

Bank Investor Engagement Project

Assessment of Lobbying

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Disclaimer: All research in this document is based solely on publicly available information and was collected by or before January 2021.

Summary

Topic	Findings
<p>Taking a stance on democracy</p> <ul style="list-style-type: none"> • Political contributions in numbers • Reactions to Capitol Violence 	<ul style="list-style-type: none"> • Commercial banks are flexing their lobbying muscles • Contributions to federal candidates totaled \$52,296,673, with Wells Fargo, JP Morgan, Bank of America and the American Bankers Association (ABA) at the forefront • ABA paid 68% out of their total contributions (\$3mio) to Republicans • Lobbying expenditure totaled \$46,114,525 in 2020 • Following the Capitol Violence in January 2020, some banks and associations announced temporarily halting donations, incl. Deutsche Bank, Citi. Bank of America, JP Morgan, Morgan Stanley, Goldman Sachs, US Chamber of Commerce
<p>Taking a stance on sustainability</p> <ul style="list-style-type: none"> • Spotlight on major industry associations and partnerships • Advocacy efforts for sustainable finance/ESG 	<ul style="list-style-type: none"> • All target banks are engaged with several associations and partnerships • A number of major associations assessed have made sustainable finance/ESG a key area of advocacy • Business Roundtable, Bank Policy Institute, US Chamber of Commerce and American Bankers Association are less vocal on fighting climate change and other sustainability issues and have even been found to actively lobby against climate-friendly regulation. • US Chamber of Commerce and American Bankers Association, both heavy lobbyists, do not disclose a member directory on their website → banks link to these organizations less transparent • BNP Paribas leads the way on climate lobbying

Taking a stance on democracy

Taking a stance on democracy

Commercial Banks: Top Contributors to Federal Candidates, Parties, and Outside Groups

Rank	Contributor	Total Contribs	To Candidates and Parties			To Outside Spending Groups
			Total	Dem%	Repub%	Total
1	Wells Fargo	\$5,412,131	\$5,205,202	66.3%	33.3%	\$186,662
2	JPMorgan Chase & Co	\$4,441,920	\$4,226,067	66.0%	33.7%	\$206,314
3	Bank of America	\$3,482,816	\$3,398,423	64.1%	35.6%	\$76,322
4	American Bankers Assn	\$2,949,720	\$2,893,933	33.2%	66.8%	\$60,235
5	Citigroup Inc	\$1,876,901	\$1,830,594	64.8%	34.8%	\$41,517
6	Truist Financial	\$1,734,093	\$1,640,354	38.2%	61.6%	\$90,817
7	US Bancorp	\$1,206,291	\$1,181,418	60.1%	39.7%	\$21,696
8	Independent Community Bankers of America	\$1,164,020	\$1,164,020	44.9%	55.1%	\$0
9	PNC Financial Services	\$1,155,347	\$1,144,205	47.1%	52.7%	\$9,799
10	Regions Financial	\$974,534	\$971,793	40.2%	59.8%	\$2,138

Total contributions:
\$52,296,673



Taking a stance on democracy

Commercial Banks: Lobbying, 2020

Client/Parent	Total
American Bankers Assn	\$8,660,000
Wells Fargo	\$3,420,000
Citigroup Inc	\$3,270,000
Independent Community Bankers of America	\$2,800,000
JPMorgan Chase & Co	\$2,150,000
Truist Financial	\$2,080,000
Ally Financial	\$2,050,000
Consumer Bankers Assn	\$1,810,000
HSBC Holdings	\$1,750,000
Bank Policy Institute	\$1,610,000
Bank of America	\$1,280,000
Regions Financial	\$1,060,000
US Bancorp	\$850,000

Total:
\$46,114,525

Taking a stance on democracy

The New York Times

Companies Pull Back Political Giving Following Capitol Violence

These Businesses and Institutions Are Cutting Ties With Trump

Several large banks and the P.G.A. are among those that have disassociated themselves from the president and his allies since his supporters stormed the Capitol.

