

A group of five business professionals in a modern office setting. Two men in the foreground are shaking hands, while three others (two men and one woman) are clapping in the background. The scene is brightly lit with large windows in the background.

## **BANKING. SERVING. THRIVING.**

People benefit from Europe's savings and retail banks, helping local economies flourish while giving back to communities they serve.



# BANKING. SERVING. THRIVING.

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January 2019

Europeans look more than ever to the savings and retail banking model. Serving as a financial catalyst within local economies – small towns, big cities and everywhere in between – the savings and retail banks, no matter what size or shape, nourish the real economy made up of households and small and medium-sized businesses.

This document aims to tell that compelling story. It features facts and figures that paint a clearer picture of what we are and what we value: responsibly managed banks that are retail focused and regionally present. It also includes data on employment levels, branch numbers and balance sheet items, buttressed by case studies from savings and retail banks throughout Europe.

To help highlight how well ESBG member banks adhere to its Charter for Responsible Business, this brochure offers a closer look at ways to deepen the customer relationship – built on respect and driven by our self-help roots. The data and examples inside also showcase our unwavering commitment to sustainable development, to giving back to the communities, and to staying at the forefront of need through our foundation work.

"Retail, Responsible and Regional", the values savings and retail banks uphold are needed more than ever. Steadfast in their mission to serve some 120 million Europeans, savings and retail banks can play an even greater role to help Europe further grow and prosper. To do this, it requires the right policy that helps unleash, not hinder, innovation to keep Europe's 1,000 savings and retail banks thriving in the 21st century."



**Helmut Schleweis**  
President, ESBG



**Chris De Noose**  
Managing Director, ESBG

RETAIL

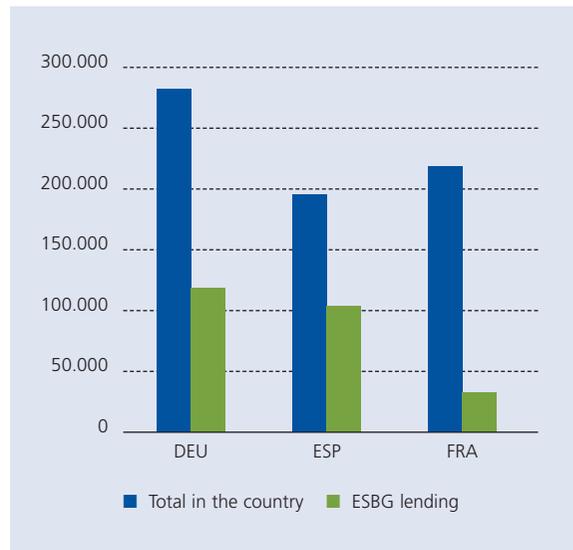
REGIONAL

RESPONSIBLE

**Savings and retail banks are driven to convert deposits from local communities into loans that finance the real economy – households and SMEs.**

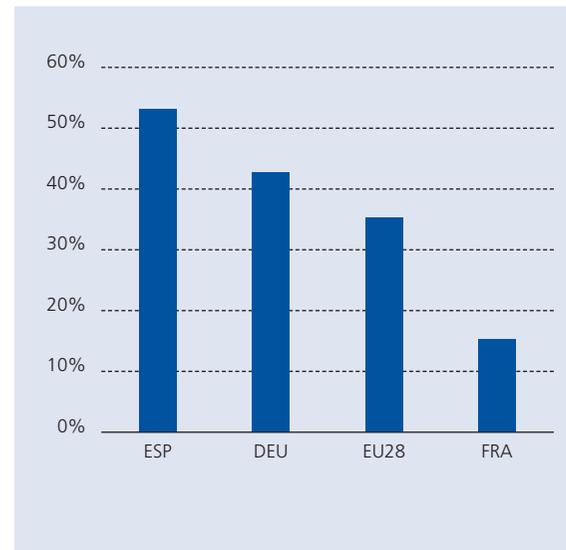
ESBG members have **€500 billion** in SME loans on their books in the EU, equal to roughly a third of the market.

