



Bank Investor Engagement Project

Purpose Statements: A Summary of Findings

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

Banking Initiatives



Key Findings

Of the 12 banks evaluated:

- Only 4 were signatories of the BRT
- Only 1 Bank fully incorporated the BRT purpose statement

11 banks had Proprietary Corporate Purpose statements:

- Most 'short' purpose statements were found on company websites
- 'Long' corporate statement are more likely to be found in annual reports

Overall, Purpose Statements vaguely mention sustainability goals

Assessment Indicators

Corporate Purpose

- BRT Purpose Statement Adopted (Y/N)
 - 'Location' of Purpose Statement (Website/Annual Report)
 - Stakeholders involved in the development process (Y/N)
 - Larger accountability (not just focus on customers)?
-

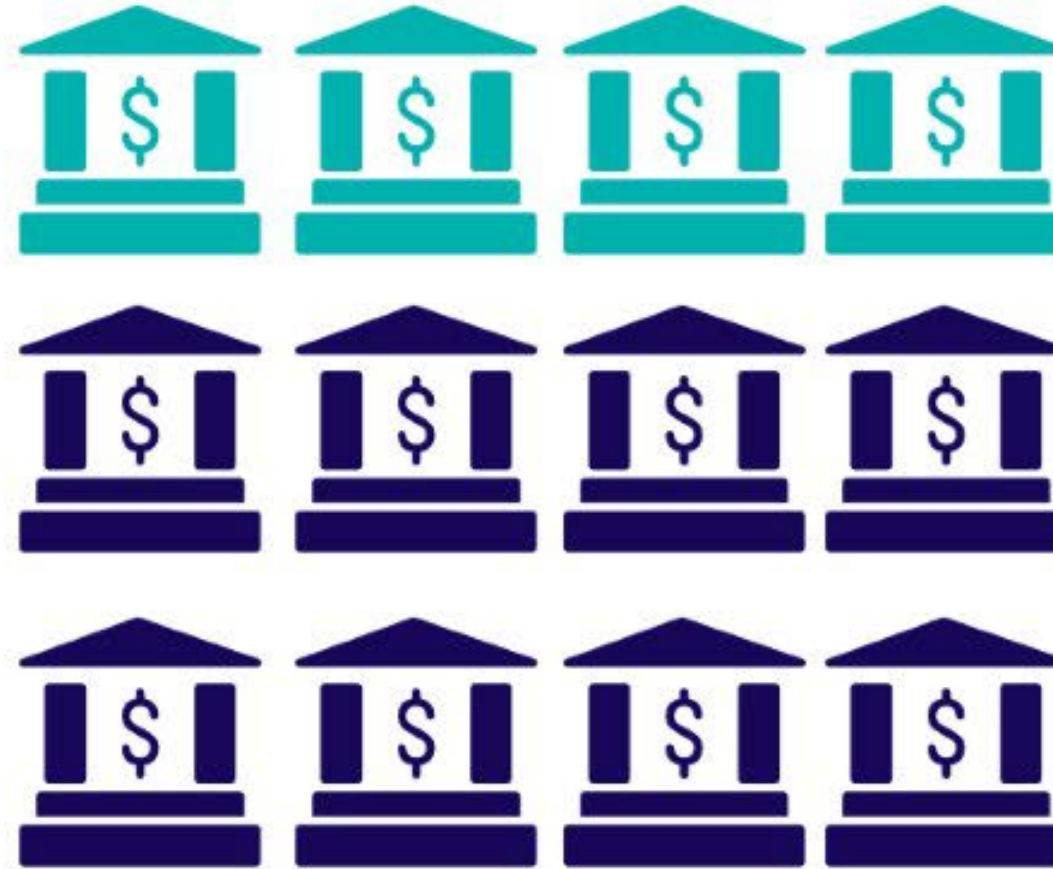
Focus on sustainability issues

- Does it link to climate change?
 - Does it link to social issues?
-

Theory of Change

- Is the purpose statement actionable?
 - Are there clear objectives and targets associated?
 - Can the organization meaningfully execute on the desired issue?
 - Can achievement/action aligned with the purpose statement actually be measured?
-

4 out 12



Banks assessed are signatories of
the Business Roundtable

Business Roundtable Signatories



Only JP Morgan Chase fully adopted the BRT's purpose statement

Wells Fargo had a brief description of how the BRT statement applied to the company and how impacted the company's activities