In the last election cycle, American corporate PACs gave **\$91 million** to members of the House of Representatives, accounting for 8 percent of that chamber's total funds raised, and \$27 million to senators, accounting for 3 percent of the total, according to figures compiled by the Center for Responsive Politics.



BANK OF AMERICA



JPMORGAN CHASE & CO.

BlackRock

Morgan Stanley



Goldman Sachs



U.S. Chamber of Commerce

Taking a stance on democracy

Top PAC donors to Republican objectors

Below are the top PAC donors to the 147 Republican lawmakers who objected to states' election results. They include PACs connected influential trade associations, major corporations and current and former politicians.

PAC	Total Donations
Majority Cmte PAC (Kevin McCarthy)	\$1,335,000
American Bankers Assn	\$1,317,000
National Assn of Realtors	\$1,271,000
Koch Industries	\$931,500
AT&T Inc	\$927,500
National Auto Dealers Assn	\$918,000
Comcast Corp	\$916,000
National Beer Wholesalers Assn	\$759,500
Eye of the Tiger PAC (Steve Scalise)	\$746,000
Northrop Grumman	\$687,500
Huck PAC (Mike Huckabee)	\$685,000
Credit Union National Assn	\$670,500

Taking a stance on democracy

Top industry donors to Republican objectors^{*}

Industry	Total Donations
Retired	\$67,346,497
Republican/Conservative	\$20,513,217
Real Estate	\$16,382,560
Health Professionals	\$10,996,730
Leadership PACs	\$10,704,578
Securities & Investment	\$9,937,164
Oil & Gas	\$9,288,458
Insurance	\$8,912,172
Lawyers/Law Firms	\$7,807,867
Crop Production & Basic Processing	\$6,595,916
Commercial Banks	\$5,821,748
Automotive	\$5,627,657

^{*}GOP lawmakers who objected the Electoral College results on Jan 6th 2021.

Taking a stance on sustainability

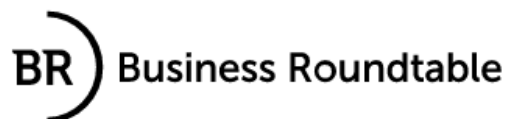
Taking a stance on sustainability

Spotlight on major industry associations and partnerships

Supporting/Advocating



Reserved/Opposed



U.S. Chamber of Commerce





Taking a stance on sustainability

Spotlight on major industry associations and partnerships

Participation of target banks

	GFMA	AFME	ASIFMA	SIFMA	UNEP FI	ICMA	UK Finance	Business Roundtable	BPI	US Chamber of Commerce	ABA
Bank of America	X	X	X	X	X	X	X	X	X	Not disclosed	Not disclosed
Barclays	X	X	X	X	X	X	X		X		
BBVA	X			X	X	X			X		
BNP Paribas	X	X	X	X	X	X	X		X		
Citi	X	X	X	X	X	X	X	X			
Goldman Sachs	X	X	X	X		X	X	X	X		
HSBC	X	X	X	X	X	X	X		X		
JP Morgan	X	X	X	X		X	X	X	X		
Morgan Stanley	X	X	X	X		X	X	X	X		
Nordea	X		X	X	X	X			X		
RBC	X		X	X	X	X					
Santander	X	X	X	X	X	X	X		X		
TD Bank	X	X	X	X	X	X	X		X		
UBS	X	X	X	X	X	X	X		X		
Wells Fargo	X	X	X	X		X	X	X			



Business Roundtable



Business Roundtable is an association of chief executive officers of America's leading companies working to promote a thriving U.S. economy and expanded opportunity for all Americans through sound public policy.

Bank of America, Goldman Sachs, Citi, JP Morgan, Morgan Stanley, Wells Fargo

Bad scorecard from Influencemap

InfluenceMap Score ⓘ

D

Performance Band

47%

Organisation Score

12%

Engagement Intensity ⓘ

Business Roundtable appears to be **improving** in its **lobbying** on US climate and energy policy. The organization's 2020 Climate Change statement calls for global [emissions reductions](#) in line with IPCC recommendations, and makes the case for [carbon pricing](#) as a central facet of its preferred approach. At the same time, Business Roundtable qualifies its support for government regulation with **several caveats**, including the need to maintain [national competitiveness](#), and asserts that market-based action is "[more often than not](#)" preferable to regulation of emissions reductions.




