

Responsibility Report **2022**



Association des Banques et Banquiers, Luxembourg
The Luxembourg Bankers' Association
Luxemburger Bankenvereinigung



Table of Contents

01 Corporate Social Responsibility in a challenging world	4
An interview with Catherine Bourin and Jerry Grbic	
02 Our Commitment	6
2.1 A responsible banking sector	7
2.2 Our Corporate Social Responsibility journey	8
03 Our Responsibility	12
3.1 Our responsibility towards our members	13
3.1.1 Creating shared value for our members	13
3.1.2 Encouraging sustainable banking practices	14
3.1.3 Fostering more diversity and better gender equality	17
3.1.4 Communicating responsibly	21
3.2 Our responsibility towards society	22
3.2.1 Creating shared value for society	22
3.2.2 An accessible banking system	22
3.2.3 Fondation ABBL pour l'éducation financière	23
3.2.4 Responding to the Ukraine crisis	30
3.3 Our responsibility as a professional association	32
3.3.1 Ensuring good governance and responsible business conduct	32
3.3.2 Caring for our employees	47
3.3.3 Engaging in philanthropic actions	54
3.3.4 Reducing our environmental footprint	56
04 How we develop our CSR strategy	60
4.1 Internal CSR task force	62
4.2 Engaging with our stakeholders	63
4.3 Our sustainability projects	64
05 About this report	66
List of Material topics	69
GRI Content index	70
SASB Content index	76





Catherine Bourin
Member of the Management Board



Jerry Grbic
CEO of ABBL

Corporate Social Responsibility in a challenging world

An interview with Catherine Bourin and Jerry Grbic

What are the major trends in terms of Corporate Social Responsibility?

Catherine Bourin: Corporate Social Responsibility (CSR) is currently witnessing a fundamental shift. Companies can no longer pursue profits blindly without considering the environment in which they operate. They must define their own values and purpose, and use them to build their reputation in a changing world and to meet the growing expectations of consumers, their employees and regulators on this subject.

In the European Union, large corporations are progressively given less of a say in the matter as European lawmakers are working on ambitious bills to effectively render some aspects of CSR mandatory. For instance, companies will have to identify their significant impacts on the environment

and societies and report on those in a transparent manner. What was long considered best practice will now become the baseline.

And they must do so in an increasingly uncertain and challenging context. Last year, just as our societies were finally recovering from an unprecedented health crisis, our hopes of returning to normality were shattered as war returned to Europe in late February. Global markets plunged into turmoil, energy prices skyrocketed – worsening the pandemic-induced inflation crisis – and central banks were left with no other choice than interest rates hikes.

“What was long considered best practice in CSR will now become the baseline.” Catherine Bourin

What is the ABBL’s approach to responsibility?

Jerry Grbic: Responsibility is at the core of our work. It is not only one of our four values; it is the foundation of our strategy. We share this commitment with all our members, and that is why responsibility is embedded in our Code of Conduct. Our duty is to help them face the challenges that come with it by providing them with the tools and guidance they need, and by promoting the sharing of industry best practices. Our members have an essential role to play in the transition to a sustainable economy. Our teams work relentlessly to guide them through this transition and encourage the development of sustainable banking practices.

Providing access to financial services like credit and lending is fundamental for economic development. Yet financial literacy is still poor, especially among young adults, which hinders the optimal access to such services. That is why we have stepped up the efforts of our Fondation ABBL pour l’éducation financière, which has worked on new projects to foster financial education among the public and younger generations. We look forward to telling you more about some of these initiatives soon.

We have engaged our stakeholders in 2022 regarding their expectations when it comes to the ABBL’s contribution to sustainable development. The methodology and results of these dialogues are explained in our “ABBL Materiality assessment report 2022”. These findings now provide the basis for the information we include in our 2022 Responsibility Report and will drive the next revision of our CSR strategy for the years to come. We also created a joint committee on CSR with the institutions with whom we share the House of Finance building to further strengthen our dialogue with these partners, and to work on common initiatives and share best practices.

On this occasion I would like to thank our employees, our ABBL members, and our partners for their ongoing support and collaboration in our CSR journey. Much remains to be done, and only together can we build a more sustainable future for our industry.

Organisations are expected to report more transparently on CSR matters. What initiative did the ABBL take in this context?

Catherine Bourin: In our previous Responsibility Report, we adopted the GRI reporting standards for the first time to better structure its contents. We continued to work on improving our alignment with the GRI Standards in this year’s report, and we aim to reach full alignment for our 2023 Responsibility Report. This time, we have also referred to the standards developed by the SASB to further strengthen our transparency.

Our Responsibility Reports are articulated around three axes through which we demonstrate how our approach to CSR creates value for our members, for society, and for our staff, in accordance with our values and our mission. They have now become a fully-fledged sister report to our Annual Report. In it, we hope to give our stakeholders some insights on what goes on behind the scenes at the ABBL while carrying out its missions.

Catherine Bourin is member of the ABBL Management Board and Secretary of the Fondation ABBL pour l’éducation financière.

Jerry Grbic is the ABBL’s CEO and Chairman of the Fondation ABBL pour l’éducation financière.

“Our members have an essential role to play in the transition to a sustainable economy.” Jerry Grbic





Our Commitment

2.1 A responsible banking sector

As the voice of the Luxembourg banking sector, promoting sustainable development in banking is one of our key responsibilities. We interact with the financial industry as a whole, forming an active community through business clusters, technical committees, working groups, forums and dedicated task forces.

In 2020, we revised our strategy to focus more on sustainable finance. As regulatory requirements in this area are rapidly evolving, dedicated working groups have been set up under the supervision of the Sustainability Committee to help our members monitor and implement these obligations.

We promote a sustainable financial system that combines the interests of society and the environment with financial prosperity. The Luxembourg Bankers' Association (ABBL) has thus adhered to the United Nations Principles for Responsible Banking (PRBs) since 2019, a commitment through which we promote the PRBs among our members and support them in their implementation. We have formally incorporated the PRBs into our Code of Conduct by adding a 7th commitment, which engages our members to conduct their business in a responsible manner.



2.2 Our Corporate Social Responsibility journey

As an industry association and as an employer, we use a two-fold approach to our Corporate Social Responsibility (CSR) strategy for the period 2021-2023 with an internal and an external component.

It has been articulated so as to contribute to the Sustainable Development Goals (SDGs) addressing some of the global challenges we face as a society, namely:



- **SDG 3:** Good health and well-being
- **SDG 4:** Quality education
- **SDG 5:** Gender equality
- **SDG 8:** Economic prosperity
- **SDG 10:** Reduced inequalities
- **SDG 12:** Responsible consumption
- **SDG 13:** Climate action
- **SDG 16:** Peace, justice and strong institutions
- **SDG 17:** Partnerships for the goals

Our CSR strategy



Governance

Improving the maturity level of our members in CSR and sustainable finance; increasing transparency of our communication



Governance:

Establishing, monitoring, and communicating on our CSR strategy



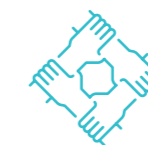
Social & societal:

Fostering diversity, equity and inclusion; supporting and contributing to philanthropic actions; caring for the well-being of our personnel



Environmental:

Lowering our environmental impact

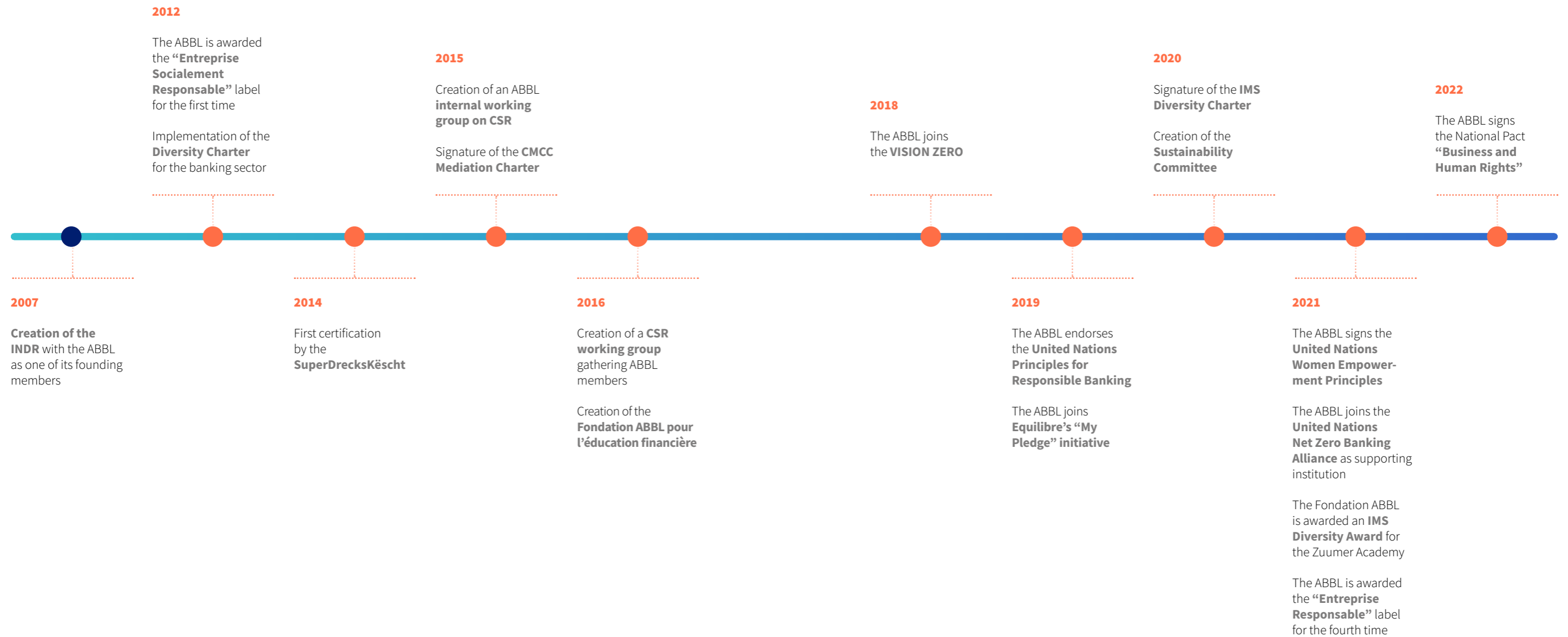


Social & societal

Fostering financial education and inclusion; promoting sustainable finance; promoting diversity, equity and inclusion



Key dates of our CSR journey





Our Responsibility

3.1 Our responsibility towards our members

3.1.1 **Creating shared value for our members**

The ABL's approach to CSR generates shared value for our members by alleviating some of the costs imposed by banking regulation. We analyse regulatory developments to help our members understand new requirements and their implementation. Through our technical committees and working groups, we provide technical and strategic input for the benefit of our members and the financial sector.