Figure 1: SME loans (outstanding volume in M€), 2017



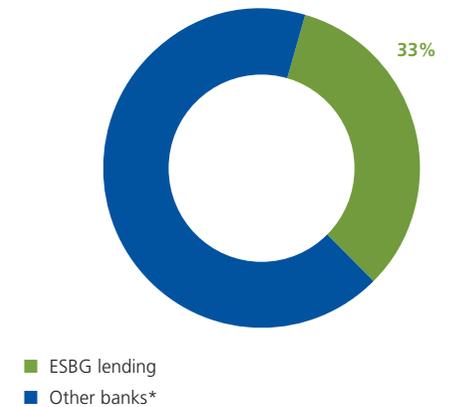
Source: ESBG, OECD

Figure 2: ESBG members' SME lending activity: market share



Source: ESBG, OECD

Figure 3: ESBG SME lending market share in Europe (in %)



Source: ESBG, OECD

\*All other banking institutions in the European Union that are not ESBG members.

**One-third**  
of Europeans seeking banking services come to our member banks.

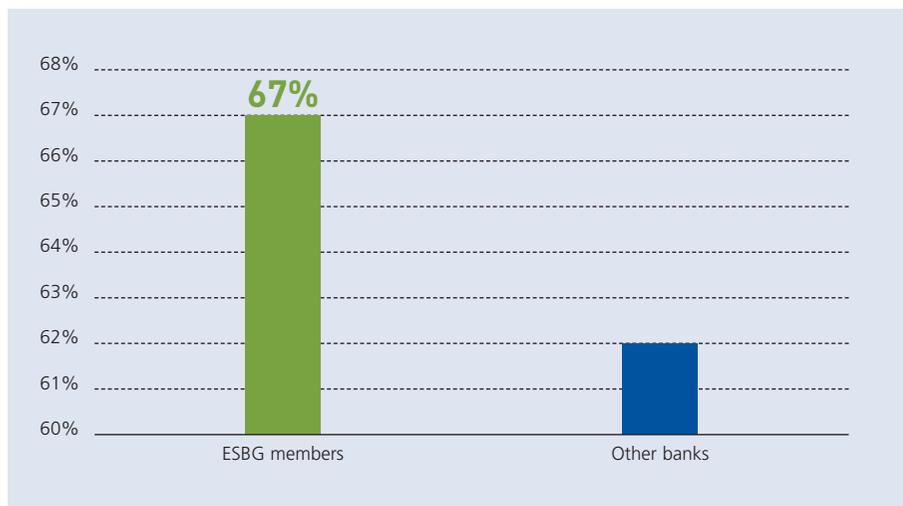
**120 million**  
people served

**20%**  
**of loans**  
(in value terms)

**20%**  
**of deposits**  
(in value terms)

→ Our loan-to-asset ratio is at **67%**, a higher level than the overall EU banking sector. It shows that we convert deposits into loans better than anyone.

Figure 4: Loan-to-asset ratio (in %) in 2017



Source: ESBG, OECD





## CASE STUDY: MIKA TIMING (GERMANY)

### German firm thrives thanks to relationship with local savings bank

- **Company:** Mika Timing GmbH
- **Address:** Strundepark Kürtener Straße 11b, 51465 Bergisch Gladbach

When participants of the Berlin Marathon, the Chicago Triathlon or the Stockholm Velothon cross the finish line, each participant's time must be accurately measured. Mika Timing ensures this. Mika Timing has become the leading service provider for time measurement, participant management and the presentation of results at international sporting events. For Harald Mika, the company's founder, absolute reliability is given top priority.

Error prevention is as important for Mika Timing as it is in the aviation industry. This is guaranteed, on the one hand, by its technological edge: the best measuring electronics available in the market, combined with Mika's own innovative data-processing solutions. Another factor is almost more important, however, Mika's experienced employees who run the equipment – i.e. the pilots of the racetrack. Nearly all of the employees have been with the company since it was established. This has allowed Mika to gain an outstanding reputation worldwide. And the company is still growing.

- **Business model:** Electronic time measurement at international sports events
- **Established:** 2001 by Harald Mika in Bergisch-Gladbach
- **Workforce:** Close to 75 full-time and 300 part-time employees
- **Export:** Handles approximately 400 sporting competitions worldwide for around one million athletes per year
- **Branch and subsidiary:** A branch office in Switzerland and a subsidiary in Sweden
- **Supported by:** Savings bank (called Sparkasse in German) in Cologne



Company founder Harald Mika



## BPCE: OFFERING THE BEST HUMAN AND DIGITAL RELATION TO CLIENTS

BPCE's strategic ambition is to offer the best human and digital relation to clients. This ambition implies numerous programs aimed at digitalizing operations, agile working methods and sharing a true innovative spirit amongst all collaborators within the group. Strategic partnerships with key partners, the development of innovative applications facilitating access to services and the continuous empowerment of collaborators, are the axes of a strategy which makes of BPCE a pioneer on innovation and digital transformation.