Bank Policy Institute



The Bank Policy Institute (BPI) is a nonpartisan public policy, research and advocacy group, representing the nation's leading banks. Members include universal banks, regional banks and the major foreign banks doing business in the United States. Collectively, they employ nearly 2 million Americans, make 68% of all loans and nearly half of the nation's small business loans and serve as an engine for financial innovation and economic growth.

Bank of America, Barclays, BBVA, BNP Paribas, Goldman Sachs, HSBC, JP Morgan, Morgan Stanley, Nordea, Santander, TD Bank, UBS

 Sustainable finance-related issues not disclosed as policy areas

CEO position on climate change

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Climate change is one of the most pressing issues of our time and it is encouraging that leading financial institutions are working with the regulatory community to bring about meaningful change. Specifically, banks are considering how climate change affects the risk of numerous types of lending and exploring how stress scenario analysis could assist their analysis. Stress testing for long-term climate change, however, is an extraordinarily complex and difficult endeavor given a lack of data, established modeling techniques and the need to forecast over longer time horizons than economic stress testing has ever contemplated. Such stress testing will also need to consider how both customer and bank practices might change over time – for example, how currently carbon-intensive businesses might diversify; how banks might change their client mix if they do not; and how banks might also diversify and hedge their risks.

U.S. Chamber of Commerce



U.S. Chamber of Commerce

The U.S. Chamber of Commerce is the world's largest business organization representing companies of all sizes across every sector of the economy. Our members range from the small businesses and local chambers of commerce that line the Main Streets of America to leading industry associations and large corporations.

Members not disclosed

Bad scorecard from Influencemap

InfluenceMap Score ⓘ

E-
Performance Band

25%
Organisation Score

42%
Engagement Intensity ⓘ

The US Chamber of Commerce (Chamber) has been actively opposed to regulation on climate change in the US. In 2017, Chamber sponsored and publicized research criticizing the US's GHG emission reduction pledge under the Paris Agreement, which was subsequently used by the Trump Administration to justify pulling the US out of the agreement in 2017. [...] The Chamber's new 2019 climate position statement nominally shifts to a more positive stance on climate, further arguing that "inaction is not an option" and recognizing the "critical role" of governments in tackling climate change. The statement sharply contrasts with the organization's lobbying record: the Chamber has consistently opposed regulatory intervention on climate, including advocating for the repeal of the use of a 'social-cost of carbon' in policymaking in 2017, calling it "bad regulatory policy."




American Bankers Association



ABA proudly represents institutions of all asset sizes and charter types. These diverse perspectives drive the development of our daily work and policy positions.

Members not disclosed

 Sustainable finance-related issues not disclosed as policy areas/banking topic



Global Finance Markets Association (GFMA)



The Global Financial Markets Association (GFMA) represents the common interests of the world's leading financial and capital market participants, to provide a collective voice on matters that support global capital markets.

Bank of America, Barclays, BBVA, BNP Paribas, Citi, Goldman Sachs, HSBC, JP Morgan, Morgan Stanley, Nordea, RBC, Santander, TD Bank, UBS, Wells Fargo

Sustainable Finance

GFMA Response to the IFRS Foundation Consultation Paper on Sustainability Reporting

JANUARY 2021 | CORRESPONDENCE | COMMENT LETTERS

GFMA Letter on TEG EU Sustainable Taxonomy Report

SEPTEMBER 2019 | CORRESPONDENCE | REGULATORY CORRESPONDENCE

Highlights from GFXD Next Step FX Event: Promoting Career Opportunities for Women in Foreign Exchange

22 JULY 2019 | NEWS | FOREIGN EXCHANGE (FX)



GFMA and BCG Publish Report on Climate Finance Markets and the Real Economy

3 DECEMBER 2020 | NEWS | SUSTAINABLE
FINANCE

Association for Financial Markets in Europe (AFME)



The Association for Financial Markets in Europe (AFME) is the voice of all Europe's wholesale financial markets, providing expertise across a broad range of regulatory and capital markets issues.