Our advisers:

- formulate opinion papers on banking regulation at national, European, and international levels
- conduct sectoral surveys to analyse developments in the banking sector
- organise conferences and events on key topics in the interest of our members
- develop and publish industry recommendations and guidelines

The ABL also acts as a representative of employers in the banking sector. This includes negotiating on their behalf on working and salary conditions in the framework of the collective bargaining agreement. In addition, the ABL also represents its members in the Tripartite, the Economic and Social Council and the Luxembourg Employers' Association (UEL).

Our aspiration is to foster innovative and responsible banking services, and therefore we encourage our members to go beyond their legal obligations in their ethical commitments.



3.1.2 Encouraging sustainable banking practices

As a professional association, the ABBL provides a platform for discussion on key issues for the financial sector. We have taken this opportunity to engage with our members on integrating sustainability into their internal corporate strategies, as well as their financing, investment and advisory services.

In September 2020, the ABBL Board approved the creation of the Sustainability Committee, which brings together members with a global understanding of the implications of sustainability and/or who coordinate sustainability-related initiatives in their respective organisations.

The Sustainability Committee oversees three working groups and four task forces. Each group is composed of experts in their respective fields who actively participate and contribute to the groups' meetings and provide written input when requested.

- Corporate Sustainability Working Group
- Financial Training and Education Working Group
- EU Taxonomy and Labels Working Group
- ESG Risks Task Force
- Green Mortgage Loans Task Force
- Impacts of Sustainable Finance on Depositaries Task Force
- Energy Task Force

In 2022, the ABBL and its members collaborated with LuxFLAG to create a new ESG Discretionary Mandate Label via a dedicated ad hoc working group. The new LuxFLAG label was introduced in October 2022 with a first wave of applications to be reviewed by Q1 2023.

[Learn more about the Sustainability Committee's work in our 2022 Annual Report.](#)

A PRACTICAL CSR GUIDE FOR THE BANKING SECTOR

In line with its endorsement of the Principles for Responsible Banking in 2019, the ABBL set out to create a guide on corporate social responsibility specifically adapted to the Luxembourg banking sector.

The objective is to provide our members with the theoretical foundations of CSR, enabling them to address the basics of a responsible strategy. The guide is the result of eight workshops conducted in 2019, which brought together CSR executives from across the sector under the methodological supervision of Forethix. An industry survey on CSR practices as well as interviews with key players provided additional insight.

In view of its publication on the new ABBL website in December 2021, the guide was expanded to become a CSR handbook: in addition to the factsheets, the handbook includes a self-assessment tool and a sustainable finance glossary.

Although access to the full handbook is limited to our members, we have made the introductory sheet and the sustainable finance glossary publicly available. The former contains more details on the methodology used to create our handbook, as well as the results of the CSR sector survey we conducted in 2019.

The handbook will continue to evolve to reflect changes in market practice and regulation, and to encourage responsible practices among our members. A new sub-section of the handbook is planned for 2023. It will contain industry best practices and CSR initiatives in the form of short fact sheets shared directly by the members, for the members.

[The ABBL CSR Handbook is available on our website for our members exclusively.](#)



NEXT PROJECTS OF THE SUSTAINABILITY COMMITTEE

Topic	Project	Status
Sustainable finance	Updating the ABBL-ACA-ALFI Guide on the Sustainable Finance Disclosure Regulation	Ongoing (Released in April 2023)
	Assessing the impacts of sustainable finance regulation on depositaries	Ongoing
	Updating the ABBL MiFID II guidelines to include ESG aspects	Planned
	Organising a joint ABBL-CSSF webinar on ESG risks	Planned
Corporate social responsibility	Updating and complementing the ABBL's practical guide on CSR: <ul style="list-style-type: none"> • Reflecting the latest market and regulatory developments on CSR • Creating a new factsheet focusing on human rights and due diligence • Creating a new factsheet on climate transition frameworks and pathways 	Planned
Energy crisis	Updating the ABBL Energy savings guidelines	Ongoing (Released in April 2023)
	Assisting ABBL members in implementing their energy savings measures	Planned

3.1.3 Fostering more diversity and better gender equality

The ABBL believes that diversity, equity and inclusion (DE&I) is key to the financial sector, and advocates for greater inclusion and equal opportunities for all in the banking sector. Not only because it is fair and ethical, but also because it stimulates innovation, improves organisational performance, and promotes equitable leadership and an inclusive culture within the sector.

To support our members in embedding DE&I in their culture and decisions, the ABBL has created a dedicated working group in 2019 consisting of 30 of our members. In 2022, the members of the ABBL DE&I Working Group met several times to:

- raise awareness and exchange on the latest regulatory developments in the field
- share insights and best practices
- support dialogue about our members' key concerns and priorities to address DE&I challenges
- define practical next steps to support the Luxembourg banking sector progress on DE&I

In agreement with its members, the ABBL has defined three main priorities on the subject of DE&I: **awareness**, **promotion** and **guidance**.

“The ABBL supports the Luxembourg banking sector in its evolution to become a major contributor to a sustainable and responsible economy. Encouraging innovation and advancing practices that align with this objective are central to our ambitions and commitments. Promoting diversity, equity and inclusion within our sector is fully part of our approach.”

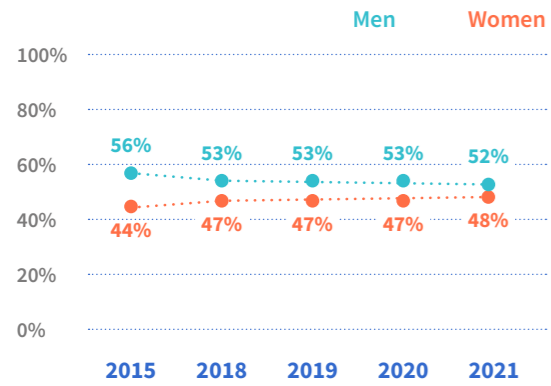
Julien Froumouh
Adviser - Sustainable Finance



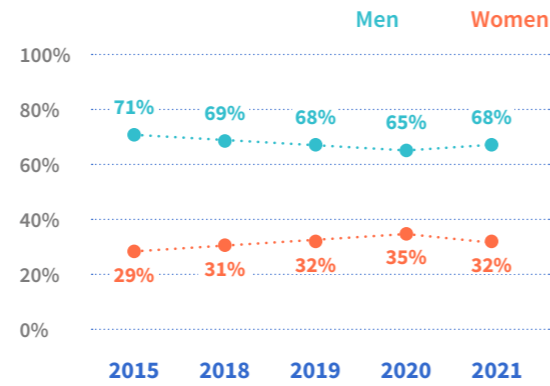
1. AWARENESS

The ABL study on the social situation of the banking sector in 2021 shows that women are still much less represented further up the corporate ladder.

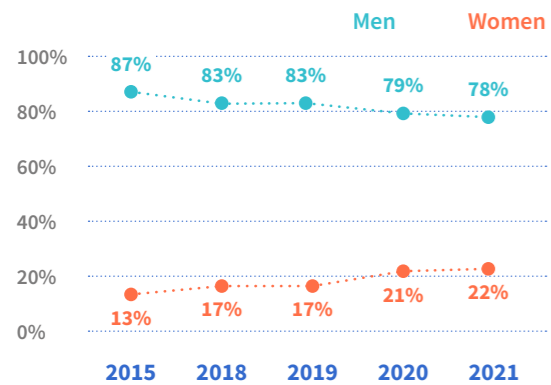
Collective Bargaining Agreement (CBA)



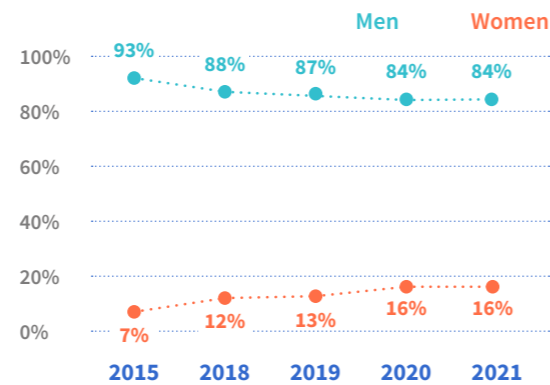
Management positions (non-CBA)



Executive Committees



Board of Directors



The ABL has contributed to a joint research study conducted by INSEAD Corporate Governance Centre and Odgers Berndtson which examined how DE&I are represented in Board and Executive Committees globally and how to steer DE&I effectively across the organisation starting from the top. A dedicated event was organised in November 2022 in collaboration with the ABL to share the results of the survey.

Our members also have access to a training session by the Occupational Health Association for the Financial Sector on “First aid in mental health” to take charge of people suffering of mental trauma.

2. PROMOTION

The ABL became one of the first signatories of the [UN’s Women Empowerment Principles](#) (UN WEP) in Luxembourg in March 2021. As such, we promote, support, and provide information on how the WEP can be used to implement business strategies in the banking sector.

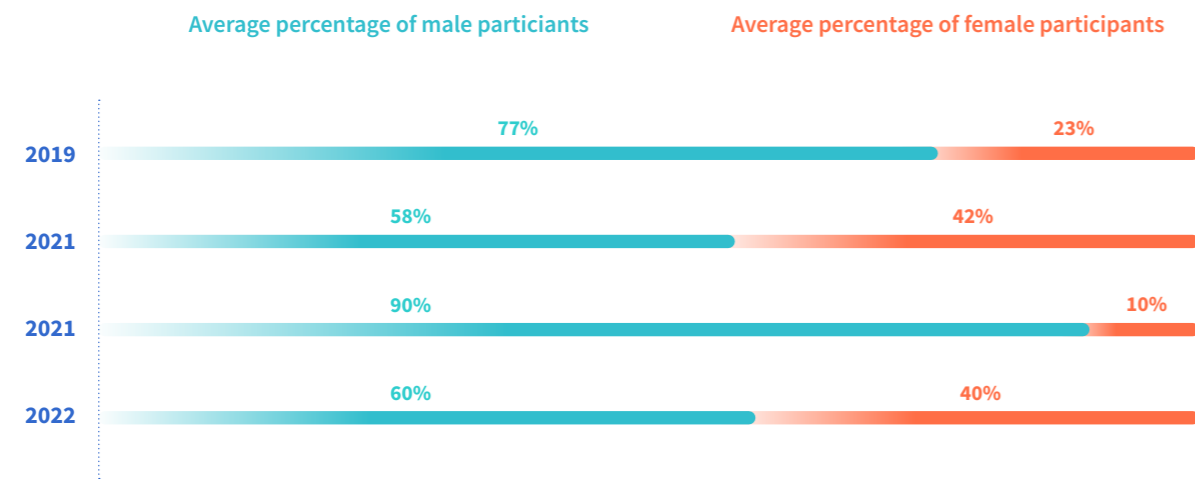
Following our signature of the IMS Diversity Charter in 2020, the ABL has taken the lead of the IMS Autonomous Working Group on Gender Diversity. The Working Group met twice over the course of 2022 in order to build the backbone of a future self-assessment tool for corporates on Gender Diversity.

