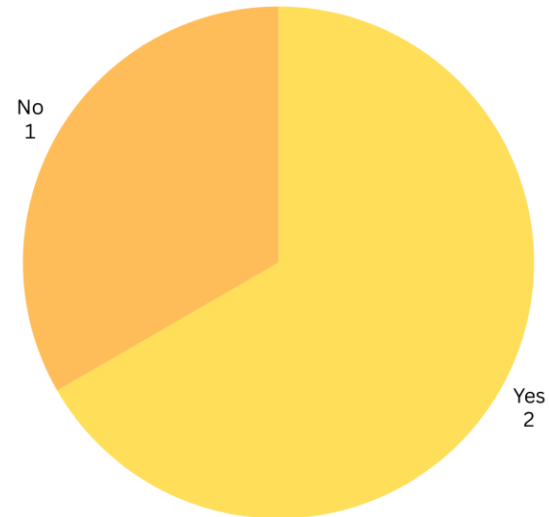
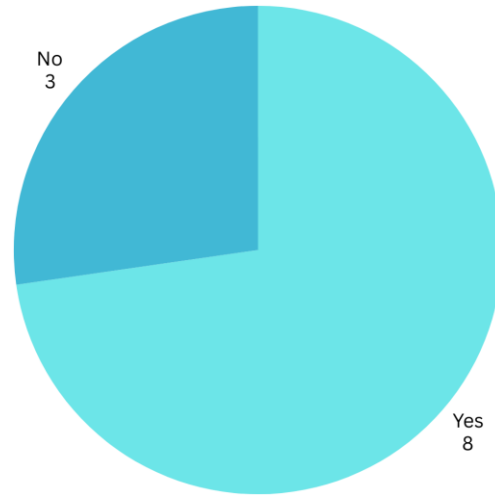
- In most banks (11), the responsibility for setting the NZBA portfolio alignment targets lies within the CSR team.
- One bank specified that it has established a working group consisting of the CSR team , which collaborates with the CRO, CFO, and business units. Another bank highlighted that the NZBA portfolio alignment targets are set in close cooperation with the Sales and Risk departments. Additionally, one bank indicated that the finance department drives the process, with several other departments involved.
- In the case of three banks, the responsibility for setting these targets is with different teams or bodies (e.g. CSR Committee, non-EU HQ given the absence of regional targets exist). The third bank specified that while they CSR team is not in charge of the NZBA target, they are responsible for setting validated Science based targets (SBTi)

What is the mission of your CSR team ?

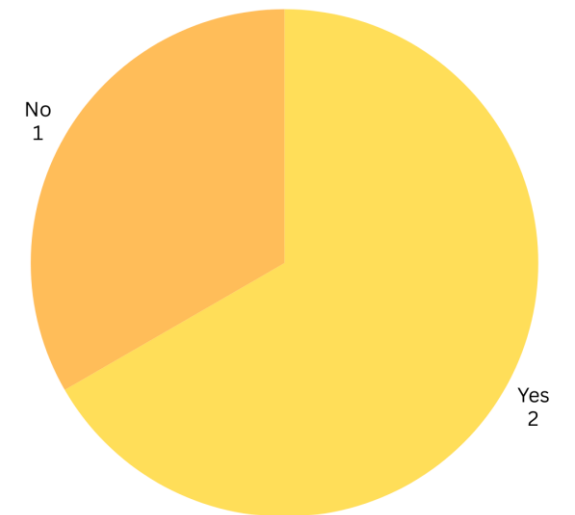
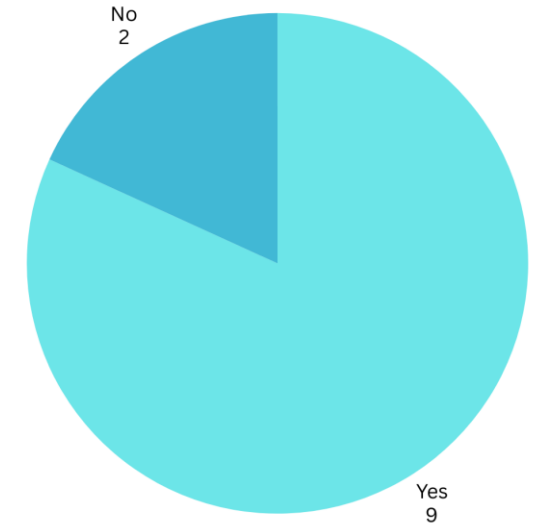
1. Define Group CSR strategy



2. Define sustainable financing and/or investing targets



3. Set NZBA portfolio alignment targets



TRANSFORMATION, BUSINESS OFFERS AND INNOVATION

1. Establish relationship with strategic partners to develop sustainability-related business

- Of the 14 banks, 11 stated that their CSR departments take the lead in establishing partnerships to develop sustainability-related business.
- In one bank, this is done in collaboration with related business units, while another bank works closely with the Strategy, Sales, and Risk departments.
- From banks responding negatively, two provided additional context. One explained that each business unit has the ability to form relationships with partners to pursue sustainability-related opportunities, supported by an innovation team tasked with identifying potential partners. The other bank stated that this responsibility is shared across Wholesale Banking, WB Sustainable Finance, Retail Banking, and Business Banking departments.

2. Oversee CSR/sustainability transformation at the group level

- All but one bank reported that their CSR team oversees the CSR transformation at the Group level.
- In case of the one bank, the responsibility for embedding the ESG strategy is distributed across all business units and functions, with CSR playing a supportive role rather than being the sole owner.

3. Support the development of ESG commercial offers

- In 11 banks, the CSR department assists in developing ESG commercial offers.
- One bank highlighted broader collaboration involving Sales, Communication, and other departments.
- One of the two banks that responded “No” to this question specified that its business department is responsible for developing such offers, while in the other bank the responsibility is withing Wholesale Banking, WB Sustainable Finance, Retail Banking, and Business Banking divisions.

4. Provide support to business and central functions and challenge progress

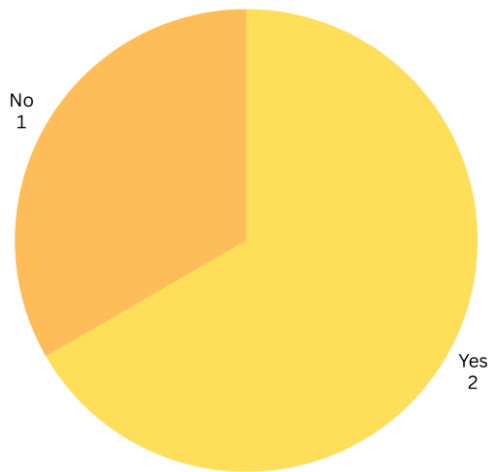
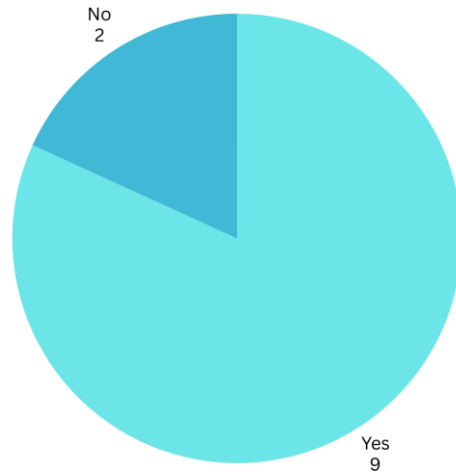
In all banks, CSR departments provide support to business and central functions and challenge progress. One bank noted close cooperation with both the Sales and Risk departments in this regard.

5. Promote ESG innovation across the group

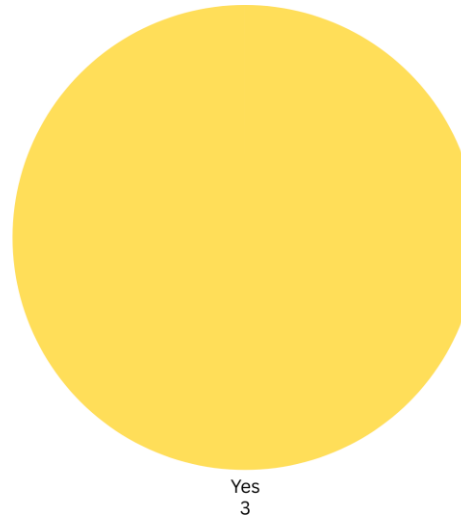
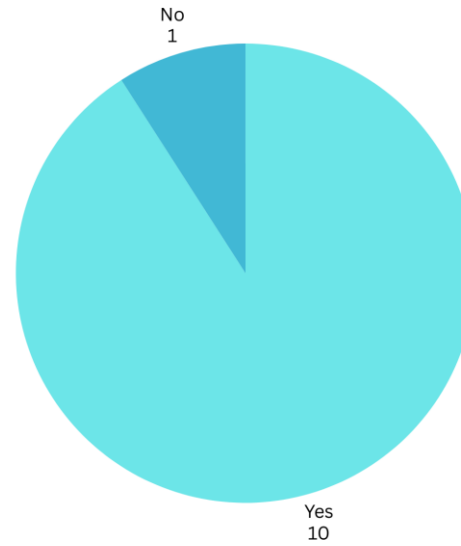
All banks confirmed that their CSR departments promote ESG innovation throughout the Group.