Location of Purpose Statement

10

BANKS HAD THEIR 'SHORT' PURPOSE STATEMENTS ON COMPANY WEBSITES

6/7

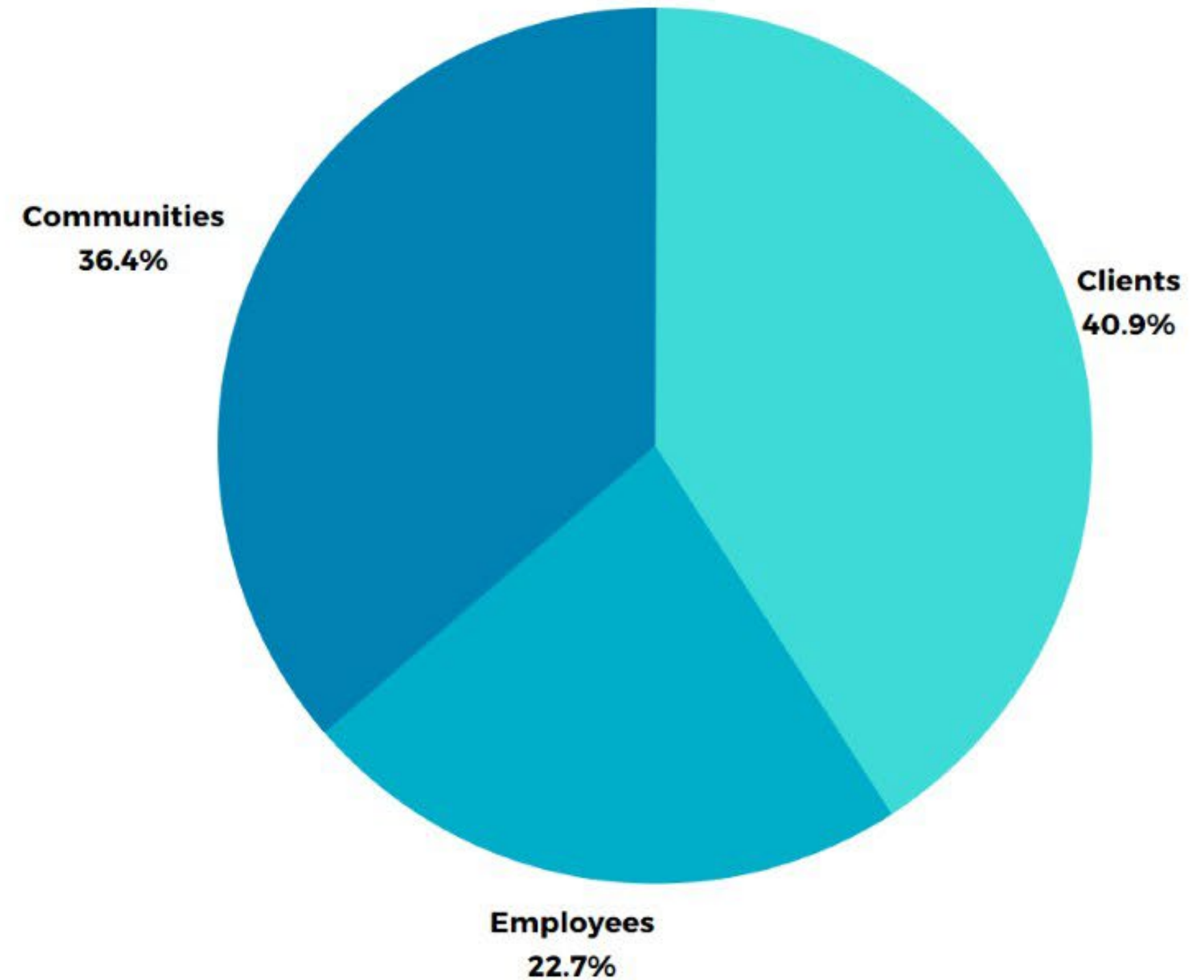
OF THE BANKS THAT HAD 'LONG' PURPOSE STATEMENTS, THE MAJORITY CAN BE FOUND IN ANNUAL REPORTS

OF THE ELEVEN
PROPRIETARY CORPORATE
STATEMENTS EVALUATED

10

MENTIONED
STAKEHOLDERS.

The stakeholders referenced include:



Link to Sustainability Goals

	BBVA	BNP PARIBAS <small>la banque pour tous et toutes</small>	citi	HSBC	J.P.Morgan	JPMORGAN CHASE & CO.	Morgan Stanley	PNC	RBC	Santander	UBS	WELLS FARGO
Does the Purpose Statement (long) link to sustainability goals?												
Climate Change												
Other environmental issues (please specify)												
Financial inclusion												
Diversity, Equity & Inclusion												
Financial literacy												
Human rights												
Other social issues (please specify)	Charitable Contributions	General Reference to SDCs	Reference to sustainable infrastructure				Hours volunteered & communities reached			Donations & Partnerships		

Key	
	No link identified
	Vague sentence with no metrics
	Statement accompanied with metrics

Climate Change

The BBVA logo consists of the letters "BBVA" in a bold, white, sans-serif font, centered within a solid blue square.The JPMorgan Chase & Co. logo features the company name in a black, serif font, with "JPMORGAN" on the top line and "CHASE & CO." on the bottom line.The Santander logo features a white flame icon above the word "Santander" in a white, sans-serif font, all set against a solid red square background.