We also joined a knowledge partnership launched by the European Banking Federation (EBF) and EY on how DE&I can drive better business outcomes. Two representatives of the ABL and several members took part in the three roundtable sessions organised with the objective to gather data and intelligence, and to develop ideas for banks to effectively manage the interaction between business transformation and DE&I. As a result of the knowledge partnership between the EBF and EY, a survey report was published in July 2022 “Are banks doing enough to accelerate progress on DE&I?”.

As a regular organiser of public events, such as conferences, forums, and webinars, the ABL signed Equilibre’s “My Pledge” in 2019 following the think tank’s #NoWomenNoPanel initiative. As such, we are committed to promoting gender diversity at public events, including our own. Therefore, as often as feasible, we strive to organise gender-balanced public events.

Year	Number of events	Average number of participants	Average female to male ratio
2019	16	6	0.44
2020	7	4	0.65
2021	4	4	0.17
2022	12	111	0.97

ABBL events gender ratios



In 2022, the ABBL co-organised with the Fédération des Femmes Cheffes d'Entreprise du Luxembourg an event to raise awareness on the growing importance of sustainable finance towards the transition of the economy among women business leaders.

3. GUIDANCE

- We support our members in the implementation of the guidelines of the European Banking Authority (EBA) and European and national regulations.
- We have developed Key Performance Indicators for our members to assess and monitor the results of their policy/actions related to diversity.
- A toolbox is under development for our members to implement and share DE&I best practices.

NEXT DE&I PROJECTS OF THE ABBL

Topic	Project	Status
DE&I Best practices	Creating an ABBL toolbox dedicated to DE&I for members to share and implement best practices	Planned
Promotion of gender balance	Coordinating the launch of a sectoral “Women in Finance” charter promoting gender balance in collaboration with stakeholders of the Luxembourg financial sector	Ongoing (Launched in March 2023)
IMS Autonomous WG on DE&I	Developing a self-assessment tool on gender diversity	Ongoing



3.1.4 Communicating responsibly

The ABBL is committed to ensuring transparency and integrity in every communication channel. Following the work of our Transformation Committee in 2020, our communication strategy has been reworked as part of our CSR objective of communicating responsibly, with three major axes:

- 1. Redesign of the public website and the Membernet:** we have carried out a complete redesign of our website. The Membernet, our most important tool for interacting with our members, now allows our advisers and members to interact, exchange ideas and documents, and schedule working meetings.
- 2. Increased transparency of our governance and organisation:** a full description of our governance model, including our Board of Directors and Management Board, as well as the organisation around the Business Clusters, Technical Committees and Forums, is available on our new website and in our annual reports.
- 3. More inclusive communication:** we ensure that men and women are equally represented in our communication materials.





3.2 Our responsibility towards society

3.2.1 Creating shared value for society

Our banking sector’s mission is to offer reliable and responsible financial services in the pursuit of sustainable prosperity. Banks are financial intermediaries, and as such they manage economic and financial risks which savers, investors and corporates would otherwise have to confront. By providing individuals and businesses access to credit and lending, banks play an essential part in fostering economic development.

Financial literacy is key to ensuring maximum access to these services. This is why financial education has become one of the pillars of our CSR strategy and an integral part of the ABBL’s mission. Through the Fondation ABBL pour l’éducation financière, we strive to share knowledge about subjects related to finance and the world of banking with the public. Teaching personal finance management helps prevent over-indebtedness, a widespread and costly phenomenon for society. This is especially true for young people.

3.2.2 An accessible banking system

The ABBL website includes a section for consumers answering general questions about finance and banking. It is structured around four themes:

- **Me and my bank:** issues relating to the relationship between a consumer and their bank, such as basic consumer rights and the common financial products and services offered by banks
- **A Career in Finance:** careers in demand in the banking sector, ABBL members’ career pages and relevant training courses
- **Financial Education:** the programmes and publications of the Fondation ABBL pour l’éducation financière
- **Cybersecurity:** common online scams, how to recognize them and what to do as a victim

3.2.3 Fondation ABBL pour l’éducation financière

The Fondation ABBL pour l’éducation financière (the Foundation) was created in 2016 with the purpose of fostering and promoting financial education and research. In 2021, together with our members and partners, we strengthened our commitment to educate everyone on the basics of personal budget management and finance.

All the Foundation’s programmes are carried out through the involvement of volunteers, who are ABBL employees and employees of ABBL member organisations. The Foundation also publishes educational material for the public, including youth, the elderly and financially vulnerable people.

The Board of Directors of the Fondation ABBL pour l’éducation financière

<p>Jerry Grbic CEO of the ABBL</p> <p>Chair</p>	<p>Guy Hoffmann Chairman of the ABBL</p> <p>Vice-Chair</p>
<p>Marc-André Bechet Deputy Director General, ALFI</p>	<p>Danièle Berna-Ost Secrétaire Général, CSSF (Treasurer)</p>
<p>Catherine Bourin Member of the Management Board, ABBL (Secretary)</p>	<p>Pierre Etienne Head of the ABBL Private Banking Group</p>
<p>Jean Hilger Head of the ABBL Digital Banking and FinTech Innovation Cluster</p>	<p>Luc Neuberg Chairman of ALRIM</p>
<p>Stéphane Pallage Rector of the University of Luxembourg</p>	<p>Léon Diederich Premier Conseiller of the Ministry of Education</p>

as at 31 December 2022

2022-25 STRATEGY AND ACTION PLAN

To fulfil its missions, the Foundation developed a strategy on financial education based on three pillars:

I. Financial education	II. Professional training and financial support to deserving university students	III. Research
<p>For the youth</p> <ul style="list-style-type: none">• Promote the integration of financial education in school curricula• Foster skill development for young adults• Develop learning material for the general public <p>For grownups</p> <ul style="list-style-type: none">• Facilitate access to digital tools for senior citizens• Partnerships for financial inclusion initiatives	<ul style="list-style-type: none">• Develop modules and tools to fulfil the financial sector's training needs• Cooperate with educational institutions to develop vocationally oriented curricula• Support deserving university students financially	<ul style="list-style-type: none">• Collaborate with academia on research projects

“The importance of educating young people about the management of personal finances is now well recognised. The many studies conducted in that area demonstrate it loud and clear.

I am very proud of the growing commitment of our volunteer trainers who take part in our programs, most of them being employees of ABBL members. They get involved with passion and enthusiasm in our projects and come back to us with beautiful testimonies about their experience. The common thread of their feedbacks is that students are more than aware of how important it is to be better informed about money issues.”

Jessica Thyron
Adviser - Financial Education



Zuumer academy

The Zuumer Academy is a training programme developed by the Foundation targeting financially vulnerable individuals. The Academy was held from 2019 to 2021. Through its eight training modules, it aimed to provide participants with the basic banking and money management skills they need to see banking in a new light. This initiative has enabled the Foundation to receive the IMS Diversity Award in the “Recruitment, Welcome and Integration” category in May 2021, highlighting the project’s contribution to social integration and inclusion. The contents of this training will be reused in new programs currently in development.

Workshops on responsible finance

In 2022, the Foundation launched a new workshop dedicated to high school students to raise awareness on the social, environmental and economic stakes of sustainable finance. ‘Responsible finance for everyone’ aims to help students understand sustainable development and the role of responsible finance, and why their decisions as future investors and consumers matter. In this modular and dynamic workshop, our instructors seek to challenge the students’ assumptions on finance and to make them reflect on the significant challenges our societies face this century.

Joint Survey on sustainable finance in partnership with the CSSF and LSFI

The Foundation, the CSSF and the Luxembourg Sustainable Finance Initiative (LSFI) mandated ILRES in 2022 to conduct a survey to assess the general public’s perceptions and knowledge about sustainable finance. Although Luxembourg households expressed a mostly optimistic outlook on the potential positive effect of finance on sustainable development, the survey findings also revealed a clear lack in their comprehension of the topic. These findings stress the pressing need for continued educational efforts on the key role banks play in financing the transition to a sustainable economy.

RTL campaign “Nohalteg finanzen” in partnership with the CSSF

In partnership with the Commission de Surveillance du Secteur Financier (CSSF) and RTL Radio, the Foundation is coordinating a radio campaign to raise awareness on the basic concepts of sustainable finance among general audiences. Each month from November 2022 to May 2023, an expert from the CSSF, the ABBL or its membership will be giving a radio interview to clear up some of the frequent questions and assumptions regarding responsible investing and ESG products.

Woch vun den Suen / European Money Week

We believe that financial education should be an integral part of any school curriculum and we advocate for the integration of basic financial skills into the Luxembourg education system. That is the principle that drove the creation of the Woch vun den Suen or ‘Money Week’ in 2014. This now annual event teaches children aged 10 to 12 the basics of money management. This initiative is led by the Foundation with the support of the Ministry of Education, Children and Youth, as part of the European Money Week organised by the European Banking Federation.

	2019	2020	2021	2022
Number of participating pupils	1,102	cancelled	396	1,041
Number of participating classes	78	cancelled	25	75
Number of volunteer instructors	80	cancelled	32	90



E-Banking for Seniors

The Foundation has actively participated in the development of an “E-Banking” training program for seniors initiated by the Ministries of Digitalisation and Consumer Protection in collaboration with the CSSF. This course was launched by “Erwuessebildung” in September 2021 as a standalone module or as part of the „Internet Führerschein“.

This initiative, called “Ech kann dat och” (“I can do that, too”), aims to allow elderly citizens learning to use their own e-banking platform autonomously in a safe environment. As such, it is a part of a national project of social, financial, and digital inclusion of all citizens.

