



## Course: Value-based Banking

### Philosophy of the program

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The course goes from the history and role of banking in society to the modern concept of ethical or Values-based banking.

By going through the principles of Values-based banking, it visits examples and business cases that clarifies how values-based banks operate and why they are fully impact oriented, even if compared to the most advanced mainstream financial institutions. It is an example of why, by banking in a Values-based way, finance can become a force for good.

The comparison between the principles of value-based banking and the UNEP-FI principles for responsible banking, allow us to clarify the difference between pioneer banks, already banking sustainably and banks that are in the transition.

### This course is unique, because:

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It goes deeply into the only banking institutions that practice a banking model that follows the criteria of conscious capitalism. The members of the Global Alliance for Banking on Values that follow the principles of Value-based banking.

The course is also different in format since it is basically a dialogic course based on conversation and team analysis of real situations.

### Suggested tools from the toolbox

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It is recommended that each session opens with a moment of mindfulness as described in one of the activities listed in the toolbox

### Sources that were used to create this course

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More information on this topic in the Syllabus of the course. This course also has a 33 pages booklet (**VBB main course**) in which instructors will find more details on the theoretical framework and the banking business models that are developed during the different modules.



### **Suggestion for assessment**

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More information on this topic in the Syllabus of the course

### **Suggested assessment criteria (e.g. rubric)**

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Assessment criteria and rubric to be completed by each instructor based on the needs of the program in which the course is taught.

### **Information about the creator(s) of this course**

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## **Detailed teaching notes**

The teaching notes are detailed in the “notes” section of the PPT of the course. Most of the slides PPT have its own detailed teaching notes and instructions. In some of the slides, the topics to be highlighted are specified.

This section only describes roughly some of the most relevant teaching activities that are described in some of the slides:

### **Module 1 Introduction and History**

#### **Slide 2**

Initiate the course with an open conversation with students on two questions:

- Do you believe that the banking industry is allocating money responsibly today?
- Can you give tangible examples on why yes or why no they are doing it?

#### **Slide 6**

On the essence of banking, it is important to use the blackboard as mentioned in the notes of the slide.

#### **Slides 7 and 8**

Encourage opinions from the students based on the proposed videos (notes in the slides)

### **Module 2 The Modern Concept of Value-Based Banking**

#### **Slide 16**

It is suggested that students visit the GABV website and other bibliography and go through the historic milestones of the organisation. Prepare a conversation for the next session based on the evolution of the organisation.

#### **Slide 17**

Watch the VSECU video. Organize students in teams and ask them to highlight evidences in the video that are aligned to each one of the principles.



Wrap up and go through a quick review of the principles based on the video. Do not go too much in detail, the principles are analyzed in detail later.

### **Slide 18**

Watch the video and ask students in teams to highlight what is different in the social impact model of VBB compared to mainstream banking.

## Module 3 Principles One and Two: Triple Bottom Line Approach and Real Economy

### **Slide 22**

Understanding TBL. Organize the classroom in teams and ask for more examples of each column.

Watch the Vgreen program from VSE Credit Union video and have a conversation in teams on how the approach of the program is related to the different columns

### **Slide 23**

Go in detail through the concept of Real Economy. Go through the “various degrees” model and, using conversations, encourage students to find examples

### **Slide 24**

Watch the video of SDB Bank and have a conversation on the example on real economy banking.

### **Slide 25**

Organize students in teams and ask them to fill in the table, which activities are considered TBL and which activities are considered Real Economy. You can add other examples of activities or ask students to do so. It is important to notice that RE and TBL have a lot to do with the social and environmental challenges in different regions of the world.

## Module 4. Principles Three and Four: Long-term Relationship with Clients and Long-term Self-Sustaining and Resiliency

### **Slide 27**

Encourage a conversation amongst students on

- how is this different compared to what mainstream Banks are doing?
- What are the barriers preventing Banks in the western world to behave that way?

### **Slide 32**



Read the article and watch the video. Organize students in teams and have them identify the 3-4 most important features of the way Centenary Bank, in a developing country, is addressing its relationship with clients. Have a plenary conversation afterwards.

### **Slide 33**

Read the article and watch the video. Organize students in teams and have them identify the 3-4 most important features of the way Beneficial State Bank, in a developed country, is addressing its relationship with clients. Have a plenary conversation afterwards.

## Module 5. Principle Five and Six: Transparent and Inclusive Governance and All of these Principles Embedded in the Culture of the Financial Institution

### **Slide 37**

Encourage students' opinions through basic questions about the example of Sunrise Banks

### **Slide 38**

Encourage students' opinions through basic questions about the example of Assiniboine Credit Union

### **Slide 39**

Encourage students' opinions through basic questions about the example of GLS Bank

### **Slide 40**

Ask students to read the two cases, GLS Bank and Banca Etica (find the link to the cases in the Syllabus of the course), prior to the next session and ask them two questions:

Can you give examples on how each bank shows its inclusive governance and distinctive culture?

In which aspects do both banks differ from each other in governance and culture?

### **Slide 41**

Watch video and read article. Encourage opinions through basic questions about video's topic for Vision Banco

### **Slide 42**

Watch video and read article: Encourage opinions through basic questions about video's topic for Beneficial State Bank

### **Slide 43**

Team activity. Organize students in teams. Lead the activity to interact with the sites presented in the slide (Mighty Deposits and Open Secrets) and take a look at how they work. Discuss if they



see these initiatives as useful tools to use/considerate to choose/leave a bank. Hold a conversation in the plenary

## Module 6. The Principles of Values-based Banking Compared with UNEP-FI Principles for Responsible Banking

### **Slide 47**

Encourage opinions about processes and the kind of information that signatories of the PRB should be providing

### **Slide 48**

Working in teams. Discuss about similarities and differences about UNEP FI and GABV principles. Opinions about which is more reliable, possible, how complementary are between them, etc., are more than welcome. A plenary conversation is also welcome.

Big questions:

- Main similarities
- Main differences
- More realistic
- Barriers for implementation

## Module 7. Conclusions

### **Slide 50**

Go quickly through the conclusions in the slide and lead the conversation in a way in which students, organized in teams, build their own conclusions from the course. Transform the conclusion block in an exercise by organizing students in teams so that they can come to their own conclusions to be discussed and agreed on a plenary