1. Establish relationship with strategic partners to develop sustainability-related business
2. Oversee CSR /sustainability transformation at the group level
3. Support the development of ESG commercial offers
4. Provide support to business and central functions and challenge progress
5. Promote ESG innovation across the Group

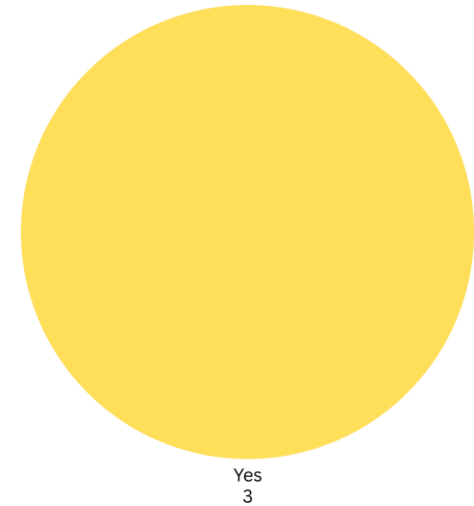
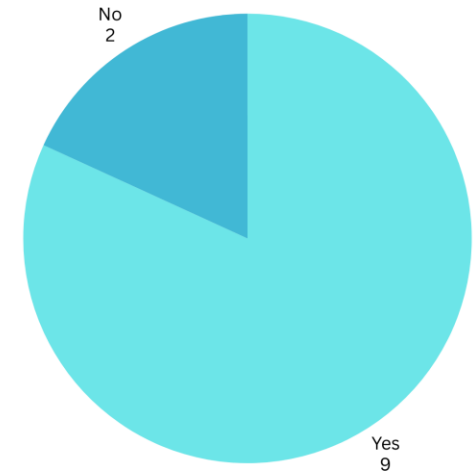
1. Establish relationship with strategic partners to develop sustainability-related business

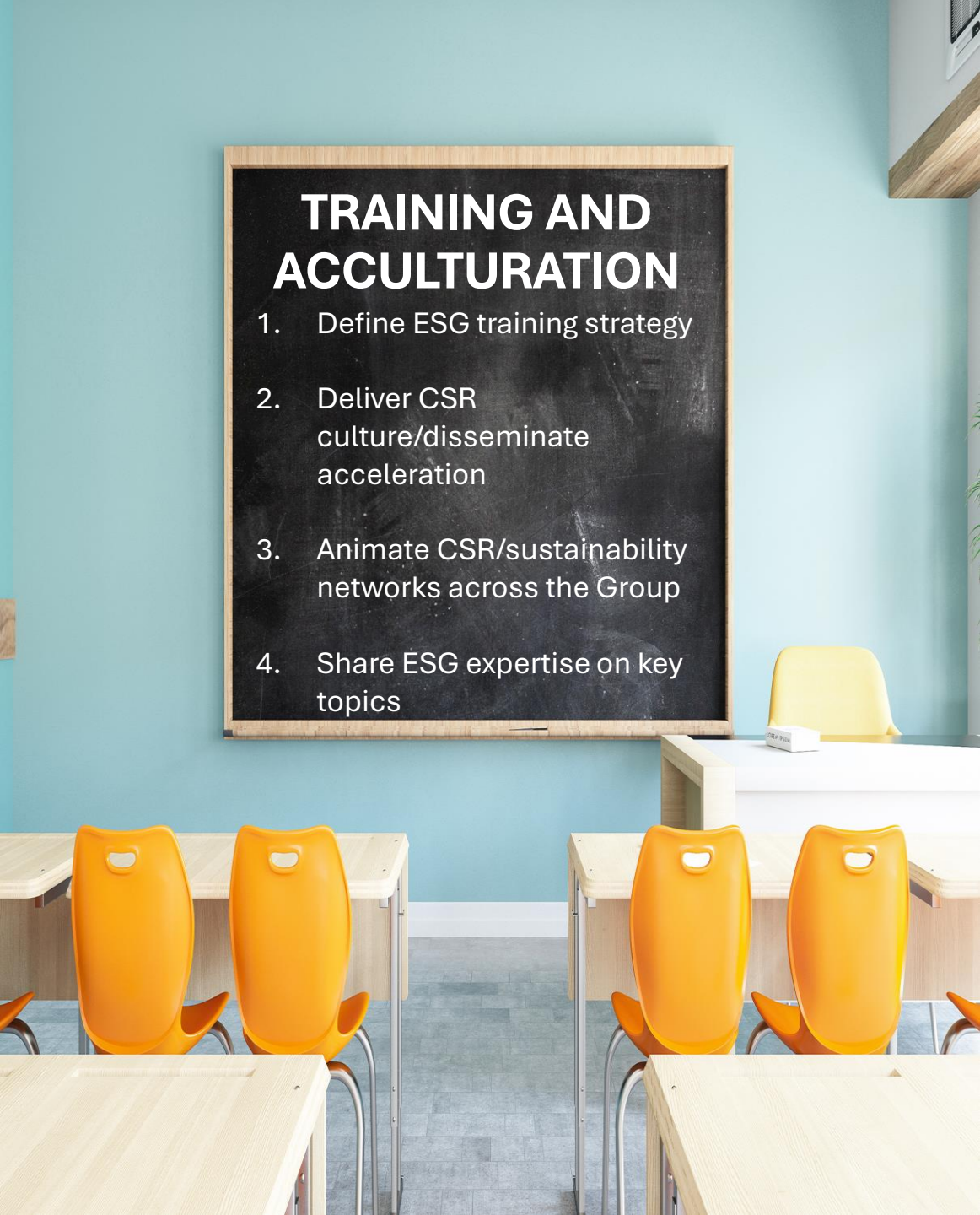


2. Oversee CSR transformation at the Group level



3. Support the development of ESG commercial offers



A photograph of a classroom with a light blue wall. A large black chalkboard with a wooden frame is mounted on the wall. The chalkboard has the title 'TRAINING AND ACCULTURATION' and a numbered list of four items. In front of the chalkboard, there are several rows of light-colored wooden desks and bright orange plastic chairs. The floor is covered with grey square tiles.

TRAINING AND ACCULTURATION

1. Define ESG training strategy
2. Deliver CSR culture/disseminate acceleration
3. Animate CSR/sustainability networks across the Group
4. Share ESG expertise on key topics

1. Define ESG training strategy

- In 12 banks, the CSR Department is responsible for defining the ESG training strategy.
- Of these, two collaborate with their HR departments, and one works with the HR team. In contrast, two banks place this responsibility solely within the HR department.

2. Deliver CSR culture/disseminate acceleration

- 11 banks manage this through their CSR departments, with two of them coordinating with HR.
- In two banks, HR teams oversee this process, and one bank specified the responsibility of HR department in collaboration with the Communication and Responsible Banking teams.

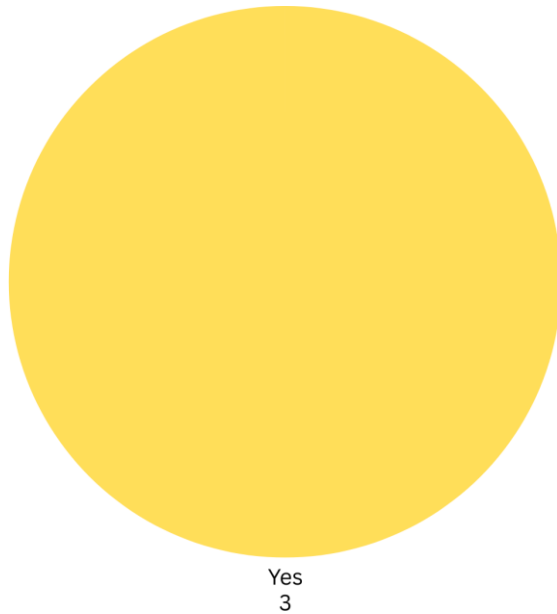
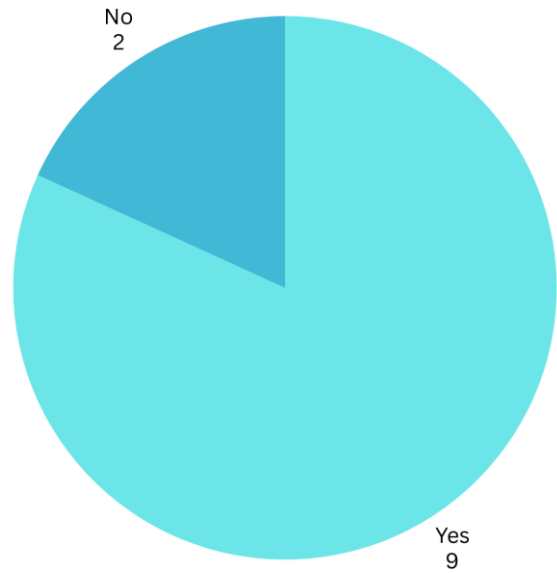
3. Animate CSR/sustainability networks across the Group

- All banks confirmed that their CSR departments animate CSR networks across the Group.
- One bank specified that this is done in partnership with the HR and Training departments, while another works closely with Communication and other departments.

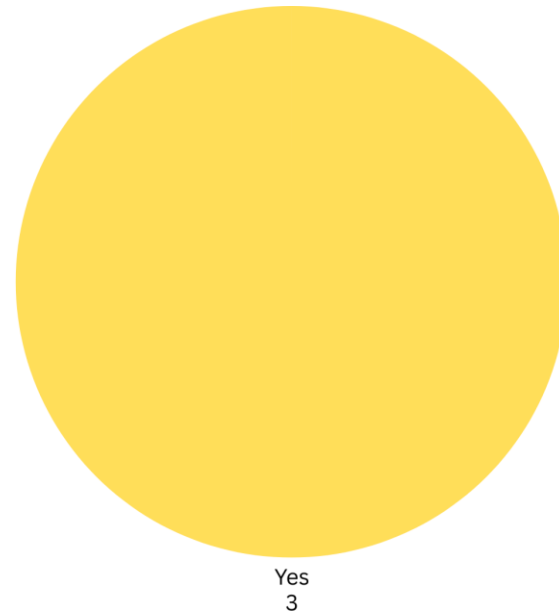
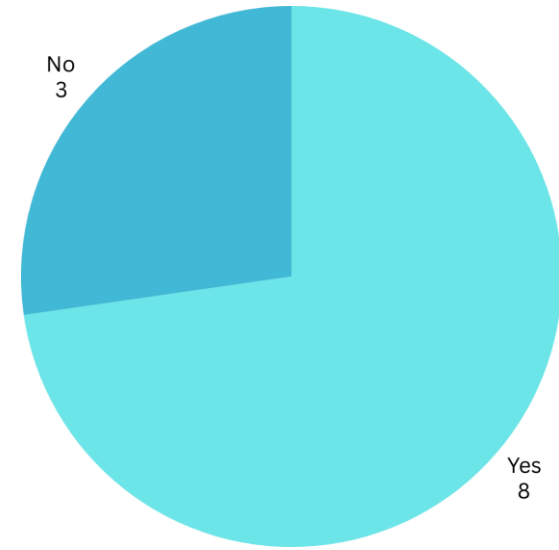
4. Share ESG expertise on key topics

- Similarly, it is the responsibility of CSR teams to ESG expertise on key topics.
- One bank noted that this is done in collaboration with the HR and Training departments.

1. Define ESG training strategy



2. Deliver CSR culture dissemination acceleration



CSR GOVERNANCE AND STAKEHOLDERS' RELATIONSHIPS

1. Be the NGOs main point of contact on E&S solicitations

- The survey showed that for 11 banks, the CSR department is the main point of contact for E&S solicitations from NGOs
- Of the banks whose CSR team does not oversee E&S solicitations with NGOs, two provided further details: one has a Communication department dedicated to sustainability management/support, while the other responded that the Investor Relations (within the CFO area), with the support of the CSO, is the main point of contact.

