Contents

Preface

List of figures

List of tables

List of boxes

Chapter 1 Introduction
  1.1 Research subject
  1.2 Synopsis of literature on the research subject
  1.3 Research objective and outline of the book

Chapter 2 Research design
  2.1 Research objective and framework
  2.2 Research questions
  2.3 Methods and sources
    2.3.1 Introduction
    2.3.2 Desk research and preliminary research
    2.3.3 Cross-sectional survey
  2.3.4 Case study research

PART I

Chapter 3 Banking and finance
  3.1 Introduction
  3.2 General trends in finance and banking
  3.3 Types of financial institutions
  3.4 Banks and their function in an economy
  3.5 Reasons for the existence of banks
  3.6 A first building block for the analytical framework

Chapter 4 Environmental issues and sustainability
  4.1 Introduction
  4.2 Environmental issues and economics
  4.3 Environmental consciousness and sustainable development
    4.3.1 Environmental problems
    4.3.2 Environmental consciousness
    4.3.3 Sustainable development
  4.4 Responses by governments
    4.4.1 Introduction
    4.4.2 Local and national environmental policy
4.4.3 Regional environmental policy
4.4.4 International environmental policy

4.5 Responses by businesses
4.5.1 Introduction
4.5.2 Historical developments
4.5.3 Environmental management systems (EMSs)
4.5.4 Certification of EMSs
4.5.5 Environmental reporting

4.6 A second building block for the analytical framework

Chapter 5 Banking and sustainability: an analytical framework
5.1 Introduction
5.2 Intermediation and sustainability
5.3 A conceptual framework: a preliminary discussion
5.4 Innovation approaches
5.4.1 Introduction
5.4.2 Theoretical notions on innovation
5.4.3 Innovation management
5.4.4 Innovation within services industries
5.5 Management approaches
5.5.1 Introduction
5.5.2 Management approaches: a general discussion
5.5.3 Corporate governance and stakeholder models
5.5.4 Environmental management models
5.6 Analytical framework

PART II

Chapter 6 Sustainability and financing risks
6.1 Introduction
6.2 Environmental risks for clients
6.2.1 Introduction
6.2.2 Economic aspects
6.2.3 Legal aspects
6.2.4 Soil pollution
6.2.5 Financial aspects of government policy
6.3 Indirect environmental risks for banks
6.3.1 Introduction
6.3.2 The borrowing client’s continuity
6.3.3 The borrowing client’s collateral
6.3.4 Conclusions
6.4 Direct environmental risks for banks
6.5 Risks to banks’ reputations
6.6 Instruments for analysing environmental risk
6.7 Survey results and conclusions

Chapter 7 Sustainability and product development
7.1 Introduction
7.2 Sustainable investment funds
7.2.1 Introduction
7.2.2 Fundamental principles of SRI funds
7.2.3 Returns and activism
7.2.4 Developments in developed countries
7.2.5 Information requirements and transparency

7.3 Fiscal green funds
7.3.1 Introduction
7.3.2 Principles of a fiscal green fund
7.3.3 Volume and performance of fiscal green funds
7.3.4 The future of fiscal green funds

7.4 More sustainable financial products: liabilities side activities
7.4.1 Introduction
7.4.2 More sustainable payment products
7.4.3 More sustainable saving products
7.4.4 More sustainable investment funds
7.4.5 More sustainable insurance products

7.5 More sustainable financial products: asset side activities
7.5.1 Introduction
7.5.2 More sustainable loans
7.5.3 More sustainable leasing
7.5.4 More sustainable innovation
7.5.5 More sustainable securitisation
7.5.6 Micro-credit or micro-financing
7.5.7 Debt-for-nature swaps

7.6 Sustainability and advice from banks

7.7 Climate change products
7.7.1 Introduction
7.7.2 Formation of a fund
7.7.3 Loans
7.7.4 Investments
7.7.5 Commodities
7.7.6 Insurance

7.8 Survey results and conclusions

Chapter 8 Internal sustainability care
8.1 Introduction
8.2 Energy
8.3 Waste
8.4 Sustainable building
8.5 Supply and distribution chain management
8.6 Survey results and conclusions

Chapter 9 Communication and organization on sustainability
9.1 Introduction
9.2 The organization of sustainability within banks
9.3 The role of internal communication
9.4 The role of external communication
9.4.1 Introduction
9.4.2 Codes of conduct
9.4.3 Sustainability reporting
9.4.4 Other external communication activities
9.4.5 External accountability and the risks of external communication
PART III

Chapter 10 Retroduction
10.1 Introduction
10.2 Integral perspective on sustainable banking among mainstream banks
10.3 Results from the retroduction process of Part II
   10.3.1 Introduction
   10.3.2 Financing and risks
   10.3.3 Product development
   10.3.4 Internal sustainability care
   10.3.5 Communication and organization
   10.3.6 Conclusions
10.4 Results from the interviews
   10.4.1 Introduction
   10.4.2 Overall results at the corporate level
   10.4.3 Results per layer of the analytical framework
   10.4.4 A first understanding of relationships within the analytical framework
   10.4.5 Conclusions
10.5 Conclusions: overall results from the retroduction process

Chapter 11 Conclusions
11.1 Introduction
11.2 The research questions revisited
11.3 A reflection on the retroduction process
11.4 Recommendations for further research

APPENDICES

Appendix I Geographic scope of the book
Appendix II Panel group, informants and experts
Appendix III IFC classification for Environmental Assessments
Appendix IV Example of an environmental risk ‘checklist’
Appendix V Climate change and policy
Appendix VI Overview of selected banks in the survey
Appendix VII An integral score for sustainable banking
Appendix VIII Overview of interviewed banks
   VIII.1 Overview of interviewees
   VIII.2 General background of selected banks
   VIII.3 Sustainability activities of selected banks
Appendix IX Semi-structured questionnaire

References
The importance of sustainability in finance, with a perspective on the banking sector is covered in this article. Businesses are the key drivers of growth, development and progress. Banking and Financial Institutions are the engines that fuel these drivers. 

The crisis that the world faces today is greater than just ecological. There is a huge disparity in the wealth distribution not only among individuals but also nations. Sustainable finance. The imperative and the opportunity. Goldman Sachs 2019 Sustainability Report. 

We committed $750 billion in financing, investing and advisory across nine sustainable growth themes to support global climate transition and inclusive growth strategies that accelerate positive change. 5. Goldman Sachs 2019 Sustainability Report Introduction. Sustainable Finance? 1 Reconceiving the Responsibilities of Financial Institutions. The global financial crisis (GFC) and its aftermath consisted of compounding failures in financial markets, institutions, regulation and governance. A sustainable financial system is, therefore, one that creates, values, and transacts financial assets, in ways that shape real wealth to serve the longterm needs of an inclusive, environmentally sustainable economy.