Educational resources for the general public

The Foundation publishes educational resources for the general public:

- **ABCs of financial education:** Booklets created in collaboration with the Chamber of Commerce explaining basic concepts of finance for consumers. These publications are available for download on the ABBL website in French and German.
- **One minute in finance:** Short videos addressing common finance-related questions hosted on the ABBL Youtube channel in both French and Luxembourgish.
- **Responsible finance for all:** A four-part video series on responsible finance has been created for the ABBL Youtube channel in 2021, and is available in four languages (English, French, Luxembourgish and Portuguese).

Scholarships for finance students

The Foundation offers scholarships for students pursuing a higher education diploma in fields related to banking and finance, including economics and law.

The Foundation granted the following scholarships in 2022:

- **3 scholarships** to Luxembourgish residents enrolled in Swiss universities
- **12 scholarships** to students enrolled in the Master of Science in Economics and Finance and Master in Wealth Management programmes at the University of Luxembourg
- **3 merit-based scholarships** to students of the Master of Science in Quantitative Economics and Finance
- **1 scholarship** to the valedictorian of the banking track of the Master of Science in Finance and Economics

NEXT PROJECTS OF THE FOUNDATION

Topic	Project	Status
Financial education tools & resources	Creating Money Odyssey, a mobile application to teach financial concepts and skills covering a range of areas, from budget management, to insurance, crypto-currencies and financial fraud, through the process of gamification	Ongoing (Launched in February 2023)
Sustainable finance awareness	Launching an awareness campaign on sustainable finance	Planned (Launched in April 2023)
House of Training sustainable finance training	Developing new training modules on ESG risks and sustainable banking, and updating existing modules (sustainability reporting)	Planned



3.2.4 Responding to the Ukraine crisis

The ABL and its members were distressed to learn about the incursion of Russian armed forces in Ukraine's sovereign territory on 24 February 2022 and stand in solidarity with Ukraine and its people. Our industry will continue working with public authorities to implement sanctions against Russia effectively.

As Ukrainian refugees arrived in Luxembourg after being forced to hastily leave their home country, often without enough time to pack their ID card or passport, the question arose on what documents they may present as valid proof of identity when opening a bank account. The ABL sought clarification from the CSSF on behalf of its members. We obtained confirmation that banks may use the certificates of temporary protection beneficiary held by Ukrainian refugees to perform their anti-money laundering and terrorism financing due diligence.

In July, the ABL circulated a leaflet prepared by the European Banking Federation to help raise awareness of human trafficking risks targeting Ukrainian refugees fleeing the conflict.

Throughout 2022, the ABL helped its members keep track of the rapidly succeeding sanction packages towards Russia and Belarus in response to the escalating conflict. A detailed and regularly updated technical note on these sanction packages is available on the ABL website for our members. We will continue to monitor the situation and to ensure that our members are kept informed of their obligations.

The invasion of February 24th plunged energy markets, which were already tight in the months prior, into an all-out crisis. Following the Luxembourg government's energy saving campaign, the ABL launched its own Energy Task Force to prepare guidelines for ABL members. Our recommendations on energy savings were published in October 2022 and are available to [download for free on the ABL website](#).

“We recognise the pivotal role of banks in the implementation of financial sanctions, and as part of the global community, Luxembourg banks will support and implement all appropriate measures to re-establish peace and stability.”



Guy Hoffmann

Chairman of the ABL



3.3 Our responsibility as a professional association

3.3.1 Ensuring good governance and responsible business conduct

OUR MISSION

The ABL is the largest professional association in the Luxembourg financial sector, representing the majority of financial institutions as well as regulated financial intermediaries, law firms, consultancies, auditors, market infrastructures, e-money and payment institutions.

Our mission is to promote, for and on behalf of our members, the sustainable development of regulated, innovative and responsible banking services.



OUR GOVERNANCE MODEL

The ABL is governed by its external legal framework as well as its internal rules:

Legal framework

- Law of 21 April 1928 on non-profit associations and foundations

Internal control documents

- ABL Statutes
- Internal Rules of Procedures
- ABL Code of Conduct
- Specific rules governing ABL Clusters, Forums and Technical Committees and Working Groups

Our governance is further underpinned by the ABL's four values:



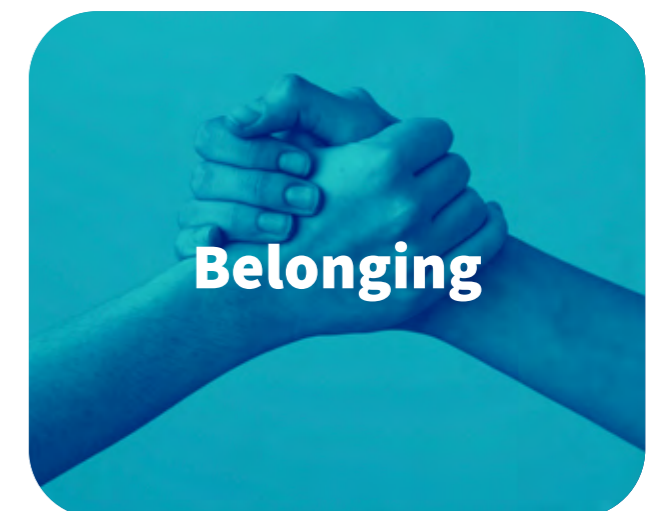
Professionalism



Responsibility



Teamwork



Belonging



Business Clusters

- Corporate & Investment Banking
- Depository Banking
- Payments
- Private Banking
- Retail Banking

Technical Committees

- Accounting
- Banking Supervision
- Digital Strategy
- Financial Markets & Intermediation
- Fiscal Affairs
- Legal Affairs
- Professional Obligations
- Social Affairs
- Sustainability

Forums

- FinTech & Innovation
- Consultants & Auditors
- Law Firms
- Compliance
- Chief Financial Officers

Working Groups

Regulatory topics

- Banking supervision
- Compliance
- Data protection
- Industry standards
- Market regulation
- Reporting
- Risk management
- Sustainable finance
- Taxation
- ...

Business topics

- Business activities
- Business intelligence
- Corporate social responsibility
- External Asset Managers
- Guidelines & training
- Innovation
- Investment Firms
- Products
- Security
- ...



OUR BOARD OF DIRECTORS

Our Board of Directors manages the affairs of the association in the interests of all our members and defines our missions and priorities accordingly. Its functioning is regulated by our Internal Rules of Procedure. It is presided over by the Chairperson of the association or, in case of unavailability, the Vice-Chairperson of the association.

Our Board:

- represents the ABBL in all judicial and non-judicial matters
- decides on the admission and the suspension of members
- decides on the establishment and dissolution of clusters and geographical groupings
- appoints the Management Board and the external auditor

The ABBL Board of Directors meets at a minimum of four times a year. The Chief Executive Officer (CEO) of the association attends all meetings of the Board, except on occasions where the Board members would discuss the CEO's terms of employment. The function of secretary of the Board of Directors is assigned to a member of the ABBL Secretariat. Any other member of the Management Board or the Secretariat may be invited to attend Board meetings as contributors or observers if deemed useful. In practice, all members of the Management Board are invited to assist to those meetings, and our advisers are regularly invited to present key regulatory and market developments, and ongoing projects coordinated by the ABBL Secretariat.

The ABBL Board of Directors held 7 meetings in 2022. In addition to statutory formalities such as the acceptance of new members, the establishment of the annual budget and the endorsement of the financial accounts, the Board of Directors sets the broader priorities of the association and provides orientation on strategic issues relevant to the membership. Key issues considered by the Board of Directors in 2022 included the impacts of the war in Ukraine on the banking sector, the energy crisis and related contingency power plans, gender equity within the financial sector and financial education. The main regulatory developments relevant to the financial sector are monitored on a regular basis by the Board of Directors.

The Board of Directors is supported by several internal committees, which are all composed of Board members:

- An **Audit Committee** to oversee the financial reporting process, risk management and internal controls, select the independent auditor and monitor the internal and external audit of the association. One of its members must have competence in accounting and/or auditing.
- A **Nomination and Remuneration Committee** to determine the remuneration of the CEO and to appoint the members of the Management Board, as well as the other employees of the association. The committee is also responsible for identifying and submitting recommendations to the Board on individuals who are qualified to be appointed as CEO and/or member of the Management Board.
- A **Governance Committee** to support the Board on matters pertaining to the associations' governance structure and compliance with applicable statutory provisions and internal rules. It may also propose amendments to the internal rules of the association. When relevant, the Committee may investigate the potential suspension or exclusion of an ABBL member before submitting a proposal to the Board. At least one of its members at least must have a legal background. It must also include at least one member representing the interests of non-banking institutions.
- The Chairperson, the Vice-Chairperson and the Chairs of the aforementioned committees may form the **Council of the Board**, an ad hoc governance forum which meets at the initiative of the Chairperson.

As at 31 December 2022, these internal committees were composed as follows:

AUDIT COMMITTEE	NOMINATION AND REMUNERATION COMMITTEE	GOVERNANCE COMMITTEE
<p>Roxane Haas PricewaterhouseCoopers, Société coopérative</p> <p>Chair</p>	<p>David Claus European Depositary Bank S.A.</p> <p>Chair</p>	<p>Arnaud Jacquemin Société Générale Luxembourg</p> <p>Chair</p>
<p>Pierre Etienne Pictet & Cie (Europe) S.A.</p>	<p>Béatrice Belorgey BGL BNP Paribas S.A.</p>	<p>Claire Alexandre PayPal (Europe) S.à r.l. et Cie, S.C.A.</p>
<p>Françoise Thoma Banque et Caisse d'Epargne de l'Etat, Luxembourg (Spuerkeess)</p>	<p>Guy Hoffmann Banque Raiffeisen S.C.</p>	<p>Guy Hoffmann Banque Raiffeisen S.C.</p>
		<p>Melinda Perera Linklaters LLP</p>

The respective terms of office of the members forming these committees expire at the same time as the term of office of the Board of Directors, which provided for their appointment.

No seat on the Board of Directors or in any internal body such as technical committees, working groups or groups of members of the association gives a right to remuneration.