2. Manage stakeholders' relations framework

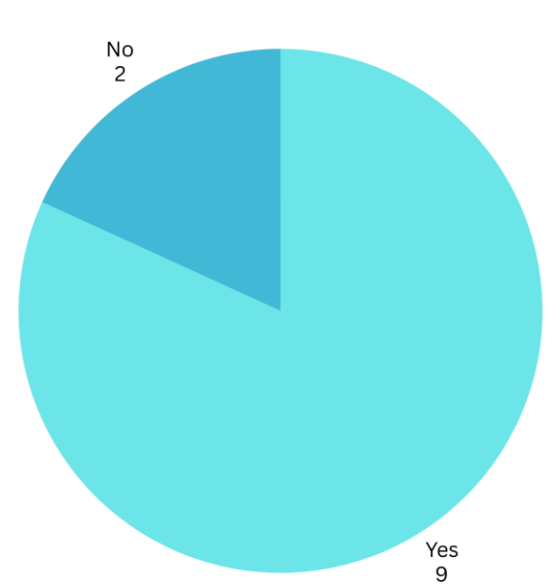
- Most of the banks (12) manage their stakeholder relations framework through the CSR department, with one bank doing so in collaboration with Group Investor Relations. Of the two banks that answered "No," one specified that it follows a decentralized approach.

3. Manage topics related to CSR governance

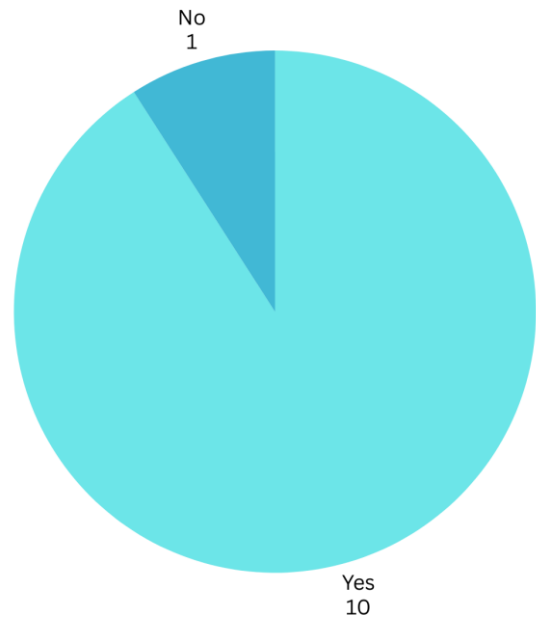
- When it comes to managing topics related to CSR governance, 12 banks oversee this within their respective CSR departments, with one specifying that it is coordinated together with the function in the Governance Area.
- Of the banks that responded "No," one explained that its Communication department manages topics related to CSR governance.

1. Be the NGOs main point of contact on E&S solicitations
2. Manage stakeholders' relations framework
3. Manage topics related to CSR governance

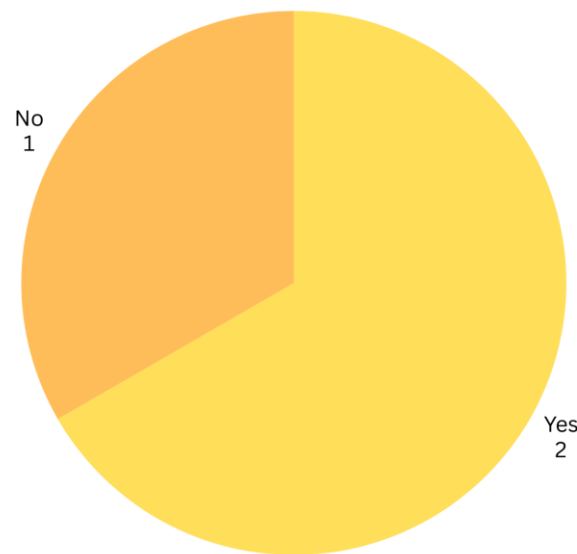
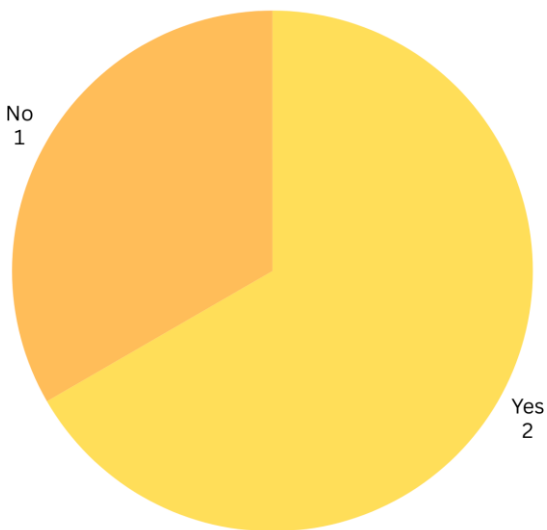
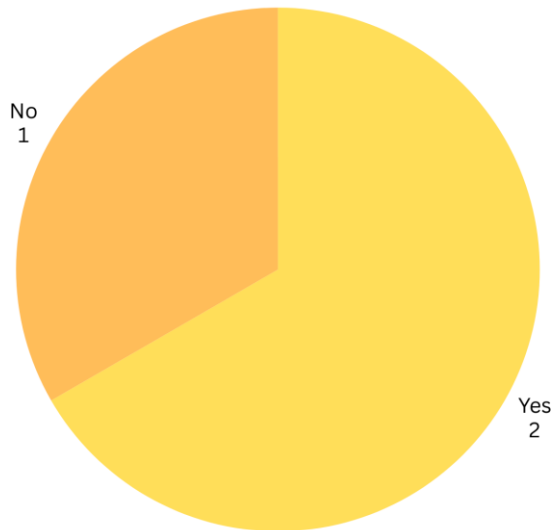
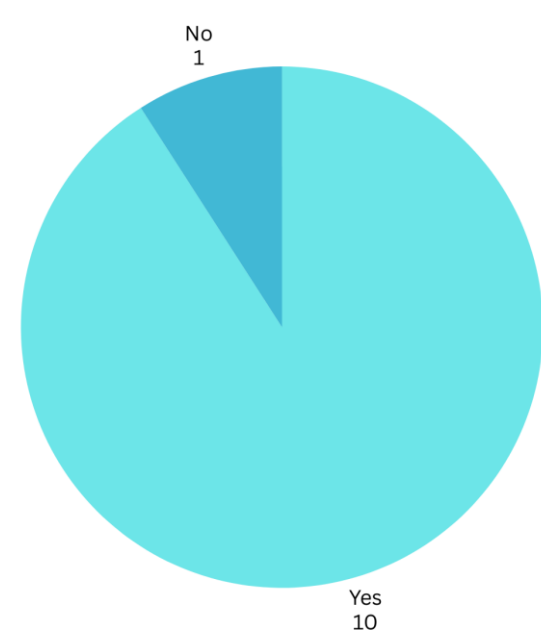
1. Be the NGOs main point of contact on E&S solicitations



2. Manage stakeholders' relations framework



3. Manage topics related to CSR governance



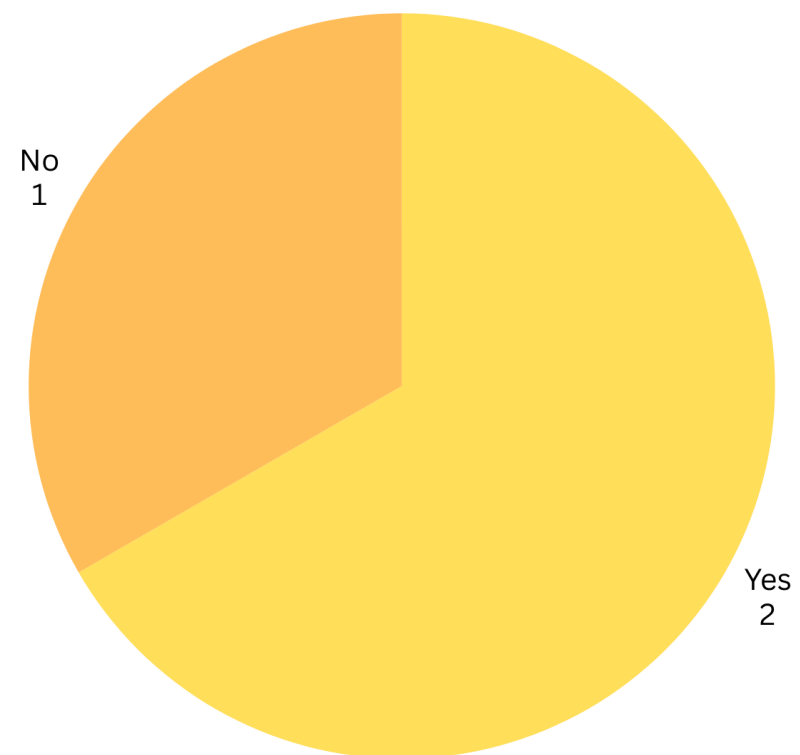
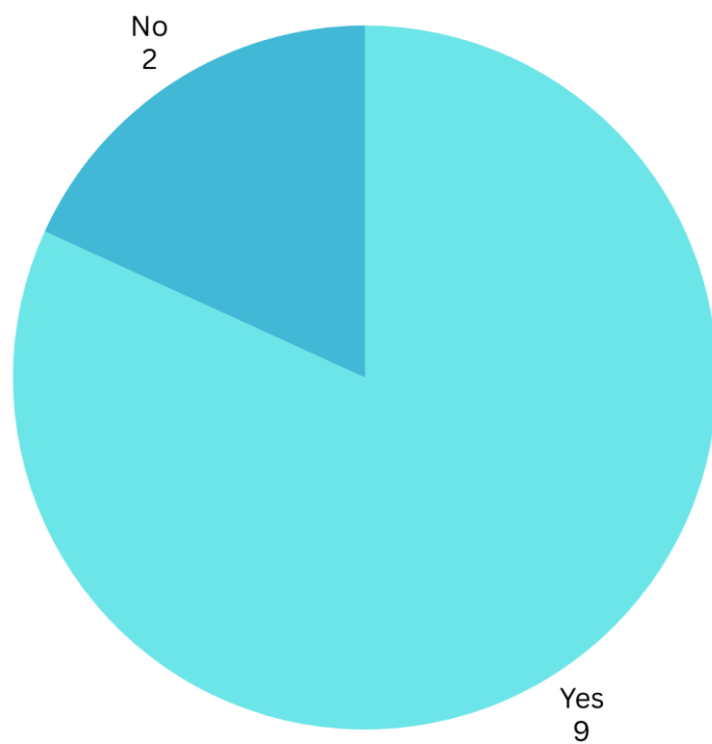
ENVIRONMENTAL AND SOCIAL STANDARDS & POLICIES

Develop environmental and social (E&S) principles and sectoral policies

Develop environmental and social (E&S) principles and sectoral policies

- The survey showed that E&S principles and sectoral policies are mostly developed within CSR departments. Of the 11 banks that claimed this, four provided further context.
- One bank manages the social aspects (including DEI) through its HR department. Another bank mentioned that the development of E&S principles is done in coordination with its non-EU HQ
- The CSR departments of the other two banks collaborate with their Risk Management teams in developing E&S principles and sectoral policies.
- From the banks whose CSR teams are not involved in the standards and sectoral policies setting, one mentioned that the responsibility lies with the Risk departments while in the other bank, Compliance department is in charge of developing E&S principles.