→ <https://newsroom.groupebpce.fr/digital.html>





50,000  
outlets

Locally focused savings and retail banks – whether small, medium or large – serve their customers to help spur growth at regional level through a vast network of banks throughout the European Union. Harnessing digital means provide a further boost to extend and deepen our contact with people, democratising finance to give them greater access to banking.



- 1,000 banks  
15% of total credit institutions in Europe
- 50,000 outlets  
1/3 of all bank branches in Europe
- 680,000 staff  
1/3 of total EU banking labour force





## CASE STUDY: GERMAN SAVINGS BANKS

### Added value in communities

The Savings Banks Finance Group in Germany is made up of around 540 independent enterprises with some 312,800 employees, the Group comprises 385 savings banks, six Landesbank Groups, DekaBank, and eight Landesbausparkassen. Savings banks assume responsibility for the common good-through their attitude, their products and their initiatives for society. In this way, they contribute to sustainable growth in prosperity. This is at the very heart of their duty to the public-which benefits their customers, as well as all citizens, businesses and municipalities across Germany. Source: Report to society



Learn more at:

→ [www.dsgv.de/en/social-commitment.html](http://www.dsgv.de/en/social-commitment.html)



Volume of  
social housing loan  
activity in 2017 was  
**€400 billion**

**Savings and retail banks invest in the communities they serve, whether it is through core banking services or through its pioneering foundation work.**

→ Amount spent on philanthropic activities is **more than €1.7 billion.**





## CASE STUDY: CAIXABANK'S MICROBANK (SPAIN)



MicroBank was set up in 2007 as a social bank to channel the microcredit activity carried on up to then by "la Caixa" through its foundation, in order to build up this work with all the rigour and sustainability of a banking organisation. MicroBank offers its products and services

through CaixaBank, which has a network of over 6,000 branches. Furthermore, MicroBank has signed cooperation agreements with over 500 organisations in order to foster self-employment by providing access to finance in the form of microcredits, especially for groups in a situation of financial exclusion or the risk of it. Its portfolio is made up of financial products and services specially designed to meet the needs of entrepreneurs, microenterprises, people and families. While its specialty is microcredits, MicroBank offers its customers a wide range of basic financial products, such as accounts, cards and other services.

Find out more at:

→ [www.microbank.com/conocemicrobank/quienessomos/nuestramision\\_en.html](http://www.microbank.com/conocemicrobank/quienessomos/nuestramision_en.html)



## CASE STUDY: ZWEITE SPARKASSE (AUSTRIA)

### The bank for the people without a bank



The savings bank offers financial services to people who cannot find any other partner to help them take their financial lives into their own hands. With more than 400 volunteers, Zweite Sparkasse provides support to

approximately 8,000 customers through Austria. The sole aim of Zweite Sparkasse advisors is to assist customers in coping with their personal financial crisis. Zweite Sparkasse is considered a branch pioneer. Only comprehensive advisory services, offered by volunteers and cooperation with counseling organisations, will allow the customers of Zweite Sparkasse to stabilize their financial situation sustainably and return to a normal banking relationship.

Discover at:

→ [www.sparkasse.at/diezweitesparkasse](http://www.sparkasse.at/diezweitesparkasse)

or at:

→ [www.erstestiftung.org/zweite-sparkasse/files/2011/06/Booklet\\_ENG\\_2011.pdf](http://www.erstestiftung.org/zweite-sparkasse/files/2011/06/Booklet_ENG_2011.pdf)





## CASE STUDY: CECA MEMBERS AND SOCIAL HOUSING (SPAIN)

The economic crisis in Spain has resulted in high unemployment rates, which has led to a situation where many people have experienced economic hardship and some even have lost their homes. Given their commitment to society, CECA members have reacted to this by implementing a range of financial and social measures, facilitating access to citizens to a home.



More information can be found at the CECA Microsite:

→ [www.eng.ceca.es/que-hacemos/inversion-social/](http://www.eng.ceca.es/que-hacemos/inversion-social/)



## CASE STUDY: PARCOURS CONFIANCE (FRANCE)

### Savings Banks in France: Microcredit programme "Parcours Confiance"

French Savings Banks program "Parcours Confiance" (Translated "Fresh Start" in English) was launched to prevent financial exclusion through microfinance. The programme aims to help customers suffering from personal and financial problems to have a better understanding of banking products and services and can provide the beneficiaries with microloans without collateral and at an affordable cost. The "Parcours Confiance" programme is built in close collaboration with different associations such as the French Red Cross, Restos du Coeur, and other institutional associations to meet the expectations of customers suffering from personal and financial vulnerability. Each year, more than 4,000 personal microloans are granted, and more than 1,000 business microcredits (in partnership with France Active). Caisses d'Épargne are the first provider of personal microcredit in France, and one of the leaders in business microcredit.



