


Plastic Banks

Assessing European retail banks attitude to Plastic Risk

Recommended Questions		Report's Key Takeaways
<p>Q.1</p> <p>“How does the bank think about plastic related risks?”</p> <p>Background: Corporates in the plastic value chain face physical, transitional, legal and reputational risks (see our report Plastic-Risk). European retail banks and their investors are exposed to this risk via their funding of companies active in the plastic value chain.</p> <p>Target: European retail banks should be incorporating plastic risk into their financing decisions.</p>	<ul style="list-style-type: none"> • The plastic industry has one of the longest risk registers of any sector. European Retail banks and their investors are exposed to this risk via their funding of companies active in the plastic value chain. • 4,149 documents and transcripts from 30 European Retail banks were scanned using Planet Tracker’s NLP algorithm to determine when plastic and one of our plastic related context words were mentioned. • 7% of the analysed documents mentioned plastics at least once. • The most common context words were those associated with management of plastic after initial use, such as recycling or circularity. • Finance associated keywords were only found in 6% of text extracts. We find this disappointing as it suggests that banks are generally not considering risks associated with plastic production. <p>Disclaimer: Click here</p> <div style="text-align: center;">  <p>Plastic Banks Assessing European retail banks' attitude to Plastic Risk</p> </div> <p>Click to view report</p>	
<p>Q.2</p> <p>“Does the bank have a plastic policy?”</p> <p>Background: Our research suggests that most of the 30 largest European retail banks have minimal or non-existent policies specifically addressing (mitigating) plastic use, management, and reduction in their investment decisions. This gap highlights the urgent need for banks to develop and implement comprehensive plastic policies, to avoid support for single-use items/short-lived products as well as plastic production.</p> <p>Target: European retail banks develop publicly available plastic policies.</p>		
<p>Q.3</p> <p>“How do you ensure you are not financing false solutions to the plastic crisis?”</p> <p>Background: Where European retail banks do reference “plastic” in their documentation they tend to focus on a few investments into end-of-life technologies, sometimes of questionable worth and which are typically not a long-term solution to plastic pollution. By highlighting their (limited) “green” investments around plastic, banks endanger greenwashing by promoting a sustainable image without taking significant action.</p> <p>Target: European retail banks direct material financing to innovative solutions to the plastic crisis.</p>		