1. Develop environmental and social (E&S) principles and sectoral policies



E&S METHODOLOGIES

1. Develop tools for measuring and managing the Group's impacts

- Developing tools for measuring and managing the Group's impacts is predominantly the role of CSR teams (11 banks).
- One bank specified that this is done together with the Sales & Risk teams, while another assigns this responsibility differently - positive impacts are managed by CSR departments and/or business lines, and negative impacts by the Risk department. One bank clarified that these tools are developed at the non- EU HQ (group) level with ESG Risk teams.

2. Define ESG client /transaction assessment methodologies

- 8 banks' CSR departments define their ESG client/transaction assessment methodologies, with one doing so in coordination with the CSR Committee.
- One bank defines it at the Group-level CS. Five banks have other departments responsible for this task: two assign it to Risk departments, one to Sales & Risk, and another to Credit and Business Areas.
- Additionally, one bank manages this activity through its Business department with Responsible Banking Support.

3. Conduct research and development on carbon accounting methodologies

- Research and development on carbon accounting methodologies is predominantly the responsibility of CSR departments (11 banks).
- One bank added that the research is conducted together with the CFO area, and another cooperates with its Risk and Finance departments.
- Of the two banks that responded "No," one develops this research at the Group-level CS, while the other has a dedicated Finance department for this.

4. Contribute to working groups to help define common standards

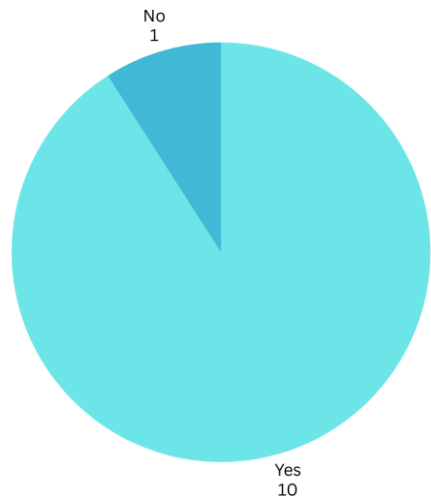
- A significant majority (13 banks) have CSR teams contributing to working groups that help define common standards.
- Only one bank stated that this function lies at the Group-level CS

5. Define internal taxonomy for portfolio's sustainable classification

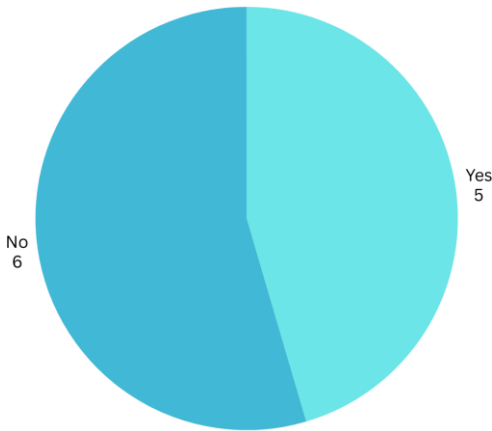
- 8 banks' CSR departments define the internal taxonomy for portfolio's sustainable classification. One bank handles this at the Group-level CS with Finance and business units.
- The remaining five banks indicated different departments responsibility including Business areas, Sustainable Finance, Finance, Sales & Risk, and CFO/CRO.

1. Develop tools for measuring and managing the Group's impacts
2. Define ESG client / transaction assessment methodologies
3. Conduct research and development on carbon accounting methodologies
4. Contribute to working groups to help define common standards
5. Define internal taxonomy for portfolio's sustainable classification

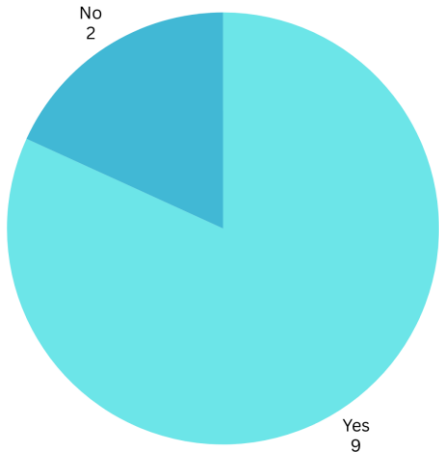
1. Develop tools for measuring and managing the Group's impacts



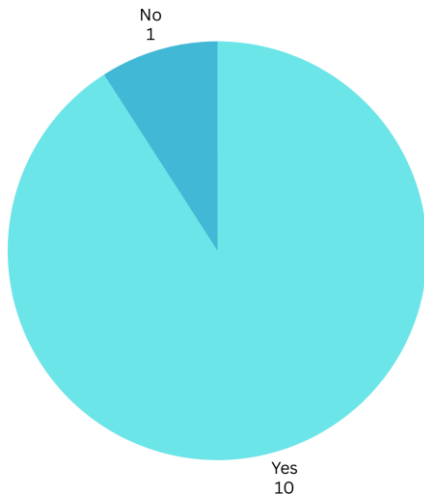
2. Define ESG client / transaction assessment methodologies



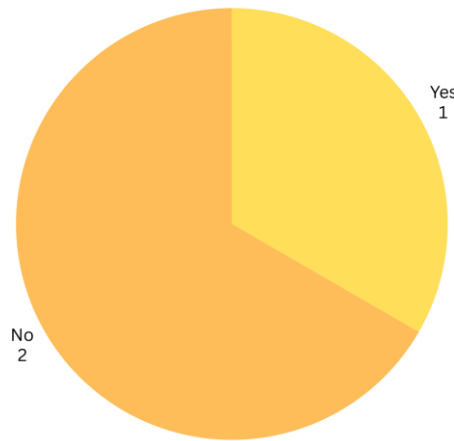
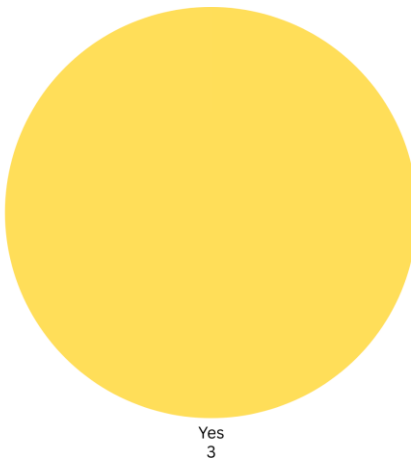
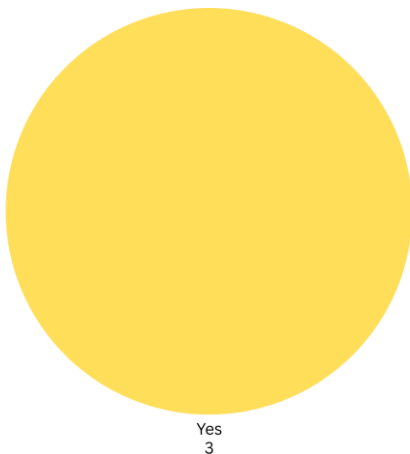
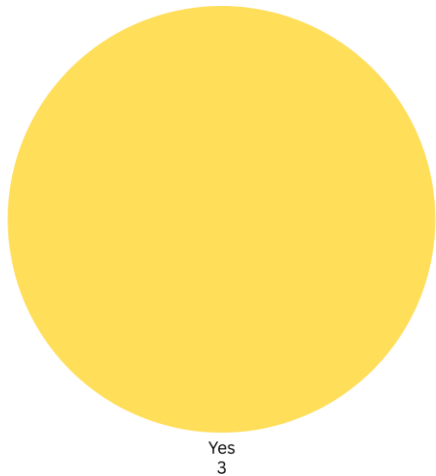
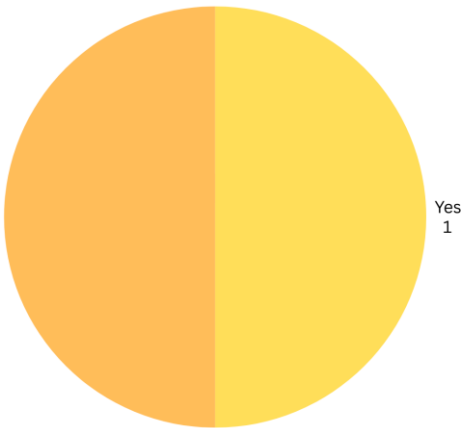
3. Conduct research and development on carbon accounting methodologies



4. Contribute to working groups to help define common standards



5. Define internal taxonomy for portfolio's sustainable classification



STEERING

1. Define monitoring indicators
2. Steer carbon emissions of portfolio loans
3. Steer ESG commitments
4. Steer sustainable financing and/or investing targets

1. Define monitoring indicators

- All but one bank have a CSR department responsible for defining monitoring indicators.
- One bank noted that the responsibility depends on the specific indicators, with Risk and business lines also being involved.
- Another bank clarified that the CSR department contributes to defining monitoring indicators in line with the CSR strategy but relies on other departments to carry out the actual monitoring.
- One bank does not directly define these indicators, as it is the responsibility of the Group CS, together with business and other functions.