Bank of America, Barclays, BNP Paribas, Citi, Goldman Sachs, HSBC, JP Morgan, Morgan Stanley, Santander, TD Bank, UBS, Wells Fargo

Key Priorities

Sustainable Finance

Key areas of focus for AFME on Sustainable Finance include:

- Development of **coherent and holistic EU strategy** to direct private capital to sustainable investment
- Enhancement of **ESG Reporting and Disclosure** at the EU and globally (in the context of planned review by the EC of the Non-Financial Reporting Directive (NFRD))
- Finalisation of the **EU Taxonomy** for green activities at the legislative level and development of its usability for capital markets transactions
- Pragmatic and risk-sensitive integration of ESG considerations into banking **prudential and supervisory frameworks** (in the context of the EBA mandates to the European Commission)
- Support incorporation of ESG and Sustainable Finance considerations across various **capital markets product areas and business functions**

- AFME response to Consultation on Establishment of EU Green Bond Standard (2 October, 2020)
- ECB Guide on Climate and Environmental risks – AFME and ISDA response (general comments) (September)
- Governance, conduct and compliance in the transition to sustainable finance (September, 2020)
- AFME survey on organisational set up of Sustainable Finance related functions within firms (August, 2020)
- AFME-ISDA supplementary response to the EC's draft MiFID II delegated acts (PG +suitability) (19 August, 2020)
- AFME Recommended ESG Disclosure and Diligence Practices for the European High Yield Market (22 July, 2020)
- The future EU Renewed Sustainable Finance Strategy – key messages and full response (15 July, 2020)



Asia Securities Industry & Financial Markets Association (ASIFMA)



ASIFMA is an independent, regional trade association with over 140 member firms comprising a diverse range of leading financial institutions from both the buy and sell side. Their mission is to promote the development of liquid, deep and broad capital markets in Asia, which is fundamental to the region's economic growth.

Bank of America, Barclays, BNP Paribas, Citi, Goldman Sachs, HSBC, JP Morgan, Morgan Stanley, Nordea, RBC, Santander, TD Bank, UBS, Wells Fargo

Some research on sustainable finance in Asia published:

Data Challenges and Opportunities for ESG and Sustainable Finance in Asia Pacific

RESEARCH | REGIONAL | DECEMBER 2020

Sustainable Finance in Asia Pacific: Regulatory State of Play

RESEARCH | REGIONAL | MARCH 2020

Securities Industry & Financial Markets Association (SIFMA)



SIFMA is the leading trade association for broker-dealers, investment banks and asset managers operating in the U.S. and global capital markets. SIFMA advocates on legislation, regulation and business policy

Bank of America, Barclays, BBVA, BNP Paribas, Citi, Goldman Sachs, HSBC, JP Morgan, Morgan Stanley, Nordea, RBC, Santander, TD Bank, UBS, Wells Fargo

Diversity and inclusion as a **key** issue

Submissions:

Type: **TESTIMONY**
Date: **FEBRUARY 12, 2020**
Issues: **DIVERSITY AND INCLUSION**

A Review of Diversity and Inclusion at America's Large Banks

Written testimony for Ken Bentsen, President & CEO, SIFMA, appearing before the U.S. House of Representatives, Committee on Financial Services, Subcommittee on Diversity and Inclusion at the hearing entitled "A ...

Type: **LETTERS**
Date: **DECEMBER 17, 2013**
Issues: **DIVERSITY AND INCLUSION**

Establishing Standards for Diversity Policies and Practices for Regulated Entities

SIFMA provides comments to the Securities and Exchange Commission (SEC) on a set of proposed standards for assessing the diversity policies and practices of entities regulated by a group of ...

