



# Financial sector

a project of the WBCSD

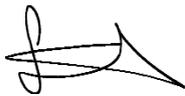


# CEOs' and Chairmen's statement

This is a statement by the CEOs and Chairmen of companies operating in the financial sector and holding membership in the World Business Council for Sustainable Development (WBCSD).

The financial sector plays a key role in the functioning of the world economy, but it is by no means a homogenous industry. The sector includes a diverse array of businesses, ranging from commercial and investment banks and asset management institutions, to reinsurance, credit insurance and direct insurance groups.

The eleven international companies responsible for producing this report reflect this diversity. We share a belief that the financial sector can play an important part in advancing the cause of sustainable development.



R.W. J. Groenink, ABN AMRO



Ir. Drs. H.N.J. Smits, Rabobank



Henning Schulte-Noelle, Allianz



Ing. Vincenzo De Bustis, Banca Monte Dei Paschi



Hiroshi Hirano, Sompo Japan



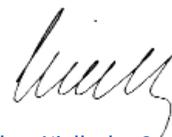
Dr. Josef Ackermann, Deutsche Bank



Idar Kreutzer, Storebrand ASA



Dr. Heinrich Focke, Gerling Konzern



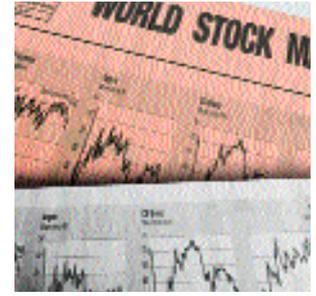
Walter Kielholz, Swiss Re



Ewald Kist, ING Group



Marcel Ospel, UBS



After extensive discussions and consultations with a wide group of stakeholders, we have reached the following conclusions:

① **Integrating sustainable development into our business is a prerequisite for the continuous success of our companies, as well as for creating long-term shareholder value.**

Shareholder value is a crucial yardstick for measuring economic success, and by taking the environmental and social aspects into account when conducting our business, we can reduce risks further improving our bottom-line and creating long-term value. What is more, society and the environment will both benefit if risks are managed more effectively. Through financial services and innovative products, we are able to promote socially and environmentally responsible investments.

② **We undertake to promote proactive sustainable development thinking.**

*In our own companies:* We will seek to develop forward-looking and future-oriented measures and systems for our management, and will integrate sustainable development criteria into our core business.

*With other companies in the financial sector:* Many companies are not yet fully aware of the opportunities which sustainable development thinking can offer. We shall therefore endeavor to share through dialogue our experiences with sustainable development issues and related topics of common concern.

*With clients and other stakeholders:* Today's economic, social and environmental challenges need to be addressed during our consultations with clients and stakeholders and should be reflected in the varying terms for the capital we provide and the risk we take on. We are convinced that we, our clients and other stakeholders will benefit financially from an integrated approach to sustainable development.

③ **We recognize our role as drivers for change, although the limits of responsibility and influence of the financial services industry need to be further explored.**

Because we influence the way our clients conduct their business (through our policies and processes), the financial sector is a driver for sustainable development rather than the executor of change. However, we do commit ourselves to promote sustainability both when selecting our clients and in managing ongoing client relations. We do not set the framework which determines the limits of our influence, but we will explore this further so that there is greater clarity about where the boundaries of responsibilities lie.

④ **We clearly see a need to improve transparency as a matter of urgency and will seek to increase mutual trust.**

Recent cases of misleading financial reporting have had adverse impacts on the markets and our sector. We are convinced that there should be common business ethics with regard to financial transparency in order to enhance the credibility of company reporting. All companies, including ourselves, should adopt international standards of best practices in financial reporting. This is a fundamental prerequisite for a reliable market, a functioning economy, and for moving towards sustainable development.

Progress is more likely to be made in a climate of mutual trust rather than under a cloud of suspicion. We shall therefore encourage greater transparency by actively engaging stakeholder dialogues and through regular sustainability reporting.

This report is the first step in what we believe is an important journey for our industry. We encourage other key players in the financial sector, as well as all interested stakeholders, to join us on this journey.

The stakes are high. But so are the potential rewards – not just for our industry, but for society as a whole.

*Johannesburg, September 2, 2002*

## Working Group Finance



Allianz Group



### About the WBCSD

The World Business Council for Sustainable Development (WBCSD) is a coalition of 160 international companies united by a shared commitment to sustainable development via the three pillars of economic growth, ecological balance and social progress. Our members are drawn from more than 30 countries and 20 major industrial sectors. We also benefit from a Global Network of 40 national and regional business councils and partner organizations involving more than 1,000 business leaders globally.

### Our mission

To provide business leadership as a catalyst for change toward sustainable development, and to promote the role of eco-efficiency, innovation and corporate social responsibility.

### Our aims

Our objectives and strategic directions, based on this dedication, include:

**Business leadership** • to be the leading business advocate on issues connected with sustainable development.

**Policy development** • to participate in policy development in order to create a framework that allows business to contribute effectively to sustainable development.

**Best practice** • to demonstrate business progress in environmental and resource management and corporate social responsibility and to share leading-edge practices among our members.

**Global outreach** • to contribute to a sustainable future for developing nations and nations in transition.

### Ordering publications

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