2. Steer carbon emissions of portfolio loans

- There are 8 banks' CSR departments that have a role in steering the carbon emissions of portfolio loans, with three of them doing so in cooperation with other departments. Two banks collaborate with Business and Risk departments, while another works with the Finance department.
- The other half have different teams responsible for overseeing portfolio loan emissions. In two banks, this responsibility lies within the Risk departments, while two others manage it within the Business Units.
- One bank coordinates this task across Wholesale Banking, Retail Banking, and Business Banking. Another bank specified that its CSR department acts as a consultant, but the responsibility for overseeing portfolio loan emissions rests with business departments, based on data produced by the Finance team.

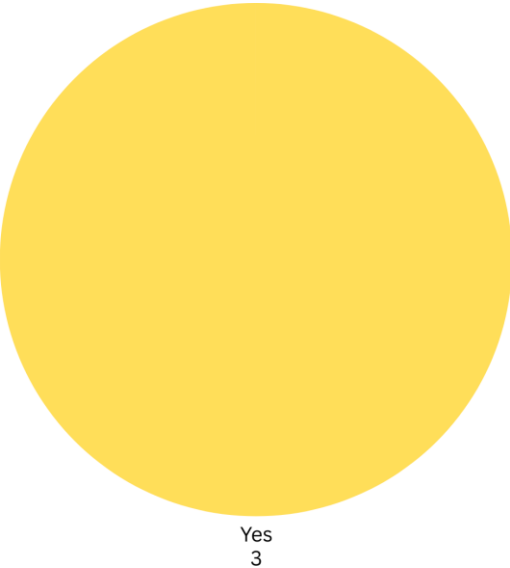
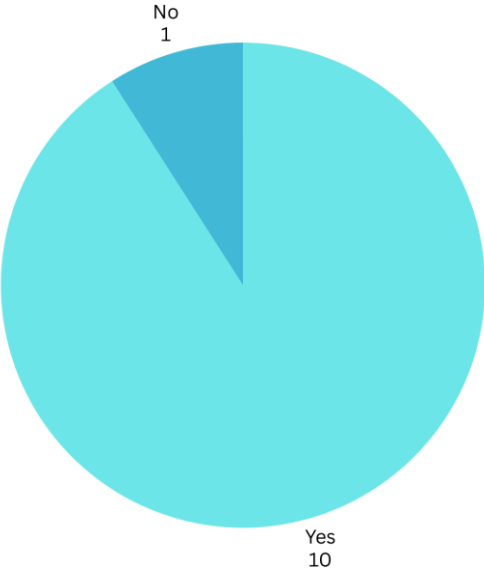
3. Steer ESG commitments

- Most banks (13) manage ESG commitments within their CSR departments
- One bank specified that other cascaded KPIs, such as those on specific issues, are managed within business lines.

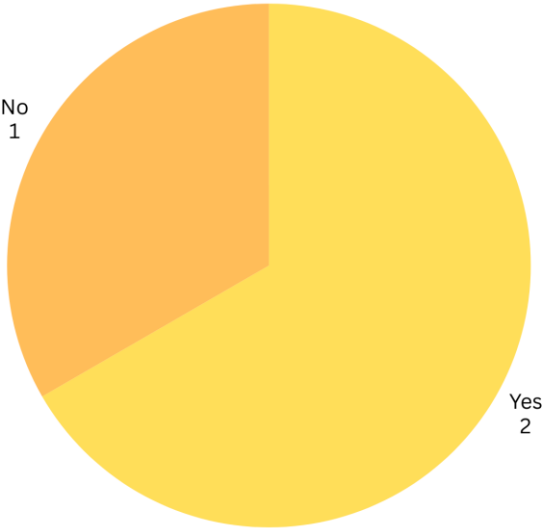
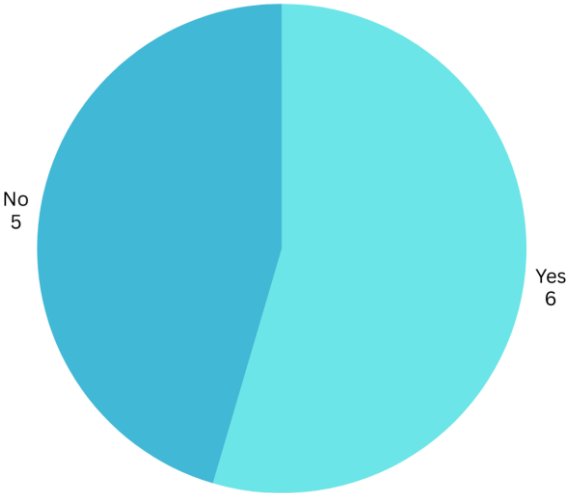
4. Steer sustainable financing and/or investing targets

- 9 banks' CSR teams are leading this effort.
- The remaining 5 banks manage it through different departments. In three banks, Finance departments handle this, while in another, businesses take charge.
- One bank coordinates this task within Wholesale Banking, Retail Banking, and Business Banking.

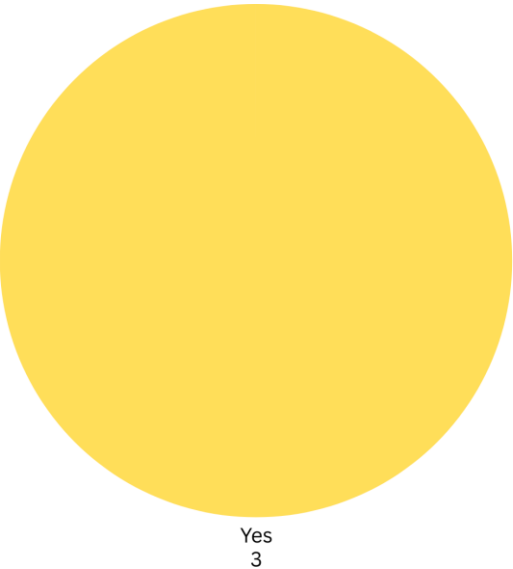
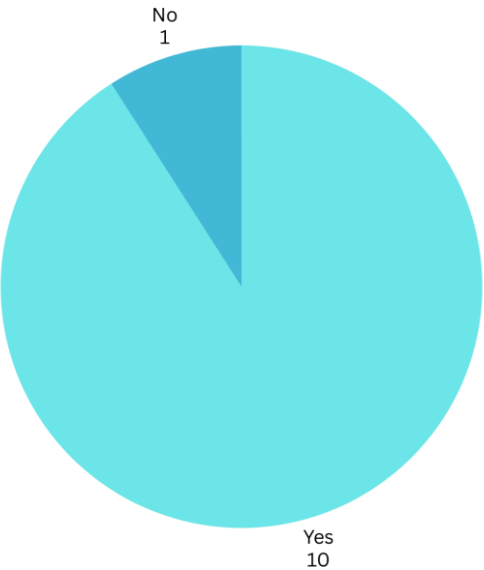
1. Define monitoring indicators



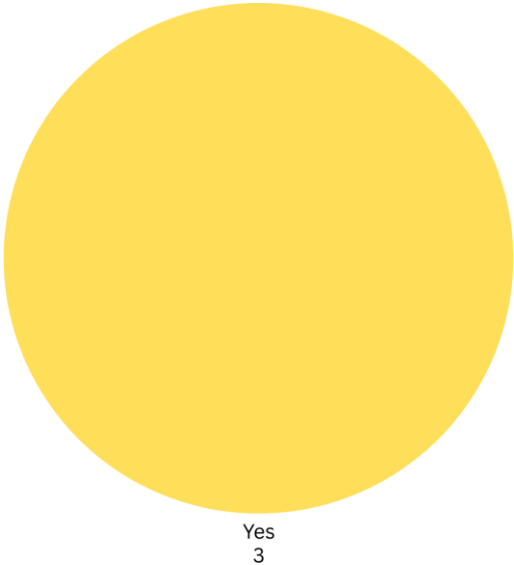
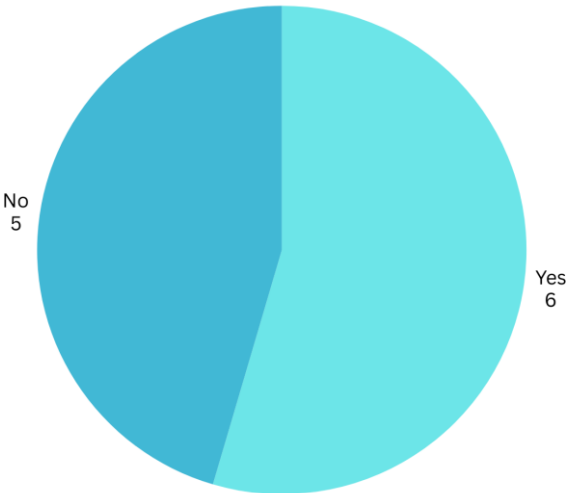
2. Steer carbon emissions of portfolio loans



3. Steer ESG commitments



4. Steer sustainable financing and/or investing targets



1. Enable high-quality processes to embed ESG in the operations

- The survey showed that 10 banks' CSR departments are responsible for embedding ESG in operations, with one bank doing this in collaboration with IT & Processes, the CLO Area, Real Estate & Logistics, and several other functions.
- Of the three banks that responded “No,” two provided further details. One explained that a dedicated program has been launched across the Group for this purpose, while the other has a Sustainability team in charge of coordinating and steering ESG factor implementation, while other departments handle process quality.

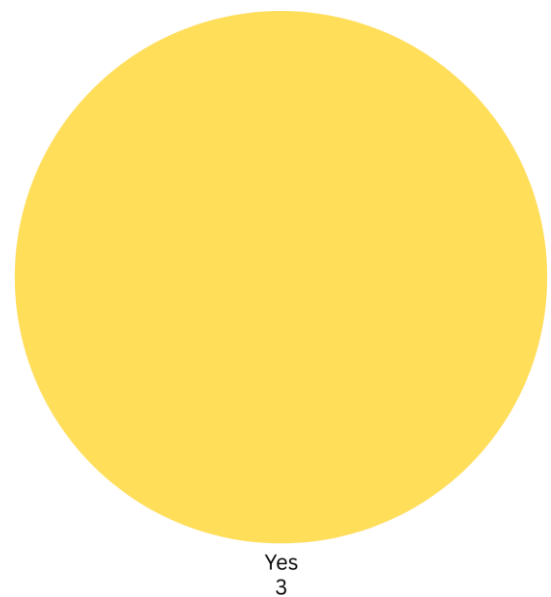
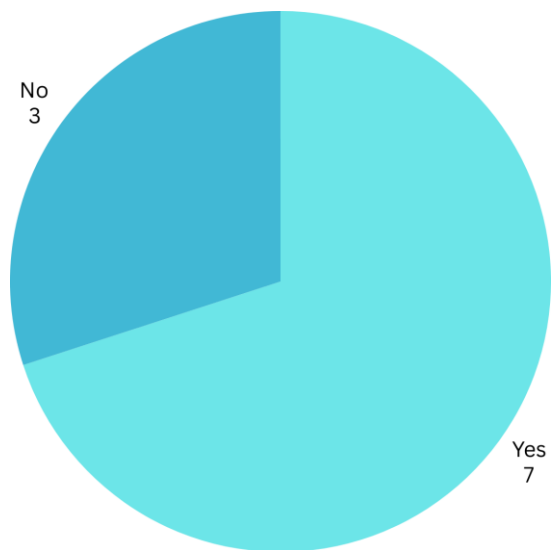
2. Ensure ESG data governance and quality

- 7 banks' CSR departments are responsible for ESG data governance and quality. Two of them coordinate this task together with their Finance departments.
- Among those with different departments overseeing ESG data governance, three mentioned that this role is solely handled by their Finance departments. One bank also included the IT department, while another cited Internal Control as responsible.
- Another bank responded that their Sustainability team ensures and steers the overarching ESG data governance development, while responsibility for data ownership and data quality lies with the respective departments.