HOW OUR BOARD MEMBERS ARE ELECTED

We aspire to give a voice to the whole of our membership, taking into consideration their various and evolving needs. To ensure a balanced and inclusive representation of all our members, the composition of our Board of Directors is set as follows by our Internal Rules of Procedures:

- **Largest contributors:** the six largest contributors to the ABBL's budget are each entitled to one seat on the Board of Directors
- **Geographical groupings:** banking members sharing a connection to a particular region or market may group together in geographical groupings. Each group is entitled to appoint a representative on the Board of Directors. The following groups are represented on the Board:
 - Asian Markets Group
 - BeNelux Group
 - French Group
 - German Group
 - Italian-Iberian Group
 - North American Group
 - Swiss Group
 - UK/Nordic Group
- **Business Clusters:** members active in particular business lines may further group together in business clusters, each being entitled to one seat on the Board of Directors. The following clusters are represented on the Board:
 - Corporate and Investment Banking Cluster
 - Depositary Banking Cluster
 - Private Banking Cluster
 - Retail Banking Cluster
 - Payments Cluster

In no event may a member hold more than one seat on the Board of Directors.

The members of the Board are elected during the ordinary General Meeting by ABBL full members. The candidates which obtain the most votes in a single voting round access Board positions for a renewable term of office of two years. Additionally, the elected Board members may co-opt representative personalities of the Luxembourg economy to serve on the Board of Directors for a term of office ending at the same time as that of the elected Board members.

[The composition of our Board of Directors as at 31 December 2022 is detailed in our 2022 Annual Report. Its current members, at the exception of co-opted members, were elected in the ordinary General Meeting held in April 2021.](#)

GENERAL MEETING

The General Meeting comprises all members of the association. It meets as often as the interests of the association require. It is presided by the Chairperson of the association.

The General Meeting:

- elects the members of the Board of Directors, as well as the Chairperson and the Vice-Chairperson
- approves the annual budget and the annual accounts
- ratifies collective bargaining agreements
- approves amendments to the Statutes, the Internal Rules of Procedure and the Code of Conduct
- decides on the exclusion of a member upon proposal by the Board of Directors

The ABBL's ordinary general meeting is held each year before April 30. Extraordinary meetings may also be held when at least one fifth of ABBL members submit a request to convene. In practice, extraordinary general meetings are generally organised to ratify a new collective bargaining agreement. No extraordinary general meeting was convened in 2022.

The number of votes held by full members of the ABBL is proportional to their contribution to the association's budget.

OUR MEMBERS

Our association distinguishes two types of memberships: full members and affiliate members. Organisations are eligible to full membership if they fall into one of three following categories:

- **Category A:** universal banks, covered bond issuing banks and/or public banks
- **Category B:** other professionals of the financial sector (PFS) and financial professionals
- **Category C:** ancillary financial sector activities

The ABBL may also welcome affiliate members, i.e., any professional or any natural person who shares the same values as the association or who acts in the interests of the financial centre. Affiliate members have no voting rights. The association had no affiliate members over the reporting period.

The Board of Directors decides on the admission of new members. The General Meeting, upon the proposal of the Board of Directors and after having given it due hearing, may exclude a member of the association either found guilty of a serious violation of the ethical principles of the profession set out in the Code of Conduct of the association, or who has undermined the interests of the profession.

The loss by a member of the capacity in which it was admitted automatically leads to its immediate exclusion from the association.

[The full list of ABBL members is available in our 2022 Annual Report.](#)

THE ABBL SECRETARIAT

The Board of Directors appoints the members of our Management Board to supervise the work of the ABBL Secretariat, which carries out the day-to-day running of the association. The Management Board is chaired by the CEO of the association.

The Secretariat performs all the tasks entrusted to it by the Board of Directors. It is responsible, in accordance with the Internal Rules of Procedure, for the internal administration of the association, the organisation of internal bodies such as technical committees, working groups or groups of members as well the communication with the members and third parties.

The Chairperson may grant mandate to the members of the Secretariat, or to any member of the association's internal bodies or external experts, to represent the association in national, international or supranational bodies.

[Meet the members of the ABBL team in our 2022 Annual Report.](#)

Management Board



Jerry Grbic
· Chief Executive Officer



Catherine Bourin
· Sustainable Finance & CSR
· Professional Obligations
· Social Affairs
· Financial Education



Ananda Kautz
· Innovation & Digital
· Payments
· IT services



Camille Seillès
· Legal & Tax
· Corporate Secretariat & Governing Bodies
· Finance & Facilities



Antoine Kremer
· European Affairs



Sarah Odru
· Banking Clusters
· Business Development
· Conferences/ Events
· Digital Marketing
· Secretariat



Myriam Sibenaler
· Human Resources



Paul Wilwertz
· Communication & Press Relations



Gilles Pierre
· Banking Regulation & Financial Markets

THE ABBL IN ITS ADVOCACY WORK

Since 2006, our European public affairs representative office, which is permanently located in Brussels, had been our main platform to defend the interests of the members of the ABBL and those of the Association of the Luxembourg Fund Industry (ALFI) with the European institutions. In 2022, following an announcement of strengthened cooperation between the ABBL and the Association of Insurance and Reinsurance Companies (ACA), our Brussels office expanded to handle insurance and reinsurance dossiers at EU-level as well.

Our advocacy principles

Our advocacy activities contribute to informed decision-making by elected and appointed public officials. In fulfilling this role of our association, we recognise our responsibility to carry out our lobbying missions in an ethical and transparent manner. This is why our personnel engaging in advocacy activities commit to adhering to the following principles in all interactions with decision and policymakers:

1. We acknowledge our privilege to be able to participate in the discussions as part of our democracies' legislative procedure. We respect and value that the final policy decisions rests with the elected lawmakers.
2. We only operate in the legal framework and according to the applicable legislation. We commit to respecting the internal rules of the national and European institutions we engage with, and not to induce representatives of the aforementioned institutions to contravene the rules and standards of behavior applicable to them. This includes rules on avoiding conflicts of interest in case of employment of former Members of the Luxembourg Parliament, Members of the European Parliament, and staff of national and European institutions.

3. When in contact with decision-makers, we clearly present ourselves by name and the interests we represent.
4. We contribute to the public debate with our technical knowledge and experience in the field of financial services. We formulate our advocacy positions on our expertise, evidence-based research, and consultations of our stakeholders. Should the validity of our arguments change, we amend them accordingly. We make no financial nor in-kind donations, whether directly or indirectly via intermediaries, to political parties, politicians or their campaigns.
5. We regularly publish our position papers for the attention of the Luxembourg government and the Luxembourg Parliament, as well as towards the European Commission and the European Parliament.
6. We respect the confidentiality requirements of our interlocutors and refrain from exerting any pressure to obtain confidential information.
7. We inform and train the staff of our association of the present commitments and other advocacy principles or codes of ethic we have committed to.

Transparency

We are committed to being transparent and ethical in our advocacy work. For this reason, the ABBL is listed in the [EU Transparency Register](#), a database of organisations seeking to influence legislation and policymaking at the European level, as well as the [Transparency Register of the Luxembourg Parliament](#). We diligently keep our declaration information up to date.

The ABBL's entry in the EU Transparency Register is publicly accessible and includes:

- the EU legislative proposals and policies we advocate on
- our contributions to EU public consultations
- the proportion of working time our advisers spend on advocacy activities

In 2022, **14** ABBL advisers were involved in lobbying and advocacy activities, on which they have spent **5.7** full-time equivalent hours.

Our position papers are [publicly accessible on our website](#). In 2022, the ABBL published the following papers on public affairs:

- ABBL letter to the National Bank of Belgium regarding new reporting obligations under Belgian law
- ABBL position on the EU Commission Proposal amending the Capital Requirements Directive regarding the direct provision of banking services in the EU by third country undertakings
- ABBL priorities on the EU Commission Proposal amending the Capital Requirements Regulation
- ABBL position paper on the European Commission's targeted consultation on options to enhance the suitability and appropriateness assessments
- ABBL comments on the proposed EU Directive to prevent the misuse of shell entities for tax purposes ("ATAD 3")
- ABBL position paper on ESMA's consultation regarding guidelines on certain aspects of the MiFID II suitability requirements
- ABBL answer to the European Commission's call for evidence regarding the retail investment package
- ABBL answer to the European Central Bank's targeted consultation on the digital Euro
- ABBL response to the European Commission's consultation on a new EU system for withholding taxes on dividends and interest payments
- ABBL comments on the draft law on a pilot scheme for market infrastructures based on digital ledger technology
- Joint ABBL & ACA position paper on the proposal for a Corporate Sustainability Due Diligence Directive

[Learn more about our recent advocacy efforts in our 2022 Annual Report.](#)

THE ABBL AS AN EMPLOYERS' ASSOCIATION

As an employer's association, one of the key roles of the ABBL is to assist our members in all social and labour matters. The ABBL represents the interests of the employers of the financial sector in the following bodies:

European level	National level
The European Banking Federation (EBF)	The Luxembourg Employers' Federation (UEL) The House of Training The University of Luxembourg The Employment Agency (ADEM)

Through these instances, we participate to the social dialogue on a whole range of issues. At EU-level, we contribute to the EU Sectoral Social Dialogue in Banking (SSDB) via the EBF. In Luxembourg, we maintain social dialogues with the trade unions to implement agreements reached at EU-level and to discuss local situations to meet the expectation of both employers and employees.

At national level, our technical advisor defends the banking sector's interest in the UEL's working group dedicated to labour and employment relations. The association's CEO also participates to the UEL's Executive Committee and contributes to its strategic decisions, while the Chairperson of the association represents the banking sector in the national tripartite discussions. The ABBL also carries the voice of its members within the ADEM's Steering Committee, the House of Training and the University of Luxembourg.

Negotiating the collective bargaining agreement

The ABBL respects the rights of all workers to form and join trade unions in accordance with national law. As part of its responsibilities in social and labour matters, our association negotiates the banking sector's collective bargaining agreement (the CBA) on behalf of its members.

Negotiations on a renewed collective bargaining agreement begin when one of the parties withdraws from the applicable CBA, at the earliest three months before its expiration. The ABBL Board of Directors then appoints a negotiation committee and a spokesperson to exchange proposals and demands with the negotiating trade unions. The ABBL's negotiating positions are prepared by the dedicated working group to reflect the interests of the banking sector's employers. The working group's positions are formally validated by the Board of Directors.

Once an agreement is reached, the respective boards of the ABBL and the trade unions endorse the accord. The final CBA with the parties' signatures may then be submitted to the Inspectorate of Labour and Mines (ITM) and the Ministry of Labour, Employment and the Social and Solidarity Economy to make it applicable to the whole sector, including banks that are not part of the ABBL's membership. If the process is accepted, the CBA is then published to the Official Journal of Luxembourg and becomes a general obligation for all entities of the banking sector.

