



Banca Popolare Etica

The highest interest is for all

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Banca popolare Etica

Regional Area Manager Northeast Italy



- Is the first and only one financial institution in Italy that totally dedicated to ethical finance.
- Gives credit to social economy.
- Offers a responsible use of money (banking account, affinity cards, dedicated certificates of deposit) and the finalization of the savings in one of the 4 areas of financing.
- In coherence with the principle of transparency, all loans to organisations are published on the website www.bancaetica.it.
- Members are involved in participation paths concerning governance and the decision making process.

THE PRINCIPLES



The principles of Ethical Finance, stated in article 5 of Articles of Association, are:

- **transparency**
- **involvement**
- **efficiency and soberness**
- **attention at non economic consequences of economic action**
- **Access to credit is a human right**

PAST AND PRESENT



Banca Etica was born in 1999 thanks to different Italian non-profit organisations that, together with thousands of citizens, have collected the share capital in a participated and widespread way.

Today Banca Etica has a presence throughout Italy with:

- Head quarter in Padova
- 17 branches
- 27 itinerant bankers

In Spain → agency mandate with Fiare

THE ITINERANT BANKER



- Is a financial advisor;
- combines financial activities and cultural promotion of ethical finance in synergy with members in the territory;
- collects saving (banking account, certificates of deposit , ethical investment funds);
- follows loans, together with Social Evaluators and internal structures of the bank.

OUR FIGURES - equity and members

Total equity	45.780.000 €
Members	37.726
<i>of which</i>	
<i>individuals</i>	31.787
<i>legal entities</i>	5.939

Updated at 1st September 2013

OUR FIGURES - deposits and loans

Total deposits 837.000.000 €

Total agreed loans 770.000.000 €

Total loans in use 600.000.000 €

N. of loans 7.000

Non-recoverable non-performing loans/net loans:
0,51%

Updated at 1st September 2013

OUR FIGURES - indirect deposits for Eticasgr (fund)

Indirect collection Bancaetica 216.000.000 €

Total volumes of Etica Sgr 650.000.000 €

N. of Eticasgr clients 30.000

Banca etica controls etica sgr company with 46% of total shares

Updated at 1st September 2013



Banca Etica is a popular banking institute, in the legal form of cooperative.

This legal form:

- **allows to operate at national level, in accordance to the founding principles of co-operation and mutuality;**
- **encourages a widespread share ownership and the existence of democratic processes of decision making and participation;**
- **according to the principle “one person, one vote” is characterised by the, so called, “shareholder supremacy” as a person faced to the share capital.**



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GOVERNANCE AND MEMBERS PARTICIPATION



The members represent the main resource of Banca Etica, because they share the cultural project assuming its business risk.

This is a new and original concept in the panorama of the banking system. Because it combines the value of membership participation with the responsibility of an economic company.

MEMBERS ORGANISATION

Banca Etica has a network of voluntary active members in every part of Italy:

- they are organized in 74 local shareholder groups;
- 5 territorial areas (one in Spain)

The Members Territorial Organisation (OTS - Organizzazione Territoriale dei Soci) allows members to contribute to cultural development of the bank, beyond institutional opportunity of participation (eg: General Assembly).

MEMBERS - OPERATIVE STRUCTURE INTERACTION

- **Community Action**
- **Social Evaluators**
- **Forum of Area**
- **Annual Network Meeting**

BANKING ACTIVITY - SAVINGS



Savers ask for a use and a management of money coherent with values of justice, respect of environment, solidarity, peace.

- They indicate in which sector direct their savings and grant the lawful origin of their money.
- They know the projects receiving loans (published on the website www.bancaetica.it).
- If they subscribe Ethical Investment Funds they can participate to a guarantee fund supporting microcredit projects in Italy.

BANKING ACTIVITY - LOANS



Banca Etica gives credit mainly to social economy organisations.

They are organisations - eg: Cooperatives, Associations, Clubs - and enterprises that demonstrate, in their activities, to produce a benefit for the whole community.

AREAS OF FINANCING



5 main areas of financing:

- social co-operation ;
- environment;
- international co-operation;
- culture and civil society.

N.B. From 2003 Banca Etica gives credit also to profit enterprises with characteristics of socio-environmental responsibility that operate in energy efficiency, renewable energy sources and organic farming.