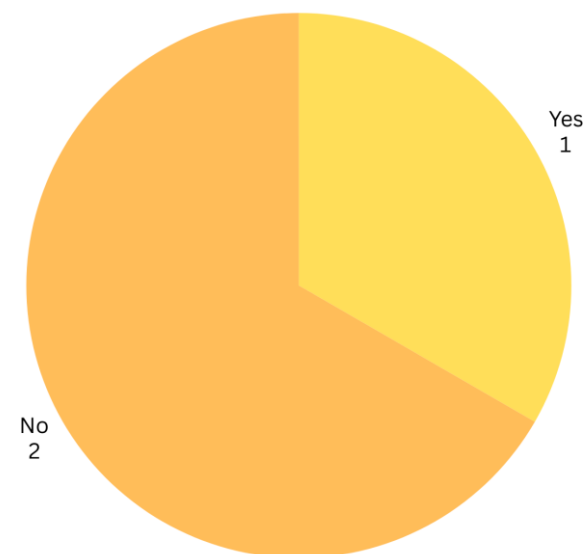
IMPLEMENTATION

- | |
|---|
| <ol style="list-style-type: none">1. Enable high-quality processes to embed ESG in the operations2. Ensure ESG data governance and quality |
|---|

1. Enable high-quality processes to embed ESG in the operations



2. Ensure ESG data governance and quality



CSRD

1. Complete the Impact Materiality Assessment
2. Lead the Bank's transition plan (CSRD)
3. Supervise the CSRD reporting strategy

1. Complete the Impact Materiality Assessment

- The majority of banks' (12) CSR departments are responsible for completing the Impact Materiality Assessment, with two coordinating with Risk and Finance departments.
- Of the two banks that have a different department dedicated to this purpose, one assigns it to Risk, and the other to the Finance department.

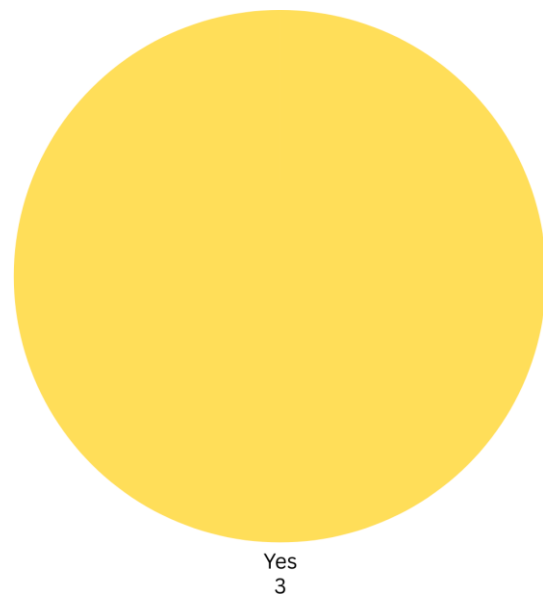
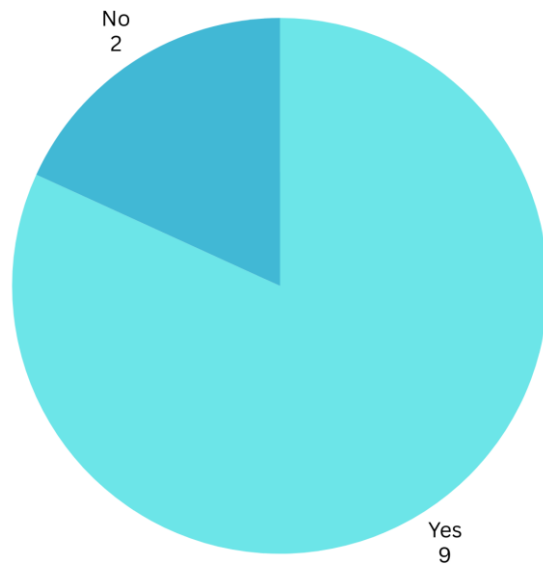
2. Lead the Bank's transition plan (CSRD)

- All but one bank's CSR departments lead their transition plan.
- Three of them coordinate with other departments, such as Business and Risk, Business and CFO, and Finance and CSR. One bank mentioned that its transition plan is managed by the Group CS with local implementation.
- Only one bank has a dedicated team for this purpose, which is linked to the CSRD Team within the Finance department.

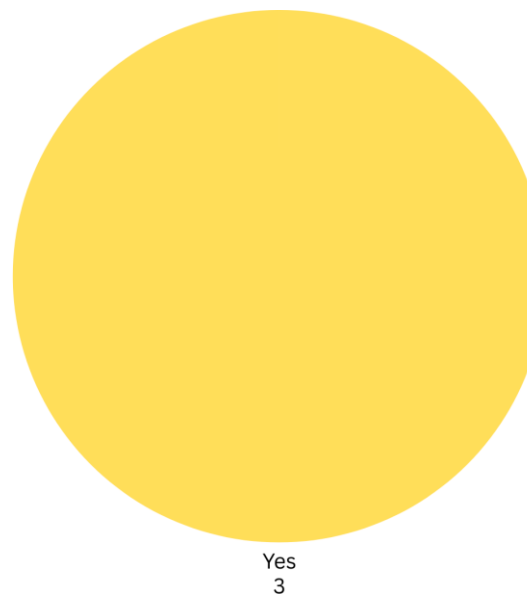
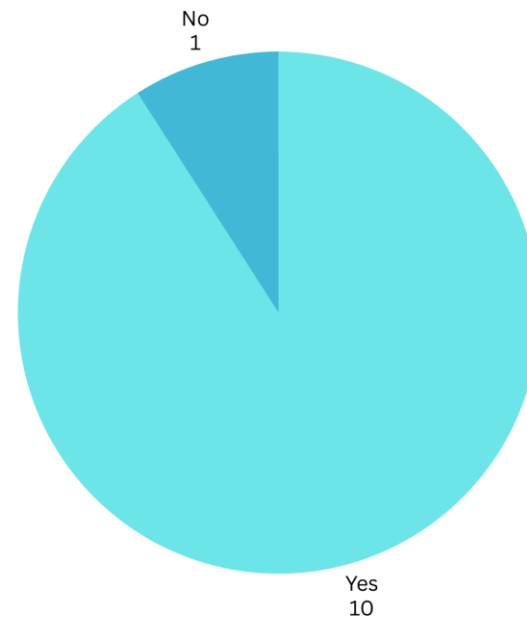
3. Supervise the CSRD reporting strategy

- Supervision of the CSRD reporting strategy lies within the CSR departments of 8 banks, with one specifying the CFO Area as a co-owner.
- In 5 banks, the Finance department oversees the CSRD reporting strategy, with one noting that the Global CSR department is responsible for certain aspects.
- In the case of one bank, there is a dedicated Communication department in charge

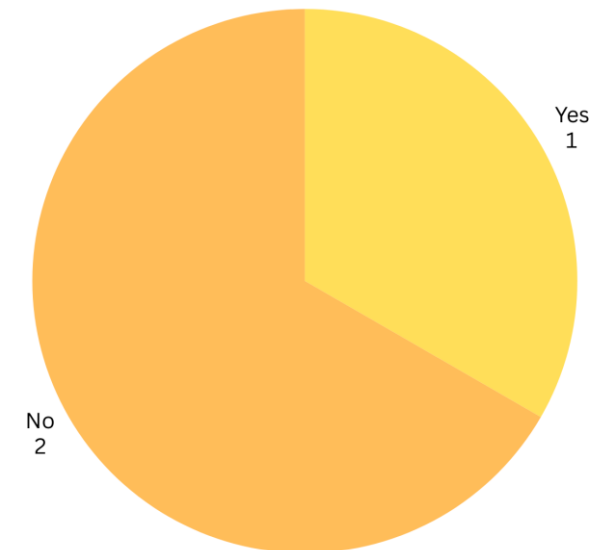
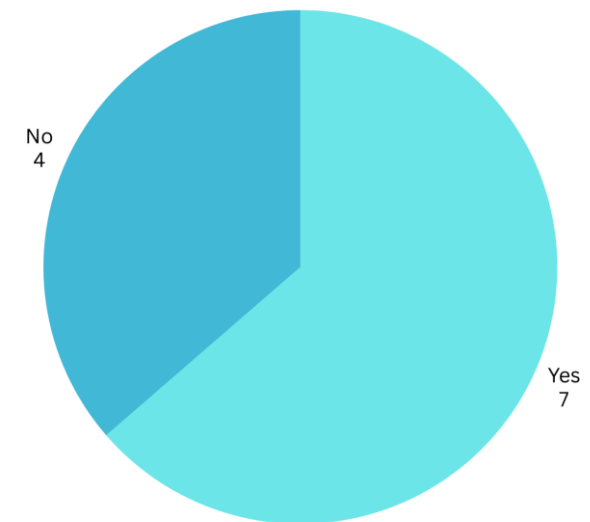
1. Complete the Impact Materiality Assessment