Among other things, the CBA sets:

- a remuneration system, including wage rises and 13th month bonuses
- a framework and budget for trainings and continuing education
- an overtime framework
- working time arrangements
- a framework for time savings accounts
- annual and other types of paid leave
- minimum notice periods

The CBA also institutes a Joint Committee (Commission Paritaire) between the signatories of the agreement where employers and trade unions are represented each by nine members. Its purpose is to discuss and, if possible, solve interpretation and application issues of the CBA.

The latest CBA for the banking sector was negotiated in 2021 and remains applicable until December 2023.

[The currently applicable CBA for the banking sector is available on the ABBL's website.](#)

ANTI-COMPETITION LAW

The Luxembourg Competition Act of 23 October 2011 and Article 101 of the EU Treaty prohibit all forms of agreements, decisions and practices that may prevent, restrict or distort fair competition. As a trade association, the ABBL is subject to competition law.

Our technical committees, working groups, business clusters, events and activities bring together potential competitors. For this reason, the ABBL's Code of Conduct includes a section promoting fair and healthy competition. In addition, in order to avoid any difficult situations from a competition law perspective, our legal experts issued guidelines in the form of dos and don'ts for our members in 2021. These guidelines establish clear rules of conduct which must be respected at all times by both our advisors and ABBL members.

All ABBL meetings involving our members are structured around clear agendas, shared in advance and followed up by meeting minutes which must be approved by the members. During these meetings, members are advised to avoid disclosing any competition sensitive information (e.g., strategies, prices, marketing data, etc.).



EXTERNAL MANDATES

We give our industry one voice and ensure that this voice is heard at every level, whilst shaping the narrative and maintaining a coherent message. In 2022, the ABBL was represented in the committees and governance bodies of the following institutions:

Public sector (Luxembourg)

- Luxembourg Central Bank
- Conseil Économique et Social
- Commission de Surveillance du Secteur Financier (CSSF)
- Ministry of Finance
- Ministry of Justice
- Ministry of Education, Children and Youth
- Ministry of Equality between Women and Men
- Ministry of Family Affairs, Integration and the Greater Region
- Ministry of Labour, Employment and the Social and Solidarity Economy
- Ministry of Social Security
- Ministry of Foreign and European Affairs
- Mutuality of Employers
- University of Luxembourg
- National Pension Insurance Fund (CNAP)
- National Health Fund (CNS)
- Fonds de compensation commun au régime général de pension
- Centre Commun de la Sécurité Sociale

Private sector (Luxembourg)

- Fondation ABBL pour l'éducation financière
- Occupational Health Association for the Financial Sector (ASTF)
- Chamber of Commerce
- House of Training
- Fondation de Luxembourg
- Luxembourg Fund Labelling Agency (LuxFLAG)
- ICT Luxembourg
- Institut national pour le développement durable et la responsabilité sociale des entreprises (INDR)
- Fédération des Professionnels du Secteur Financier (PROFIL)
- Luxembourg Employers' Association (UEL)

Private Sector (International)

- European Banking Federation (EBF)
- European Payments Council (EPC)
- International Banking Federation (IBFed)

In 2022, the ABBL, the ALFI, the ACA, the Luxembourg Private Equity and Venture Capital Association, LuxFLAG, Luxembourg For Finance, the Fondation de Luxembourg and the Luxembourg Sustainable Finance Initiative, as tenants of the House of Finance building, have created a joint committee on CSR. This new group will be our common platform to share CSR best practices and work on joint initiatives and projects.

Last the year the ABBL joined the following external groups:

- Working Group N°5 on Sustainability Reporting Standards of the Commission des Normes Comptables
- The Platform for climate action and energy transition of the Ministry of the Environment, Climate and Sustainable Development
- The H2 Task Force of the Ministry of Energy and Spatial Planning

3.3.2 Caring for our employees

At the ABBL, we believe that our employees are the cornerstone of our success. To fulfil our mission, knowledge, technical skills and expertise are our most important assets. Therefore, in order to carry out their day-to-day activities, it is essential that our staff feel valued, respected and supported.

As at 31 December 2022, our association employed **36** people spread over our various teams, in Luxembourg and in our Brussels representative office.

Employees

	Gender		
	Female	Male	Total
Permanent/temporary contract	19	17	36
Permanent contract	19	16	35
Temporary contract	0	1	1
Full-time/part-time	19	17	36
Full-time	11	17	28
Part-time	8	0	8

Employee categories

	Gender		
	Female	Male	Total
Collective bargaining agreement	8	4	12
Executives	9	11	20
Members of the management board	2	2	4
TOTAL	19	17	36
CBA Coverage	42%	24%	33%

Employee categories

	Age groups			Total
	Under 30	30 to 50	Over 50	
Collective bargaining agreement	1	6	5	12
Executives	1	14	5	20
Members of the management board	0	3	1	4
TOTAL	2	23	11	36

One third of our employees are covered by the banking sector's collective bargaining agreement

Recruitment and turnover

	Gender		Total
	Female	Male	
New hires	0	4	4
Employee departures	4	2	6
TOTAL	4	6	10

Recruitment and turnover

	Age groups			Total
	Under 30	30 to 50	Over 50	
New hires	1	2	1	4
Employee departures	0	3	3	6
TOTAL	1	5	4	10

Voluntary/involuntary turnover

Employee-initiated voluntary separations	5
Entity-initiated separations	1
TOTAL	6

Turnover rate in 2022: 17%

New hires rate in 2022: 11%

Our employees' remuneration is determined based on salary grids defined in the banking sector's CBA, which safeguards equal compensations between genders. The same principles of the CBA are applied to determine the remuneration of our executive staff.

As the initiator of the Diversity Charter for the banking sector and as a member of Inspiring More Sustainability (IMS), our recruitment policy is based on the principles of diversity, gender equality and inclusion. The ABBL Code of Conduct includes a section on responsible recruitment promoting the same principles to encourage our members to follow the same path. The ABBL complies with legal requirements regarding notice periods for operational changes impacting employees.

Employees

	Gender	
	Female	Male
that took a parental leave during the reporting period	2	1
that returned to work in the reporting period after parental leave ended	1	1

Each year, as part of our collaboration with the Faculty of Law, Economics and Finance of the University of Luxembourg, we share with our members the resumes of sinternship seeking students enrolled in the Master in Wealth Management and the Master of Science in Finance and Economics programmes.

BENEFITS

In addition to the benefits provided for in the collective bargaining agreement for the banking sector, from which **one third** of ABL employees benefit, our staff is entitled to the following benefits:

Benefits	CBA	Executives
Performance bonuses	✓	
Meal-vouchers	✓	✓
Time savings account (CET)	✓	✓
Supplementary health insurance	✓	✓
Special conditions on banking products with participating member banks	✓	✓
Occupational pension plan	✓	✓
Gifts for life events (e.g., weddings or births)	✓	✓
Supplementary pension plan	✓ (1 year seniority)	✓ (1 year seniority)
Subventions for personal and mortgage loans	✓ (1 year seniority)	✓ (1 year seniority)
Leasing vehicle		✓

TRAINING

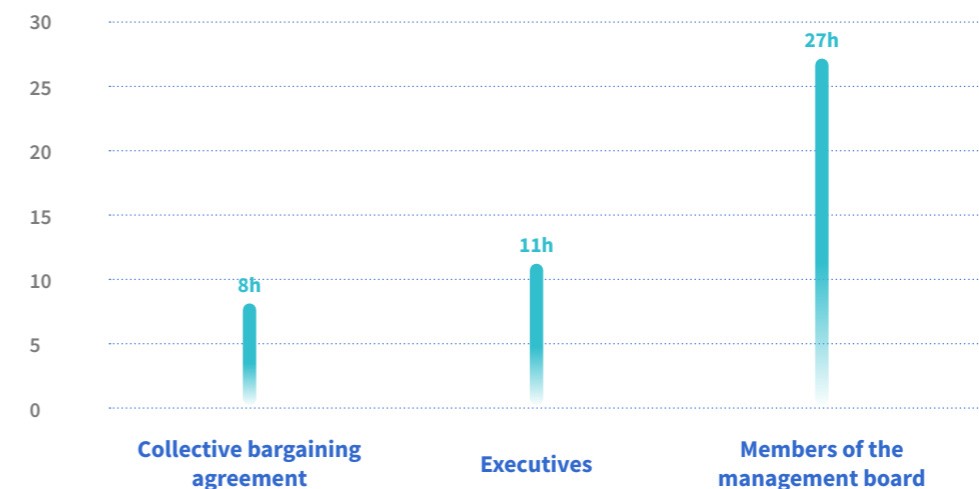
At the ABL, we attach particular importance to training and skills development. Each year, we allocate a dedicated training budget to all our staff based on the needs they have identified with their managers during their annual performance review. In addition, internal reorganisations may require some of our staff to be trained to adapt to new roles within our organisation.

The ABL's HR department maintains an age pyramid to anticipate employee retirements and thus facilitate the transfer of knowledge and skills. Employees who reach the age of 55 benefit from career reviews where they may discuss their views on the next steps in their professional career.

In 2022, our staff members spent on average **36 hours** on training.



Average training hours per employee category



HEALTH AND SAFETY AT WORK

The ABBL and its members are represented on the Board of Directors of the Occupational Health Association for the Financial Sector (ASTF), which the ABBL co-founded in 1994. Our continued collaboration with the ASTF ensures a safe and healthy work environment for both our employees and those of our members.

Our staff:

- receive training on office ergonomics
- are offered health check-ups with the ASTF at ages 40, 45, 50, and every 3 years thereafter
- have the possibility to work from home since 2019
- have the possibility each year to receive seasonal flu vaccination

The ABBL is particularly aware of the risks posed by our staff members' daily journeys to and from work. As such, our organisation joined VisionZero in 2018 and has committed to promoting greater safety in the workplace and reducing the number of work and travel accidents. Following our signature of the pledge, actions have been taken to increase the physical safety of our premises by a designated safety worker. Our employees are frequently reminded of the risk factors to avoid when travelling.

Each year a safety and security report is produced to identify the main physical risk factors in our office building. In addition, staff members are offered to attend first aid training. Evacuation drills are organised on an annual basis.

In 2022, we continued to provide ABBL staff members with health and safety training:

- **5 employees** received training on cardio-pulmonary resuscitation
- **1 employee** received training on emergency evacuation



committed to
promoting greater
safety in the workplace
and reducing the
number of work
and travel accidents

3.3.3 Engaging in philanthropic actions

RELAY FOR LIFE

The ABBL running team proudly participates every year in the Relay for Life organised by the Fondation Cancer. The ABBL's participation to the virtual 2022 edition of the race was also a success, as we gathered a team of 43 motivated individuals to cumulate 24 hours of walking, running and cycling. The ABBL also made a direct donation of EUR 1,000 to the Fondation Cancer at this occasion.