THE GRANTING OF CREDIT



The granting of credit for Banca Etica is one of the most delicate activity because it involves:

- Economic investigation
- Socio-environmental investigation (Social Evaluators)

TOOLS OF ETHICS GUARANTEE



- **Ethics Committee**
- **Code of Ethics**
- **Social Reporting**
- **SA8000 and Valore Sociale certifications**
- **Socio-environmental investigation of credit**

BANCA ETICA'S NETWORK



In ITALY:

- Etica SGR
- Fondazione Culturale Responsabilità Etica (The Cultural Foundation For Ethical Responsibility)

In EUROPE:

- Febea
- Sefea
- Fiare Currently a mandatory agency: 35M€ Savings, 18M€ loans.
In the future a “cooperative” branch

In the World:

- GABV



Asset management company of Banca popolare Etica's Group - the only one in Italy promoting exclusively socially responsible investments.

- **Ethical investment funds**
- **Stock selection based on ESG**
- **Voting right exercise**
- **Microcredit**
- **Advisory services for institutional investors**

ALLIANCE AND COLLABORATION



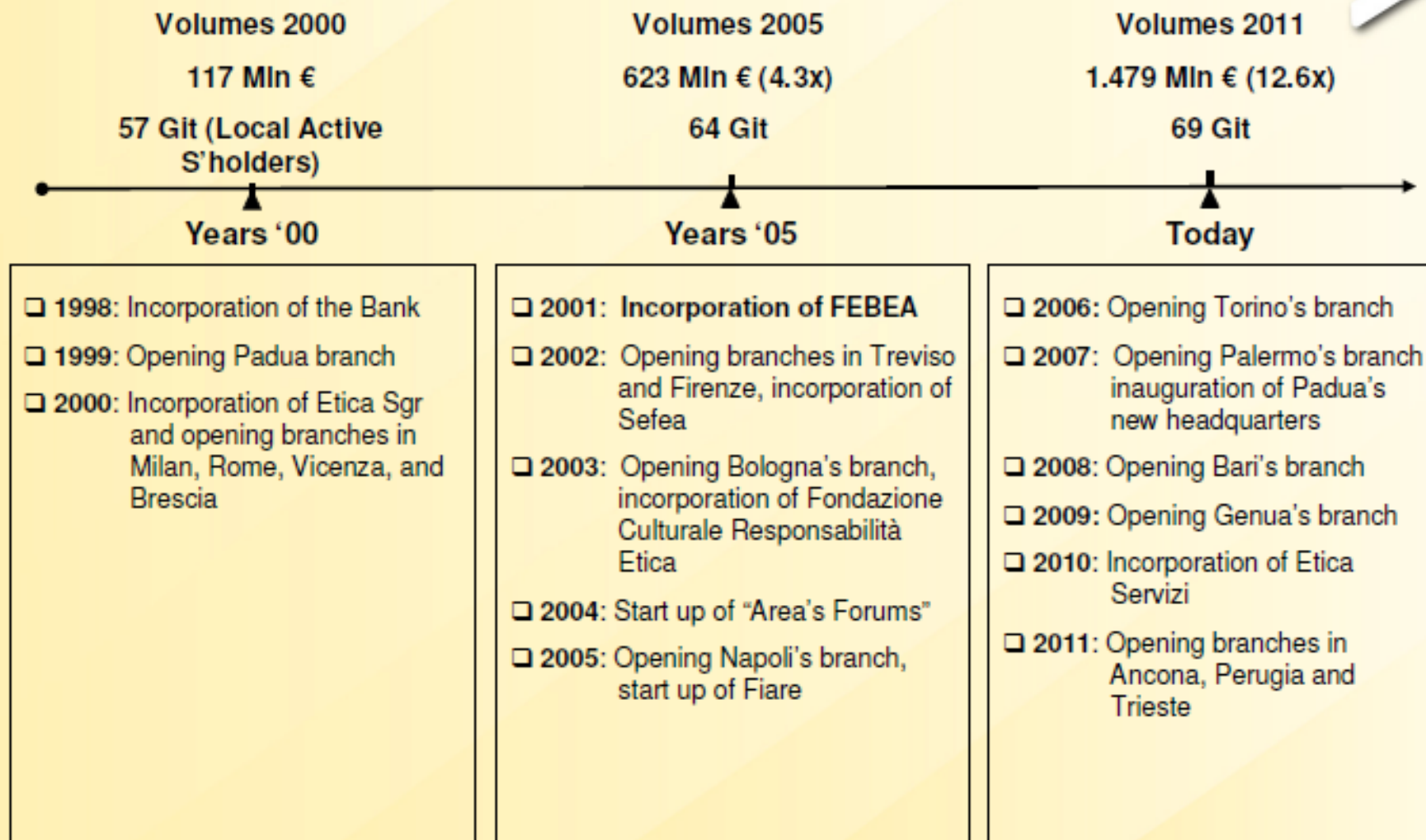
- Interaction with social movements
- FTT (Financial Transaction Tax)
- Lobbying on banking transparency
- Not With My Money Campaign
- Zoes.it - social network
- Terra Futura