Type: **TESTIMONY**
Date: **JULY 12, 2006**
Issues: **DIVERSITY AND INCLUSION**

Testimony Before The House Financial Services Committee, Subcommittee On Oversight & Investigations: Diversity: The GAO Perspective

Testimony of Marc E. Lackritz, President, Securities Industry Association Before The House Financial Services Committee, Subcommittee On Oversight & Investigations: "Diversity: The GAO Perspective" - July 12, 2006

Type: **TESTIMONY**
Date: **JULY 15, 2004**
Issues: **DIVERSITY AND INCLUSION**

Testimony Before Subcommittee on Oversight & Investigations - Diversity In The Financial Services Industry And Access To Capital For Minority-Owned Businesses: Challenges And Opportunities

Testimony Before Subcommittee on Oversight & Investigations - Diversity In The Financial Services Industry And Access To Capital For Minority-Owned Businesses: Challenges And Opportunities

Sustainable Finance/ESG also mentioned as an issue

No direct submissions

United Nations Environment Programme Finance Initiative (UNEP FI)



Partnership between United Nations Environment Programme (UNEP) and the global financial sector to mobilize private sector finance for sustainable development.

Bank of America, Barclays, BBVA, BNP Paribas, Citi, HSBC, Nordea, RBC, Santander, TD Bank, UBS

Fiduciary duty in the
21st century
programme:
From a legal case to
regulatory clarification



Interviewed and engaged over 400 policymakers, regulators, and investors to raise awareness around the importance of ESG factors to the fiduciary duties of investors



Engaged with the European Commission and the HLEG (European Commission High Level Expert Group) on Sustainable Finance to help formulate EU-wide clarification of investor duties in the European Union



Published 11 country roadmaps and 10 related reports, including five additional publications this past year



Extended research to six Asian markets



Published 15 articles in the media



Referenced in over a dozen mainstream and industry publications



Held over 20 workshops in 15 countries with investors and regulators to discuss regulatory clarification and investor practice on ESG integration as part of the fiduciary duties of investors



Amassed 124 signatories from 22 countries for the Global Statement on Investor Obligations and Duties who commit to taking account of ESG issues in investment decision-making

International Capital Markets Association (ICMA)



ICMA is a not-for-profit membership association that serves the needs of its wide range of member firms in global capital markets. ICMA has around 600 members in 62 countries. Through its committees, ICMA prioritises four core fixed income market areas – primary; secondary; repo and collateral; and green, social and sustainable.

Bank of America, Barclays, BBVA, BNP Paribas, Citi, Goldman Sachs, HSBC, JP Morgan, Morgan Stanley, Nordea, RBC, Santander, TD Bank, UBS, Wells Fargo

Sustainable finance a key area of consideration

About ICMA	Membership	Market Practice & Regulatory Policy	Sustainable finance	Education	Events	Resources	Media
The Principles, Guidelines and Handbooks	Membership, Governance & Working Groups	Impact Reporting	Green, Social and Sustainability bonds database	Resource Centre			
External Reviews	Newsletter from the Green & Social Bond Principles	Green Bond Principles and Social Bond Principles Helpdesk	ICMA Sustainable Finance Committee (SFC)	Global Sustainable Finance Council (GSFC)			
High-level definitions and other ICMA publications	Regulatory responses	International policy initiatives	ICMA Education - Introduction to Green, Social and Sustainability (GSS) Bonds	COVID-19 Market Updates: Sustainable finance			

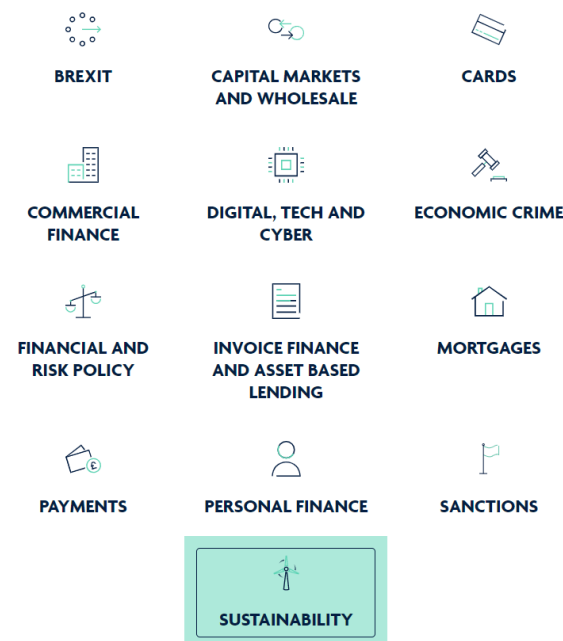
Very active on providing [regulatory responses](#)