DAYCARE DIGITAL EXPLORER INTERNSHIP

In 2022, we also had the pleasure of welcoming a high school student for a day of immersion inside our premises, as part of a dayCARE Digital Explorer internship. During their time in our office, the student had the chance of discovering the daily life of our various teams, their roles, and their outlook on the banking sector.



MOBILISING FOR UKRAINE

In the wake of the Russian invasion of Ukraine on February 24, the ABBL organised a fundraising campaign among its team and doubled the amount collected from its staff. EUR 8,420 were raised to the benefit of Doctors Without Borders and the Luxembourg Red Cross.



8,420 €

Amount collected





3.3.4 Reducing our environmental footprint

The ABL and its staff are committed to conducting their activities with the lowest possible impact on the environment. To this end, the following measures have been taken:

WASTE MANAGEMENT

Since 2014, the ABL has received the SuperDrecksKëscht fir Betriber certification which highlights our efforts in waste management practices.

Waste type/Year*	2019	2020	2021
Household waste (litres)	91,520	45,320	45,660
Paper/cardboard (litres)	123,200	47,300	44,000
Organic waste (litres)	120	120	160
Other (m ³)	6.9	3.7	3.8

*Data on our waste generation in 2022 was not yet available at the time of writing.



ENERGY

Since 2016, 100% of the electricity consumed in our main offices in Luxembourg has been generated from renewable energy sources.

Following the release of the ABL's energy savings guidelines in October 2022, we have implemented measures to save on our Luxembourg premises' energy consumption. Between November and December 2022 (as compared to 2021 data), these measures allowed us to save:

11% of electricity
34% of heating

[Read more about our work to help our members face the energy crisis in our 2022 Annual Report.](#)

IT EQUIPMENT

Once its amortisation period is over, functional computer equipment is sold to interested members of our staff at a preferential price. The proceeds are then allocated to the ABL's CSR budget. This has financed, for instance, the replacement of our office chairs with ergonomic chairs.

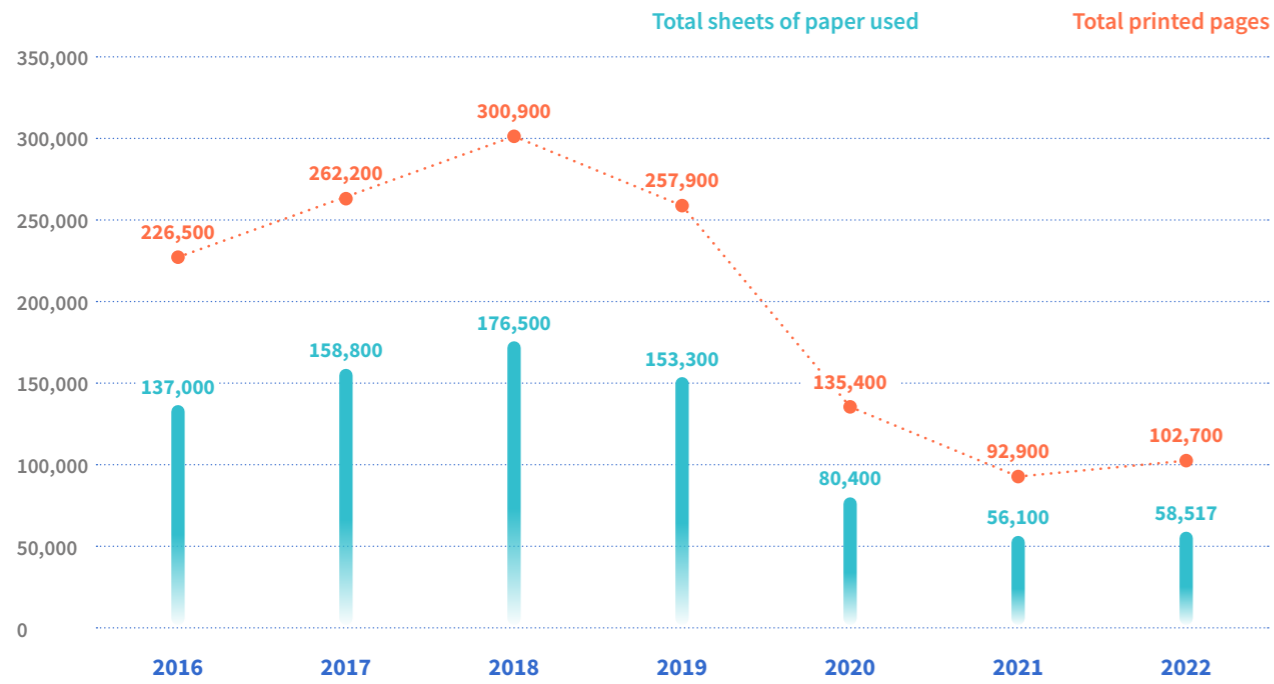


CONSUMABLES

In 2015, as part of an initiative to reduce our paper consumption and enhance the security of printed data, our offices switched from individual printers to workgroup printers. Our employees can monitor their paper consumption over time and we have introduced a stricter printing policy, to reduce our paper use.

Following our signature of the IMS Zero Single-Use Plastic manifesto in 2018, our premises have been free of all types of single-use plastics since 2020.

ABBL Paper consumption



OUR NEXT ENVIRONMENTAL PROJECTS

Topic	Project	Status
Climate action	Assessing and reporting on our carbon footprint	Planned
	Integrating climate considerations throughout our activities by educating our staff on climate change	Planned
ABBL CSR governance	Revising our CSR strategy and set key performance indicators	Planned



04

How we
develop our
CSR strategy



4.1 Internal CSR task force

In 2016, we created an internal task force to coordinate the execution of the ABBL's CSR strategy. On 31 December 2022, it was composed of ten members of the ABBL staff, representing various roles and departments of the association. The task force is supervised by a member of the Management Board.

The task force convenes several times a year to:

- develop the ABBL CSR strategy and action plan, renewed every three years, to be approved by the Management Board
- execute the CSR strategy
- set up actions to promote and raise awareness on CSR among the ABBL personnel
- organise the ABBL's participation to events and/or support to various NGOs
- explore pathways to improve our employees' well-being at work.

The minutes of the task force's meetings are shared with the ABBL personnel. Our personnel are also regularly informed of the latest developments in and the achievements of the ABBL's CSR strategy during staff meetings taking place throughout the year. Our employees are frequently invited to share their concerns, questions, and ideas with the task force, and have the possibility to apply to join the task force at any time.

4.2 Engaging with our stakeholders

ABBL STAKEHOLDER MAP

ABBL Stakeholders

Internal

- ABBL staff and staff delegation
- ABBL members
 - Board of Directors
 - ABBL Clusters
 - Technical Committees
 - Working Groups
 - Forums

External

- Public authorities
- European institutions
- International institutions
- Political parties and trade unions
- Professional associations and federations
- Consumer associations
- Foreign bankers' associations
- Media
- Social and educational institutions

4.3 Our sustainability projects

Topic	Project	Status
Sustainable finance	Updating the ABBL-ACA-ALFI Guide on the Sustainable Finance Disclosure Regulation	Ongoing (Released in April 2023)
	Assessing the impacts of sustainable finance regulation on depositaries	Ongoing
	Updating the ABBL MiFID II guidelines to include ESG aspects	Planned
	Organising a joint ABBL-CSSF webinar on ESG risks	Planned
Corporate social responsibility	Updating and complementing the ABBL's practical guide on CSR: <ul style="list-style-type: none"> Reflecting the latest market and regulatory developments on CSR Creating a new factsheet focusing on human rights and due diligence Creating a new factsheet on climate transition frameworks and pathways 	Planned
	Updating the ABBL Energy savings guidelines	Ongoing (Released in April 2023)
	Assisting ABBL members in implementing their energy savings measures	Planned

Topic	Project	Status
DE&I Best practices	Creating an ABBL toolbox dedicated to DE&I for members to share and implement best practices	Planned
Promotion of gender balance	Coordinating the launch of a sector charter on gender balance in collaboration with stakeholders of the Luxembourg financial sector	Ongoing (Launched in March 2023)
IMS Autonomous WG on DE&I	Developing a self-assessment tool on gender diversity	Ongoing
Financial education tools & resources	Creating Money Odyssey, a mobile application to teach financial concepts and skills covering a range of areas, from budget management, to insurance, crypto-currencies and financial fraud, through the process of gamification	Ongoing (Launched in February 2023)
Sustainable finance awareness	Launching an awareness campaign on sustainable finance	Planned (Launched in April 2023)
House of Training sustainable finance training	Developing new training modules on ESG risks and sustainable banking, and updating existing modules (sustainability reporting)	Planned
Climate action	Assessing and reporting on our carbon footprint	Planned
	Integrating climate considerations throughout our activities by educating our staff on climate change	Planned
ABBL CSR governance	Revising our CSR strategy and set key performance indicators	Planned





About this report

Following the publication of its first CSR Report in 2020, the ABBL set out to report on its contribution to sustainability and on its responsibilities once a year. The information presented in this report covers the ABBL's activities in Luxembourg and its Brussel office, as well as those of the Fondation ABBL pour l'éducation financière, for the period from 1 January 2022 to 31 December 2022, unless stated otherwise. Our 2022 Responsibility Report was published on 27 April 2023.

METHODOLOGY NOTE

In an effort to further increase the transparency of our activities, the ABBL has reported the information cited in its 2022 Responsibility Report with reference to the standards of the Global Reporting Initiative (GRI) and those of the Sustainability Accounting Standards Board (SASB).

In 2022, the ABBL's internal CSR task force conducted a new sustainability materiality assessment to determine the priority topics our association should report on. The next section contains the list of material topics identified as part that assessment. Learn more about the methodology and the results of our materiality analysis in our ABBL [Materiality assessment report 2022](#).

Our 2022 Responsibility Report was prepared by the association's CSR officer under the supervision of a member of the Management Board. A drafting committee composed of members of the ABBL's internal CSR task force oversaw the process of collecting relevant data for the disclosures of the report and reviewed the quality of its content.