**Banca Etica has always involved the academic world
In his project of ethical finance and cooperate with
scholars that carry forward reflections on civil
economy, in particular:**

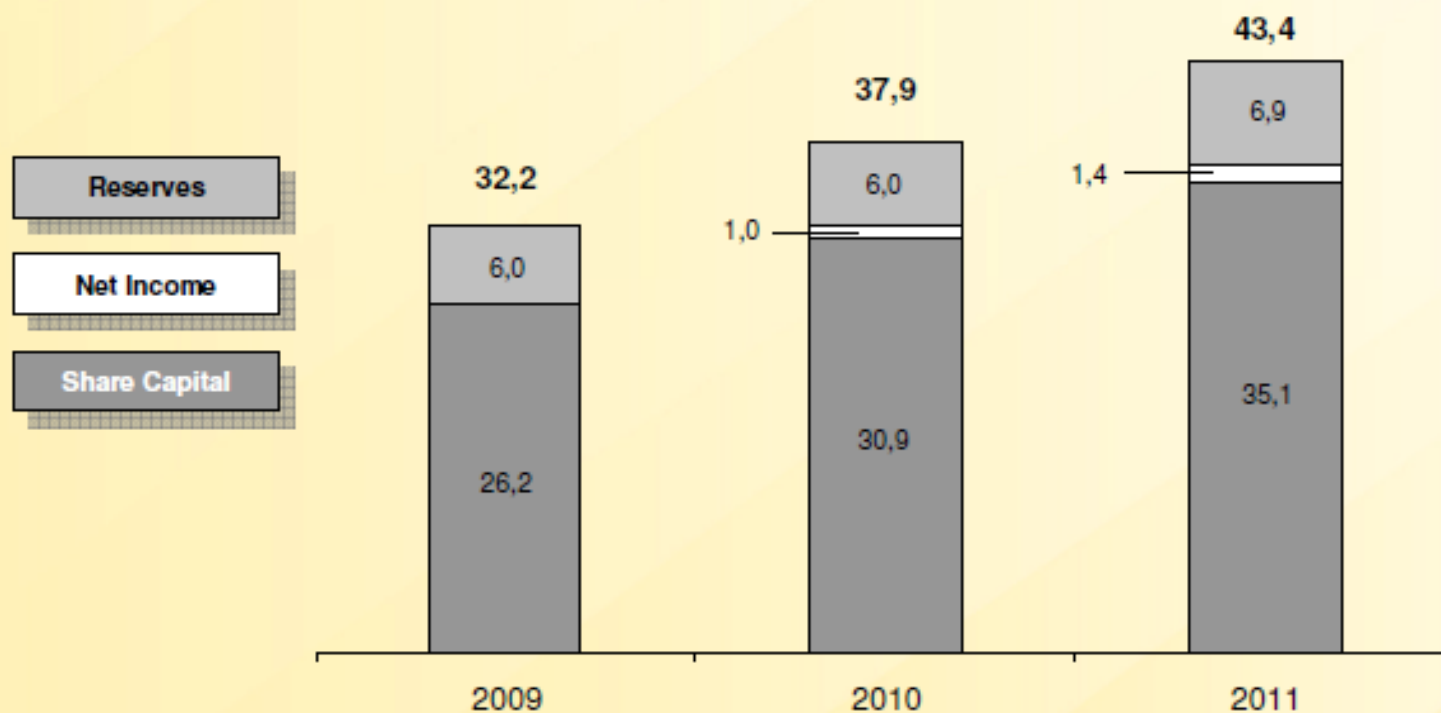
- **Prof. Stefano Zamagni, Bologna University**
- **Prof. Luigino Bruni, Milano Bicocca University**
- **Prof. Leonardo Becchetti, Roma Tor Vergata University**
- **Alberto Berrini, economic advisor Fiba Cisl**