UK Finance



UK Finance is the collective voice for the banking and finance industry. Representing more than 250 firms across the industry, it acts to enhance competitiveness, support customers and facilitate innovation. UK Finance works for and on behalf of members to promote a safe, transparent and innovative banking and finance industry and offers research, policy expertise, thought leadership and advocacy in support of our work.

Bank of America, Barclays, BNP Paribas, Citi, Goldman Sachs, HSBC, JP Morgan, Morgan Stanley, Santander, TD Bank, UBS, Wells Fargo



24.12.20

CONSULTATION RESPONSE

UK Finance response to
IFRS Foundation
Consultation Paper on
Sustainability Reporting

10.12.20

CONSULTATION RESPONSE

UK Finance responds to
Taskforce on Scaling
Voluntary Carbon Markets
(TSVCM) consultation

Banking and finance industry welcomes
recommendations for 'just transition' to
net-zero carbon emissions

Additional insights



Controversies

Finance

Bloomberg

The U.S. Wants to Tame Climate Risk. Banks Are Ready to Push Back

The Biden administration will want to limit climate risk in the financial industry. They're up against firms well-versed in lobbying for looser rules

By [Kate Mackenzie](#)

13 November 2020, 11:00 GMT

FINANCIAL TIMES

Banks plead for rethink over post-crisis rules

Executives argue regulations are hampering their abilities to respond to coronavirus pandemic

David Crow, Stephen Morris and Laura Noonan MARCH 19 2020

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In addition, banks are pushing back against newer regulations that will require them to start disclosing the exposure to climate-related risks from the end of the year.

In the UK, banks are also pushing for the BoE to delay climate change stress tests. “Steps on the whole green debate have put an additional onus on banks,” said the executive. “We’ve got to be pragmatic.”

Climate action in Covid response

More than 200 leading businesses urge UK Government to deliver clean, inclusive and resilient recovery plan

Signatory banks: BNP Paribas, HSBC, Lloyds, Santander, Triodos



THE PRINCE OF WALES'S
CORPORATE LEADERS GROUP

We therefore ask you to provide a clear vision for government recovery efforts, ensuring they:

- Drive investment in low carbon innovation, infrastructure and industries, as well as improved resilience to future environmental risks. This should include a combination of targeted public investment and clear policy signals to support growing private sector investment, such as tax incentives and carbon pricing.
- Focus support on sectors and activities that can best support sustainable growth, increased job creation and accelerate both the recovery and the decarbonisation of the economy. For example, building construction, renovation and energy efficiency, low-carbon power and mobility infrastructure, natural environmental improvements, and innovation to decarbonise hard to abate sectors.
- Include within financial support packages measures to ensure receiving businesses are well managed and their strategies are science based and aligned with national climate goals.



Climate action in Covid response

Financiers Join EU ‘Green Recovery Alliance’

CEOs from more than 50 banking and insurance sector companies – among them household names such as BNP Paribas, AXA, Allianz, and Santander – have signed up to the European parliament’s “green recovery alliance”.

Signatory banks: BNP Paribas, BBVA, Nordea, Santander

GREENRECOVERY

REBOOT & REBOOST our economies for a sustainable future

Call for mobilisation



Lobbying framework

Pension giant and BNP Paribas AM unite for climate lobbying effort

Swedish fund, French investment house and Church of England Pensions Board announce tie-up to develop framework.



BNP PARIBAS



AP7, BNP Paribas Asset Management and the Church of England Pensions Board have partnered with specialist advisory firm Chronos Sustainability to develop a framework to guide responsible corporate climate change lobbying.



The framework will assess corporate lobbying in a “relevant, systematic and credible manner”.

→ The assessment can feed into investor **engagement plans**.