Themes mentioned in purpose statements:

- Climate performance (carbon intensity metrics...)
- Green Finance
- Sustainability being core to corporate purpose

The HSBC logo features a red hexagon with a white cross inside, followed by the letters "HSBC" in a bold, black, sans-serif font.The UBS logo features a black cross with four keys at the ends, followed by the letters "UBS" in a red, serif font.

Social Issues



JPMORGAN
CHASE & CO.



Themes mentioned in purpose statements:

- Charitable Contributions
- Covid-19 Relief for clients
- Financial Inclusion
- Diversity & Inclusion:
 - Working with underrepresented communities/businesses
 - Board composition



Theory of Change

	BBVA	BNP Paribas	Citigroup	HSBC	JP Morgan	JP Morgan Chase	Morgan Stanley	PNC	RBC	Santander	UBS	Wells Fargo
Business Roundtable Member (Yes/No)	No	No	Yes	No	No	Yes	Yes	No	No	No	No	Yes
Is the purpose statement actionable?	Yes	Yes	Yes	Yes	Partially - achieving a presence in over 100 countries	Yes	No	No	Yes	Yes	Yes	No
Are there clear objectives or targets associated?	No	No	Partially (Financial Inclusion)	Partially (Climate Change)	Yes	Yes	No	No	Yes	Yes	No	No
Does the organization meaningfully execute on the desired issue?	Yes	No	Yes	Yes	No	Yes	No	No	Yes	Yes	Yes	No
Is achievement of the purpose statement actually being measured?	Partially - Achievements of the BBVA Foundation are directly linked to "to bring the age of opportunity to everyone"	No	Partially - Citi Group Start up Challenge	No	Partially - the number of countries JP Morgan has a presence in	Yes	No	No	Yes	Yes	Yes	No

Examples of Purpose Statements





Key
Stakeholders
Social Issues

Theory of Change	
Is the purpose statement actionable?	Yes
Are there clear objectives or targets associated?	Partially (Financial Inclusion)
Does the organization meaningfully execute on the desired issue?	Yes
Is achievement of the purpose statement actually being measured?	Partially

Our mission is simple:
We responsibly provide financial services that enable growth and economic progress

Citi's mission is to serve as a trusted partner **to our clients** by responsibly providing financial services that enable growth and economic progress. Our core activities are safeguarding assets, lending money, making payments and accessing the capital markets on behalf of our clients. We have 200 years of experience helping our clients meet the world's toughest challenges and embrace its greatest opportunities. We are Citi, the global bank - an institution **connecting millions of people across hundreds of countries and cities**.

We protect people's savings and help them make the purchases - from everyday transactions to buying a home - that improve the quality of their lives. We advise people on how to invest for future needs, such as their children's education and their own retirement, and help them buy securities such as stocks and bonds.

We work with companies to optimize their daily operations, whether they need working capital, **to make payroll** or export their goods overseas. **By lending to companies large and small, we help them grow, creating jobs** and real economic **value at home and in communities around the world**. We provide financing and **support to governments at all levels**, so they can **build sustainable infrastructure, such as housing, transportation, schools and other vital public works**.

These capabilities create an obligation to act responsibly, do everything possible to create the best outcomes, and prudently manage risk. If we fall short, we will take decisive action and learn from our experience.

We strive to earn and maintain the public's trust by constantly adhering to the highest ethical standards. We ask **our colleagues** to ensure that their decisions pass three tests: they are in our clients' interests, create economic value, and are always systemically responsible. When we do these things well, we make a positive financial and **social impact in the communities we serve** and show what a global bank can do.



Opening up a world of opportunity

Our purpose – Opening up a world of opportunity – explains why we exist. We're here to use our unique expertise, capabilities, breadth and perspectives to open up new kinds of opportunity for our customers. We're bringing together the people, ideas and capital that nurture progress and growth, helping to create a better world – for our customers, our people, our investors, our communities and the planet we all share.

