

CSR reporting of European banks and insurance companies still needs improvement

Novethic analysed the reporting of 31 European banks and insurance companies in four areas of CSR (Corporate Social Responsibility): environmental, social and governance issues and their products and services. The study examines how the financial sector has reacted to the questions it has raised since the crisis. The companies surveyed provide detailed reporting on their social policy or their direct environmental impacts, but information is sparse on sensitive governance issues such as executive compensation or tax havens.

Nearly 50 points separate the best and worst scores

The study of the reporting of the major European banks and insurance companies shows that they share little common ground in their view of CSR, an approach that they take voluntarily. The six leading companies in the ranking - Generali (Italy), Crédit Agricole (France), BNP Paribas (France), Société Générale (France), Rabobank (Netherlands), Aviva (United Kingdom) and Deutsche Bank (Germany) - provide reporting that is responsible overall, although quality and details vary. Some firms home in on the environment and others on governance, but their CSR performance is difficult to benchmark without shared indicators or scopes.

Focus on social policy and environmental impacts

The financial sector has a low direct environmental impact and offers its employees good social benefits. As a result, two-thirds of the banks and insurance companies reviewed highlight these topics. Most publish figures on their water, paper and energy consumption or direct CO₂ emissions. Nearly two-thirds even include targets to reduce their environmental footprint.

Due to pressure from NGOs, demanding that the financial sector take environmental criteria into account in their investment policies, half of the banks and insurance companies in the sample acknowledge their accountability for the environmental consequences of the businesses they finance. This could eventually influence their investment selection models, but for the time being, only one bank mentions a target for measuring the CO₂ emissions caused by its businesses.

CSR reporting fails to meet stakeholder expectations

Banks and insurance companies publish a range of information but on the whole do not meet the expectations of their stakeholders, despite hopes that the financial crisis would impact sector practices. For example, executive compensation still lacks transparency, and tax havens are only discussed by three out of 31 companies.

Download the study for further information:

[CSR and responsible reporting: practices of European banks and insurance companies](#)

Press contact: Célia Juère - +33 (0)1 58 50 98 23 – celia.juere@novethic.fr

Novethic, part of Caisse des Dépôts, is a research centre in France on Corporate Social Responsibility (CSR) and Socially Responsible Investment (SRI) and a sustainable development media expert. www.novethic.fr