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Learn more at:

→ [parcoursconfiance.wordpress.com/](http://parcoursconfiance.wordpress.com/)





## CASE STUDY: SÖRMLANDS SPARBANK AND “YOUNG ENTREPRENEUR” (SWEDEN)

Sörmlands Sparbank is a Swedish local savings bank covering about 120,000 inhabitants in its region. Young Entrepreneur started in 2010 and has been running ever since. Young people aged 16-25 start their own small business over three summer months.

A maximum of 60 young entrepreneurs participate each year in the program, and in total they have had about 240 participants. Results show 30% of all participants have chosen to restart their business as real companies at the end of the program. Having more companies in the region is beneficial for all inhabitants, which in turn also benefits the local savings bank.

Learn more at:

→ [www.sormlandssparbank.se/Om-oss/ung-entreprenor/](http://www.sormlandssparbank.se/Om-oss/ung-entreprenor/)



## ESBG Members

### 26 members in 21 countries.

- Albania: Banka Kombetare Tregtare (BKT)
- Austria: Österreichischer Sparkassenverband (Austrian Savings Banks Association)
- Belgium: Coördinatie van Belgische spaar- en netwerkbanken (Coordination of Belgian Savings and Network Banks)
- Bulgaria: DSK Bank
- Czech Republic: Ceska Sporitelna AS
- Denmark: Lokale Pengeinstitutter
- Finland: Säästöpankkiliitto (Finnish Savings Banks Association)
- France: Groupe BPCE; Fédération Nationale des Caisses d'Epargne
- Germany: Deutscher Sparkassen- und Giroverband e.V. (DSGV) (German Savings Banks Association)
- Hungary: OTP Bank plc
- Iceland: Samband Islenskra Sparisjóða (Icelandic Savings Banks Association)
- Italy: Associazione di Fondazioni e di Casse di Risparmio Italiane (ACRI) (Association of Italian Foundations and Savings Banks);  
Pri.banks - Associazione Banche Private Italiane
- Luxembourg: Banque et Caisse d'Epargne de l'Etat (BCEE)
- Malta: Bank of Valletta Plc
- The Netherlands: De Volksbank
- Norway: Sparebankforeningen i Norge
- Portugal: Caixa Geral de Depósitos; Montepio Geral
- Romania: Bancpost
- Slovak Republic: Slovenska Sporitelna AS
- Spain: Caixabank; Confederación Española de Cajas de Ahorros (CECA) (Spanish Savings Banks Association)
- Sweden: Swedbank; Sparbankernas Riksförbund (Swedish National Savings Banks Organisation)



### HELPING SAVINGS AND RETAIL BANKS THRIVE

#### About ESBG

ESBG represents the locally focused European banking sector, helping savings and retail banks in 21 European countries strengthen their unique approach that focuses on providing service to local communities and boosting SMEs. An advocate for a proportionate approach to banking rules, ESBG unites at EU level some 1000 banks, which together employ some 680,000 people driven to innovate at 50,000 outlets. ESBG members have total assets of €5.4 trillion, provide €500 billion in SME loans, and serve 120 million Europeans seeking retail banking services. ESBG members are committed to further unleash the promise of sustainable, responsible 21st century banking.

Learn more about ESBG at → [www.wsbi-esbg.org](http://www.wsbi-esbg.org)

Additional case studies on responsible practice from ESBG members that complement the ESBG Charter for Responsible Business can be found in the WSBI-ESBG CSR database at → [www.savings-banks-events.org/csr](http://www.savings-banks-events.org/csr)



Learn more about the ESBG Charter for Responsible Business at

→ [www.wsbi-esbg.org/Our%20Positions/csr/Pages/ESBG-Charter-for-Responsible-Business.aspx](http://www.wsbi-esbg.org/Our%20Positions/csr/Pages/ESBG-Charter-for-Responsible-Business.aspx)





**ESBG**

Rue Marie-Thérèse, 11 ■ B-1000 Brussels ■ Tel: +32 2 211 11 11 ■ Fax: +32 2 211 11 99  
info@wsbi-esbg.org ■ www.wsbi-esbg.org

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