2. Lead the Bank's transition plan (CSRD)



3. Supervise the CSRD reporting strategy

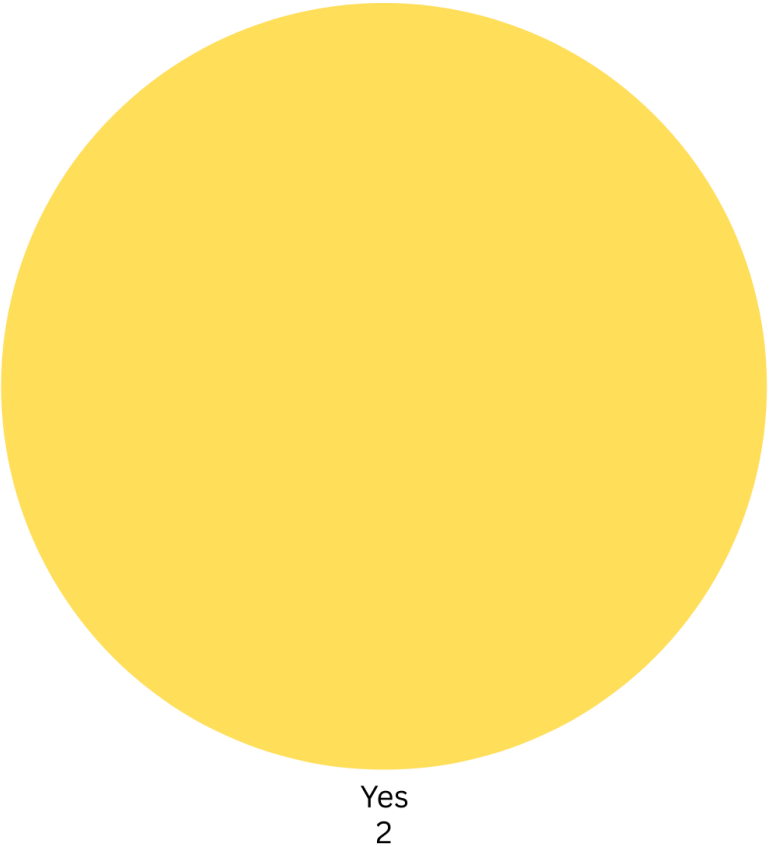
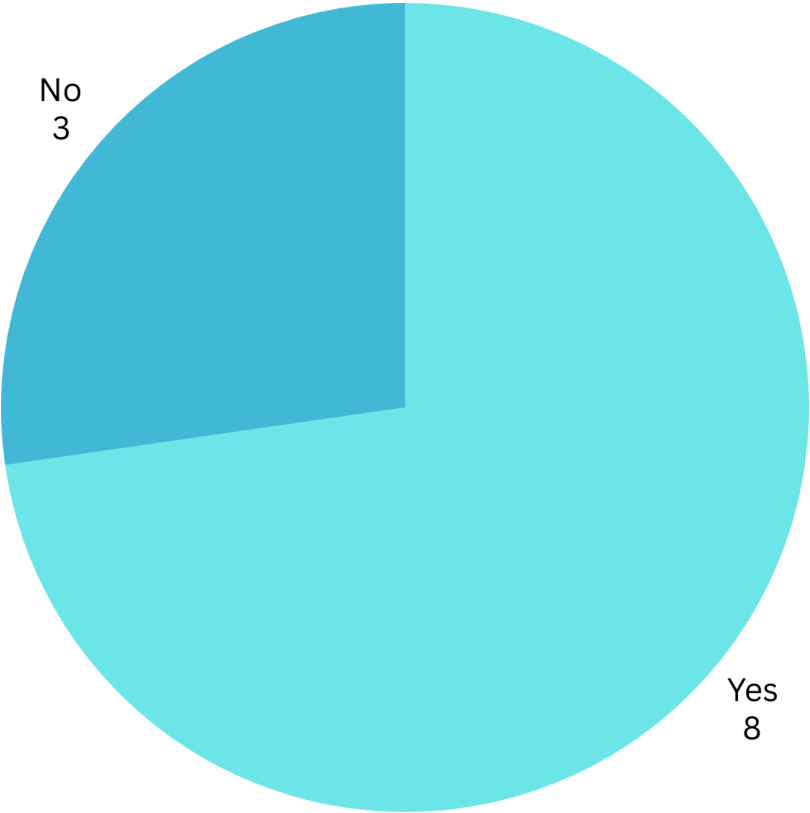


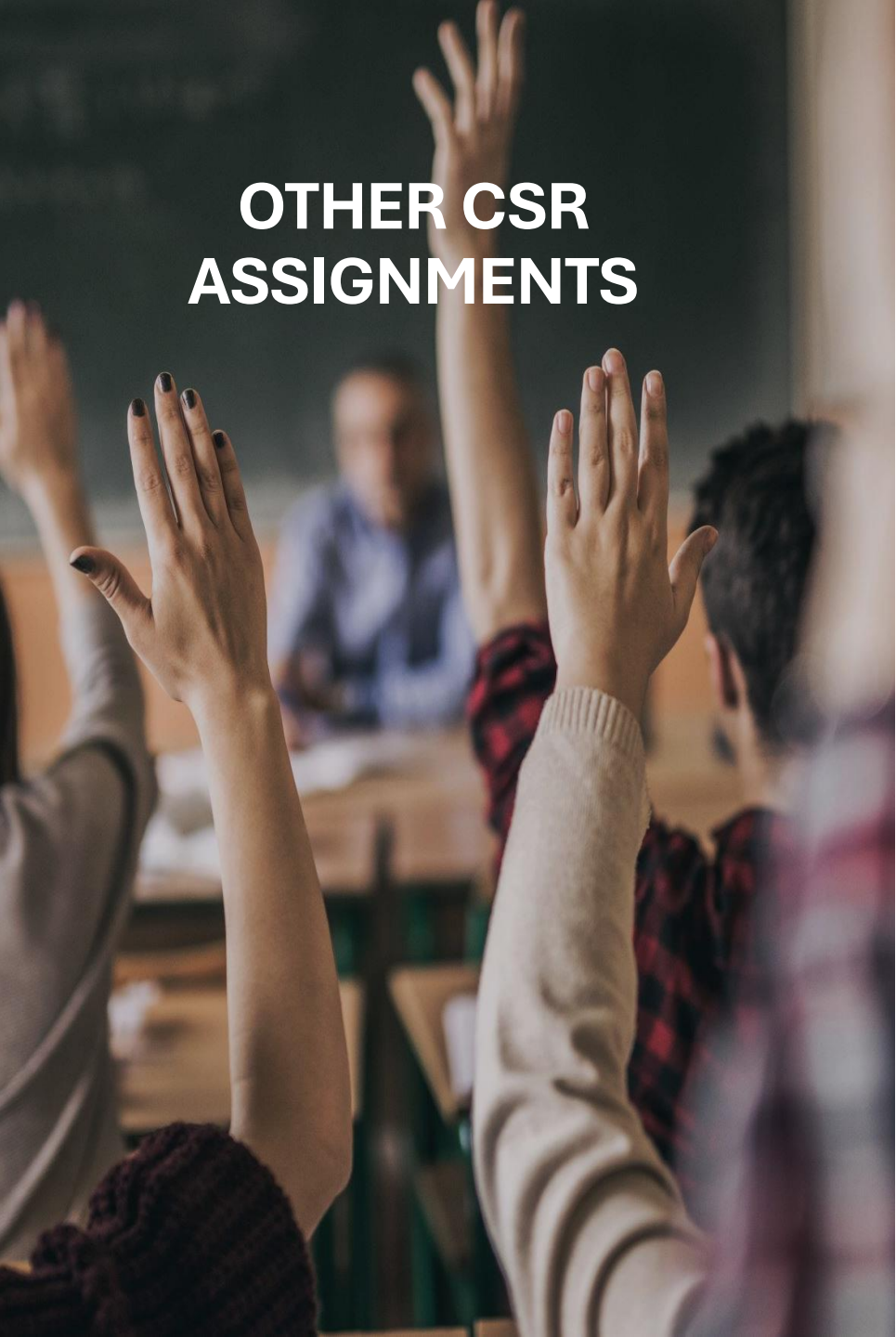
COMMUNICATION

- When it comes to external communication on sustainability, 10 banks stated that their CSR departments drive this communication, with three of them coordinating with other departments.
- One bank collaborates on this with External Communication team, while another coordinates with the Communication department, depending on the topic.
- One bank's CSR department is supported by Investor Relations (within the CFO Area) and the Institutional Affairs/External Communication department.
- In the case of three banks, the responsibility for external communication on sustainability lies solely within their Communication departments.