In 13 years we are 13 times bigger than we used to be



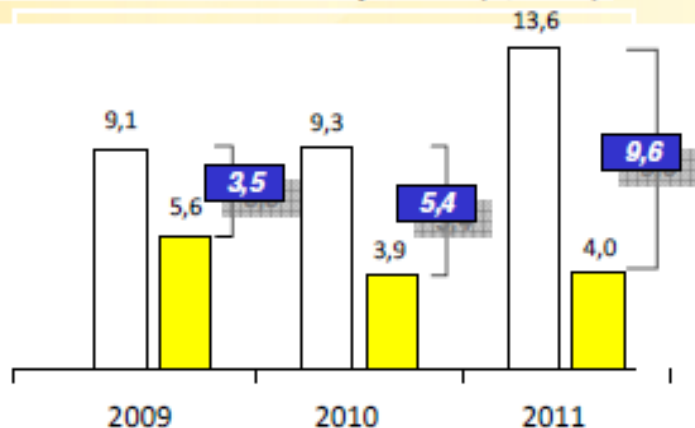
Our Capital has been growing a lot

– Main financial figures (€, Mln) –

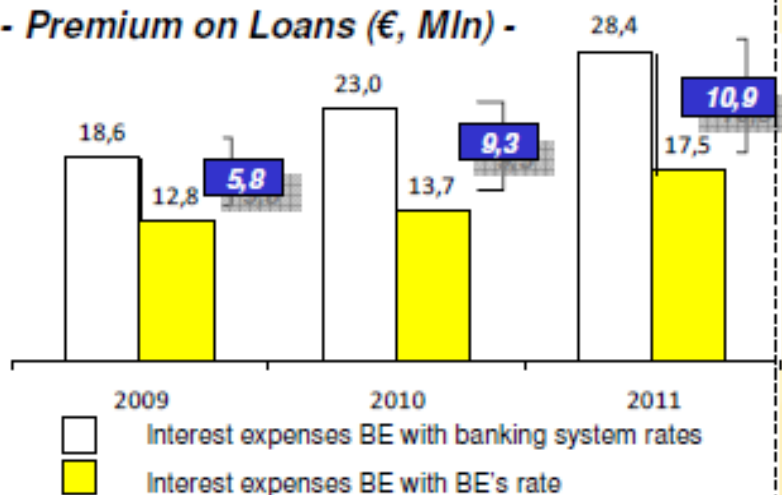


We have been distributing ethical premium

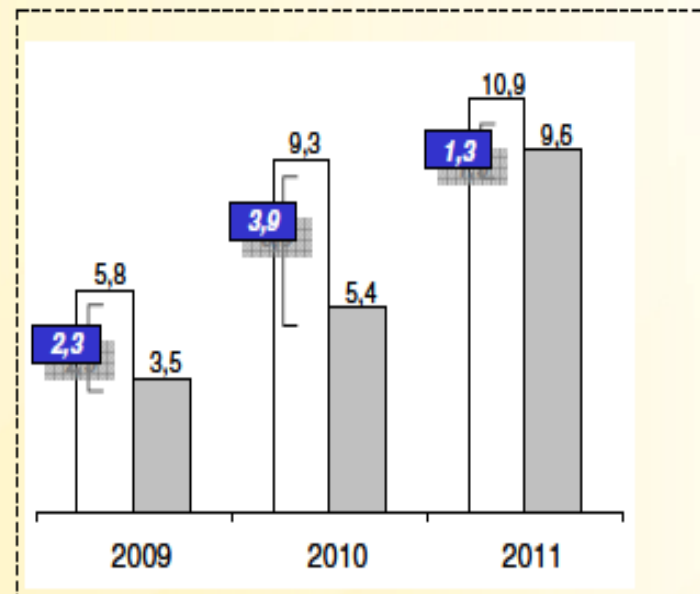
- Premium on Deposits (€, Mln) -



- Premium on Loans (€, Mln) -



- Premium Collected/ Distributed (€, Mln) -



- Ethical premium distributed
- Ethical premium collected

Banca Etica's Distinctive Model



	Banca Etica	Banking System in Italy
Growth rate Loans 2011	+24%	+2,2%*
Growth rate Deposits 2011	+11%	+1,5%*
Bank	Partially Acyclical	Procyclical
Model	"Gift" Economy	Market Economy

Full transparency: loans on BE's website
No maximum overdraft charge
Annualisation of interests
No fiscal amnesty ("Tax Shield")

* Source: Abi Monthly Outlook - January 2012

Thank you for your attention