Drafts of the report were circulated among executives of the ABBL for their validation and comments. The drafting committee approved the final report on 29 March 2023. The GRI and SASB content indexes of our sustainability reporting are detailed in the remaining pages of this report. For some disclosures, we also refer to the contents of our 2022 Annual Report and to the ABBL "Business and Human Rights" Report 2022. These reports, as well as our previous Responsibility Reports, are available on www.abbl.lu.

For further information on the ABBL's approach to corporate social responsibility, please contact us by email at csr@abbl.lu.



WHAT HAS CHANGED SINCE OUR PREVIOUS REPORT?

In addition to the inclusion of our latest work in the field of sustainability, we have adapted some parts of our 2022 Responsibility Report to increase our transparency on the priority topics identified in our ABBL Materiality assessment report 2022. In particular, we have:

- overhauled section **3.3.1** Ensuring good governance and responsible business conduct to increase transparency on our governance model
- added the principles to which we adhere in conducting our advocacy activities, as well as the list of the public position papers we have published in 2022
- created sub-section **The ABBL as an employers' association** on our responsibilities in representing ABBL members as employers and in negotiating the banking sector's collective bargaining agreement
- added current and future projects related to our efforts in sustainability and corporate responsibility



LIST OF MATERIAL TOPICS

Rank	Material topic	GRI Disclosures	SASB Disclosures
1	Sound and responsible governance	GRI 2: General Disclosures 2021	
2	Professional integrity	GRI 205: Anti-corruption 2016	SV-PS-510a.1. Description of approach to ensuring professional integrity SV-PS-510a.2. Total amount of monetary losses as a result of legal proceedings
3	Legal compliance	GRI 2: General Disclosures 2021	
4	Advocacy and employer representation	G4 NGO Sector Supplement GRI 2: General Disclosures 2021 GRI 415: Public Policy 2016	
5	Financial education	GRI 413: Local Communities 2016	FN-CB-240a.4. Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers
6	Cooperation and coordination with our partners	G4 NGO Sector Supplement GRI 2: General Disclosures 2021	
7	Personnel competence and engagement	GRI 404: Training and Education 2016	SV-PS-330a.3. Employee engagement as a percentage
8	Diversity, equity and inclusion	GRI 405: Diversity and Equal Opportunity 2016 GRI 406: Non-discrimination 2016	SV-PS-330a.1. Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees
9	Responsible employment and recruitment	GRI 401: Employment 2016 GRI 402: Labor/Management Relations 2016	SV-PS-330a.2. (1) Voluntary and (2) involuntary turnover rate for employees

GRI CONTENT INDEX

The Luxembourg Bankers' Association has reported the information cited in this GRI content index for the period 1 January 2022 – 31 December 2022, with reference to the GRI Standards.

Disclosure	Location	Pages
GRI 2: General Disclosures 2021		
The organization and its reporting practices		
	Legal name: Association des Banques et Banquiers, Luxembourg (The Luxembourg Bankers' Association) Legal form: Non-profit association	
2-1 Organisational details	Head office: 12, rue Erasme L-1468 LUXEMBOURG EU Representative Office: 168 Avenue de Cortenbergh B-1000 Brussels Luxembourg Business Register: F352 European Transparency Register: 3505006282-58	
2-2 Entities included in the organisation's sustainability reporting	5 About this report	66
2-3 Reporting period, frequency and contact point	5 About this report	66
2-4 Restatements of information	5 About this report	66
2-5 External assurance	The ABBL does not seek external assurance for its sustainability reporting at this time.	
Activities and workers		
	2.1 A responsible banking sector	7
2-6 Activities, value chain and other business relationships	3.1.1 How we create shared value for our members	13
	ABBL Annual Report 2022	34-62
2-7 Employees	3.3.2 Caring for our employees	47

Disclosure	Location	Pages
Governance		
2-9 Governance structure and composition	3.3.1 Ensuring good governance and responsible business conduct	32
	ABBL Annual Report 2022	82
2-10 Nomination and selection of the highest governance body	3.3.1 Ensuring good governance and responsible business conduct	32
2-11 Chair of the highest governance body	The Chairperson of the ABBL does not hold an executive position in the association.	
2-12 Role of the highest governance body in overseeing the management of impacts	3.3.1 Ensuring good governance and responsible business conduct	32
2-13 Delegation of responsibility for managing impacts	3.3.1 Ensuring good governance and responsible business conduct	32
2-14 Role of the highest governance body in sustainability reporting	The ABBL Board of Directors has not reviewed the content of the ABBL Responsibility Report 2022 for approval. However, the information disclosed in this report were reviewed and validated by senior executives of the association.	
2-15 Conflicts of interest	3.3.1 Ensuring good governance and responsible business conduct	32
2-16 Communication of critical concerns	3.3.1 Ensuring good governance and responsible business conduct	32
2-17 Collective knowledge of the highest governance body	3.3.1 Ensuring good governance and responsible business conduct	32
2-19 Remuneration policies	3.3.1 Ensuring good governance and responsible business conduct	32
2-20 Process to determine remuneration	3.3.1 Ensuring good governance and responsible business conduct	32



Disclosure	Location	Pages
Strategy, policies and practices		
2-22 Statement on sustainable development strategy	1 Corporate Social Responsibility in a challenging world	4
2-23 Policy commitments	2 Our Commitment	6
2-24 Embedding policy commitments	2 Our Commitment	6
2-26 Mechanisms for seeking advice and raising concerns	ABBL Business and Human Rights Report	
2-27 Compliance with laws and regulations	The ABBL has not failed to comply with any laws or regulations over the reporting period.	
2-28 Membership associations	3.3.1 Ensuring good governance and responsible business conduct	32
Stakeholder engagement		
2-29 Approach to stakeholder engagement	4.2 Engaging with our stakeholders	63
2-30 Collective bargaining agreements	3.3.2 Caring for our employees	47
GRI 3: Material Topics 2021		
3-1 Process to determine material topics	ABBL Materiality assessment report 2022	
	5 About this report	66
3-2 List of material topics	ABBL Materiality assessment report 2022	
ABBL Material topic: Professional integrity		
GRI 3: Material Topics 2021		
3-3 Management of material topics	3.3.1 Ensuring good governance and responsible business conduct	32
GRI 205: Anti-corruption 2016		
Disclosure 205-3 Confirmed incidents of corruption and actions taken	No incidents of corruption and other financial crimes were identified over the reporting period.	

Disclosure	Location	Pages
ABBL Material topic: Advocacy and employer representation		
GRI 3: Material Topics 2021		
3-3 Management of material topics	3.3.1 Ensuring good governance and responsible business conduct	32
G4 NGO Sector Standards		
Public awareness and advocacy	3.3.1 Ensuring good governance and responsible business conduct	32
GRI 415: Public Policy 2016		
415-1 Political contributions	3.3.1 Ensuring good governance and responsible business conduct	32
ABBL Material topic: Financial education		
GRI 3: Material Topics 2021		
3-3 Management of material topics	3.3.1 Ensuring good governance and responsible business conduct	32
GRI 413: Local Communities 2016		
	3.2.2 An accessible banking system	47
413-1 Operations with local community engagement, impact assessments, and development programs	3.2.3 Fondation ABBL pour l'éducation financière	23
	3.2.4 Responding to the Ukraine crisis	30
ABBL Material topic: Cooperation and coordination with our partners		
GRI 3: Material Topics 2021		
3-3 Management of material topics	3.3.1 Ensuring good governance and responsible business conduct	32
G4 NGO Sector Standards		
Affected Stakeholder Engagement	3.3.1 Ensuring good governance and responsible business conduct	32
Coordination	3.3.1 Ensuring good governance and responsible business conduct	32

Disclosure	Location	Pages
ABBL Material topic: Personnel competence and engagement		
GRI 3: Material Topics 2021		
3-3 Management of material topics	3.3.2 Caring for our employees	47
GRI 404: Training and Education 2016		
404-1 Average hours of training per year per employee	3.3.2 Caring for our employees	47
404-2 Programs for upgrading employee skills and transition assistance programs	3.3.2 Caring for our employees	47
404-3 Percentage of employees receiving regular performance and career development reviews	3.3.2 Caring for our employees	47
ABBL Material topic: Diversity, equity and inclusion		
GRI 3: Material Topics 2021		
3-3 Management of material topics	3.3.2 Caring for our employees ABBL Business and Human Rights Report	47
GRI 405: Diversity and Equal Opportunity 2016		
405-1 Diversity of governance bodies and employees	3.3.2 Caring for our employees	47
405-2 Ratio of basic salary and remuneration of women to men	3.3.2 Caring for our employees	47
GRI 406: Non-discrimination 2016		
406-1 Incidents of discrimination and corrective actions taken	No incidents of discrimination were raised during the reporting period.	

Disclosure	Location	Pages
ABBL Material topic: Responsible employment and recruitment		
GRI 3: Material Topics 2021		
3-3 Management of material topics	3.3.2 Caring for our employees	47
GRI 401: Employment 2016		
401-1 New employee hires and employee turnover	3.3.2 Caring for our employees	47
401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	3.3.2 Caring for our employees	47
401-3 Parental leave	3.3.2 Caring for our employees	47
GRI 402: Labor/Management Relations 2016		
402-1 Minimum notice periods regarding operational changes	3.3.2 Caring for our employees	47

SASB CONTENT INDEX

Disclosure	Location	Pages
ABBL Material topic: Professional integrity		
SASB Professional & Commercial Services		
Professional Integrity		
SV-PS-510a.1. Description of approach to ensuring professional integrity	3.3 Our responsibility as a professional association	32
SV-PS-510a.2. Total amount of monetary losses as a result of legal proceedings associated with professional integrity	The ABBL incurred no monetary losses resulting from legal proceedings associated with professional integrity breaches, fraud, negligence, bribery, or malpractice over the reporting period.	
ABBL Material topic: Financial education		
SASB Commercial Banks		
Financial Inclusion & Capacity Building		
FN-CB-240a.4. Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	3.2.3 Fondation ABBL pour l'éducation financière	23
ABBL Material topic: Personnel competence and engagement		
SASB Professional & Commercial Services		
Workforce Diversity & Engagement		
SV-PS-330a.3. Employee engagement as a percentage	No recent data on employee engagement was available at the time of preparing this report.	
SV-PS-330a.1. Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees	3.3.2 Caring for our employees	47

Disclosure	Location	Pages
ABBL Material topic: Responsible employment and recruitment		
SASB Professional & Commercial Services		
Workforce Diversity & Engagement		
SV-PS-330a.2. (1) Voluntary and (2) involuntary turnover rate for employees	3.3.2 Caring for our employees	47



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