Opening up a world of opportunity 'Opening up a world of opportunity' is more than a purpose – it is a statement of intent. Everything that we plan to do over the next decade is designed to unlock opportunity for our stakeholders, whether **customers, colleagues, shareholders or communities**. We intend to do this by building a dynamic, efficient and agile global bank with a digital-first mindset, capable of providing a world-leading service to our customers and strong returns for our investors. We will also need to focus intently on the areas where we excel, and to foster a commercial and entrepreneurial culture with a conviction to get things done. We believe we can achieve this in four ways:

- First, we plan to focus on and invest in the areas in which we are strongest. In Wealth and Personal Banking, **we aim to become a market-leader for high net worth and ultra high net worth clients in Asia and the Asian diaspora**, and to invest in our biggest retail markets where the opportunity is greatest. In Commercial Banking, **we want to remain a global leader in cross-border trade**, and to **lead the world in serving mid-market corporates internationally**. In Global Banking and Markets, we intend to invest to capture trade and capital flows into and across Asia, while connecting global clients to Asia and the Middle East through our international network.
- Second, we intend to increase the pace at which we digitise HSBC through higher levels of technology investment. This underpins everything that we want to achieve. It is how we intend to win new customers and retain them, to become more agile and efficient, to create richer, seamless customer journeys, and to build strong and innovative partnerships that deliver excellent benefits for our customers. We have an opportunity to meet the growing market need for sophisticated, robust and rapid payment solutions, and to lead our industry in applying digital solutions to analogue services, such as trade. We therefore intend to protect technology investment throughout the cycle, even as we reduce spending elsewhere.
- Third, we want to energise HSBC for growth through **a strong culture, simple ways of working, and by equipping our colleagues with the future skills they need**. Giving life to our purpose will be critical to building the dynamic, entrepreneurial and inclusive culture that we want to create, as will removing the remaining structural barriers that sometimes stop our people from delivering for our customers. We need to change the way we hire to build skills and capabilities in areas that are different to what we have needed historically, including data, artificial intelligence, and sustainable business models. **Our expanded HSBC University will also help to upskill and reskill our people, while fostering more of the softer skills that technology can never replace.**
- Fourth, **we will seek to help our customers and communities to capture the opportunities presented by the transition to a low-carbon economy**. Accelerating this transition is the right thing to do for the environment, but also the right thing commercially. We intend to build on our market-leading position in sustainable finance, **supporting our clients with \$750bn to \$1tn of sustainable financing and investment over the next 10 years**. We also intend to **unlock new climate solutions by building one of the world's leading climate managers – HSBC Pollination Climate Asset Management** – and helping to transform sustainable infrastructure into a global asset class. These will help us achieve our ambition to align our portfolio of financed emissions to the Paris Agreement goal to achieve net zero by 2050.

Key

Stakeholders

Social Issues

Climate Change

Financial/Economic Goals

Theory of Change	
Is the purpose statement actionable?	Yes
Are there clear objectives or targets associated?	Partially (Climate Change)
Does the organization meaningfully execute on the desired issue?	No
Is achievement of the purpose statement actually being measured?	No

Key
Stakeholders
Social Issues

Theory of Change	
Is the purpose statement actionable?	Yes
Are there clear objectives or targets associated?	Yes
Does the organization meaningfully execute on the desired issue?	Yes
Is achievement of the purpose statement actually being measured?	Yes

Business Roundtable Purpose of a Corporation Statement Adopted

In August 2019, Business Roundtable released the below Statement on the Purpose of a Corporation, signed by 181 CEOs, including Jamie Dimon, then chair of the association.

This statement repositioned the definition of corporate success as serving shareholders principally to endorsing a modern standard of corporate responsibility: to serve all stakeholders – **customers, employees, suppliers, communities and shareholders**. Americans deserve an economy that allows each person to succeed through hard work and creativity and to lead a life of meaning and dignity.

We believe the free-market system is the best means of generating good jobs, a strong and sustainable economy, innovation, a healthy environment and economic opportunity for all. Businesses play a vital role in the economy by creating jobs, fostering innovation and providing essential goods and services. Businesses make and sell consumer products; manufacture equipment and vehicles; support the national defense; grow and produce food; provide health care; generate and deliver energy; and offer financial, communications and other services that underpin economic growth.

While each of our individual companies serves its own corporate purpose, we share a fundamental commitment to all of our stakeholders. We commit to:

- **Delivering value to our customers.** We will further the tradition of American companies leading the way in **meeting or exceeding customer expectations**.
- **Investing in our employees.** This starts with compensating them fairly and providing important benefits. It also includes supporting them through training and education that help develop new skills for a rapidly changing world. We foster diversity and inclusion, dignity and respect.
- **Dealing fairly and ethically with our suppliers.** We are dedicated to serving as good partners to the other companies, large and small, that help us meet our missions.
- **Supporting the communities in which we work.** We respect the people in our communities and protect the environment by embracing sustainable practices across our businesses.
- **Generating long-term value for shareholders,** who provide the capital that allows companies to invest, grow and innovate. We are committed to transparency and effective engagement with shareholders.

Each of our stakeholders is essential. We commit to deliver value to all of them, for the future success of our companies, our communities and our country.