Drive external communication on sustainability

1. Drive external communication on sustainability

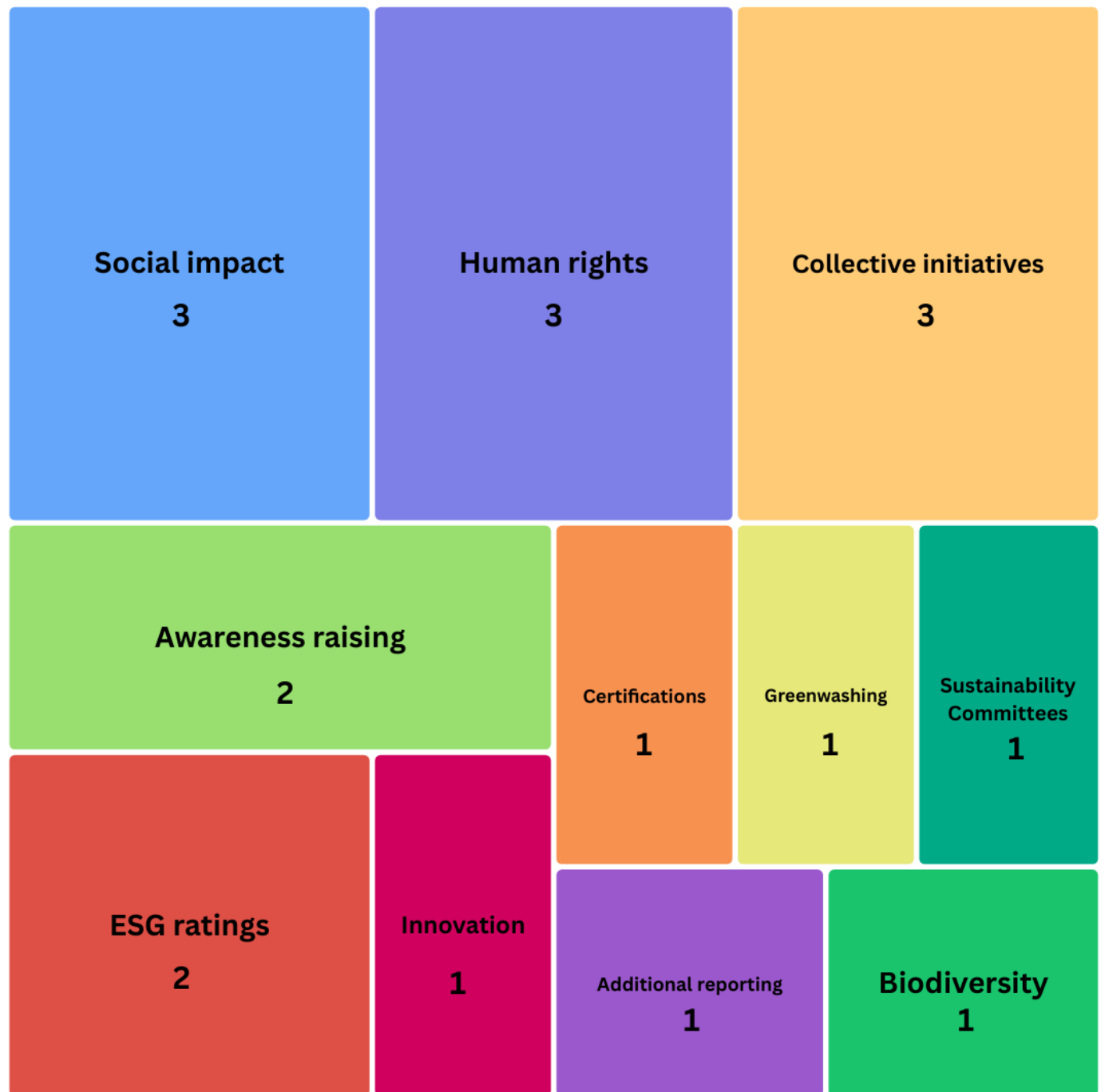




OTHER CSR ASSIGNMENTS

- Eight banks' CSR teams reported additional assignments. We have divided them into various categories, with the possibility of a single bank being included in several of them.
- Three banks are involved in social activities, particularly in social impact projects, art, culture, heritage, and philanthropy. The same number of banks' CSR teams also handle human rights assignments, such as conducting human rights due diligence, developing a group-level framework for human rights management, and preparing a human rights reports.
- Three banks mentioned involvement in various collective initiatives and stakeholder engagement, ranging from steering voluntary commitments and driving sustainability engagement to managing relationships with UNEP FI PRB and NZBA.
- Two banks' CSR teams focus on awareness-raising activities, such as steering financial education in one bank or providing advice on business ethics and transactions in another.
- Two banks indicated their CSR teams' involvement in ESG rating.
- Additional engagement include areas such as Innovation Centers, Investment Managing Sustainability, greenwashing prevention and biodiversity, certification management, and additional reporting (such as CDP and NTA).

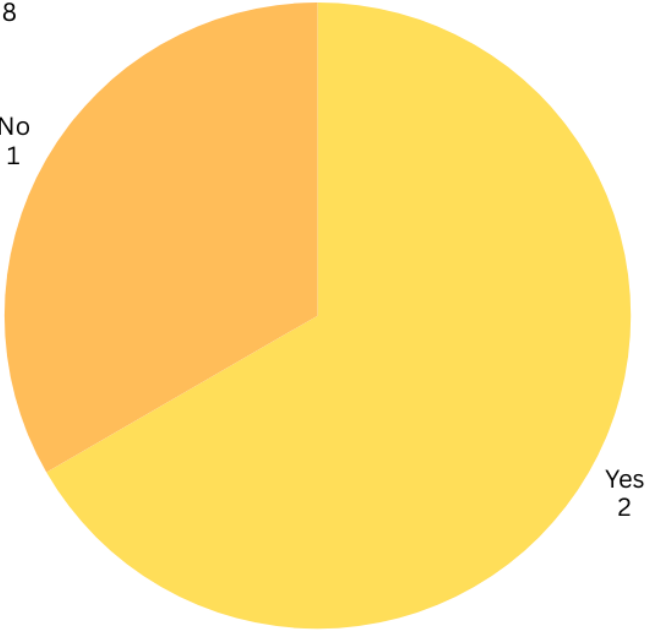
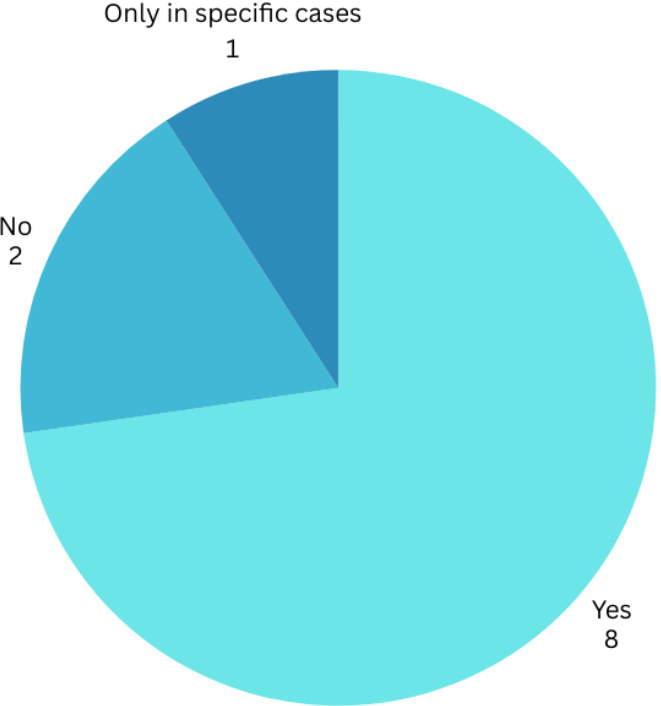
**Are there any other
assignments your
CSR team
undertakes?**



- Regarding deal flows, the CSR departments of 10 banks intervene or provide opinions, with one bank specifying that this occurs only in specific cases, such as during client onboarding or for complex transactions.
- One bank explained that deals are subject to ESG screening and are presented to an ESG Risk Forum for consideration. The CSR team is part of this forum, which assesses the acceptability of a deal from ESG, reputational, and legal risk perspectives before any review by transaction credit governance.

CSR INTERVENTION IN A DEAL FLOW

**Does your CSR
team intervene or
gives its opinion in
the deal flow?**

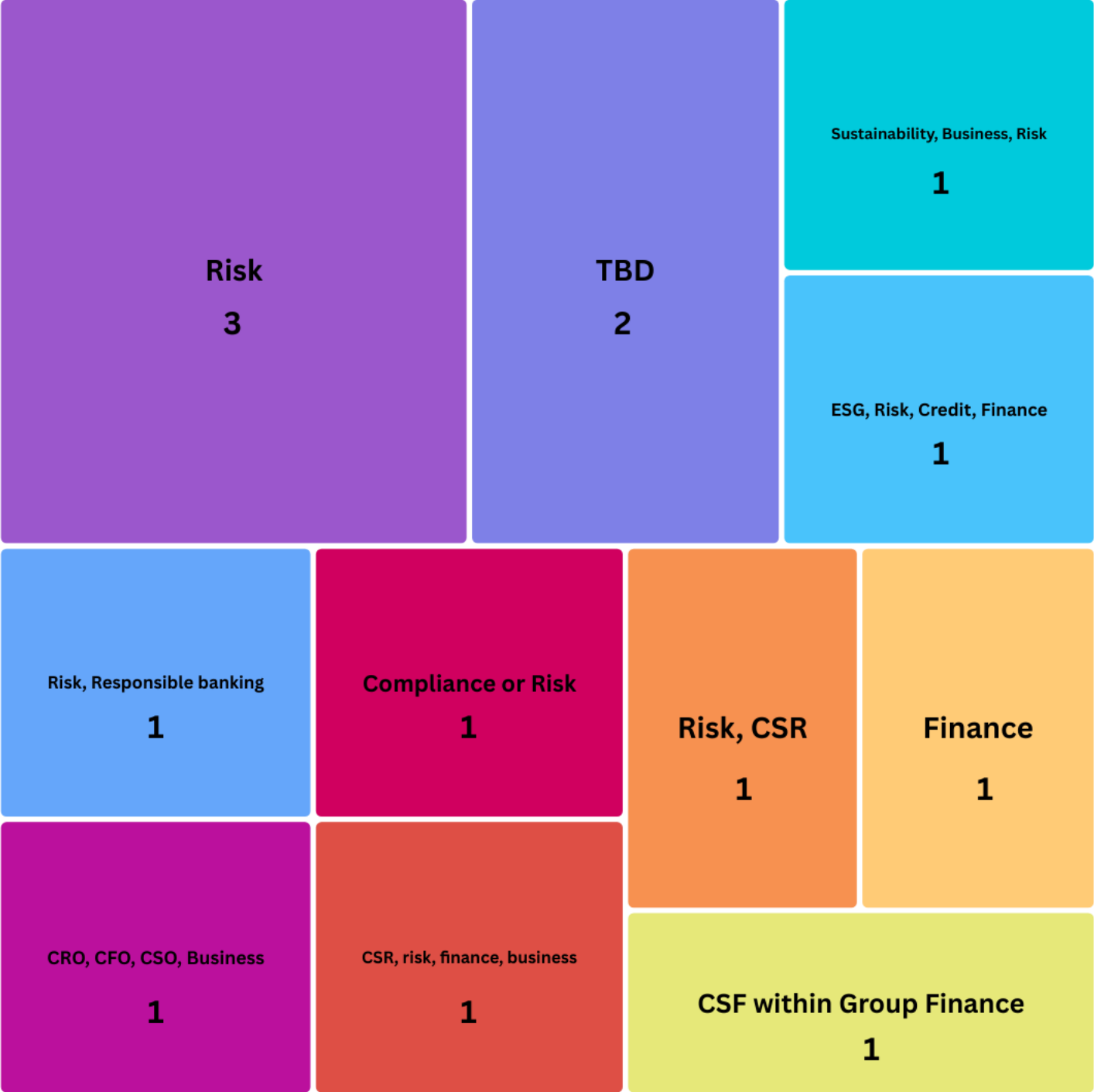




LEADING OF CRD 6 TRANSITION PLANS

- 2 of the 14 banks participating in the survey have not yet decided on the responsible department for the CRD6 transition plans
- In three banks, the Risk department is responsible for CRD 6 transition plans.
- In the remaining banks, there is cooperation among various departments, as shown in the chart.

Who will lead the
CRD6 transition
plans?



Contact

Thank you!

For questions contact:

Sustainablefinance@ebf.eu