



## Examples of ESBG members' initiatives in the field of financial education

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EUROPEAN SAVINGS BANKS GROUP

# EXAMPLES OF ESG MEMBERS' INITIATIVES IN THE FIELD OF FINANCIAL EDUCATION

## European savings banks' commitment to Corporate Social Responsibility (CSR)

European savings banks embody a “stakeholder” model, seeking at the same time to be profitable, but also to bring value and return to the whole community of stakeholders which surround them - suppliers, customers, employees and the local community in which they operate.

They have progressively developed a balanced and comprehensive approach to socially responsible practices, covering all CSR aspects –human resources, human rights, relations with suppliers and customers, corporate governance, environment, community and society- each at their own pace and with their own priorities. They now cover a whole range of fields, such as financial literacy, proximity banking and access to finance, microcredit, transparency and corporate governance measures, workforce training and life-long learning, targeted actions to support SME clients business, CSR raising awareness activities, introduction of ethical criteria in financial products, etc.

As proximity banks, savings banks tend to develop a CSR focused project policy, based on their close relationship with stakeholders and beneficiaries. The multiplicity of these focused actions create a decisive input for local economic dynamism and place savings banks in a unique position to act as a catalyst for local action.

## European savings banks' achievements in the field of financial education and literacy

Savings banks play a key role all over Europe in educating people on specific money matters, far beyond the scope of their clientele. They are motivated by the strong belief that these initiatives contribute to preventing social and economic exclusion and that citizens with a better knowledge of financial issues are able to make informed choices.

Initiatives taken by European savings banks to improve financial literacy focus on all kinds of public -households/families, employees, children, older people, low-income part of the population, socially excluded etc- and cover all types of issues: budget planning, personal finance management, use of payment instruments, borrowing, savings, investment and pensions etc. This is illustrated by the selection of examples enclosed.

## EXAMPLES

### Savings banks pan-European project European Stock Market Training

Since 1998, the European Stock Market Training has been operated by savings banks in several European countries to involve teams of 16-18 year olds each autumn in a 10-week internet simulation of buying and selling securities. It now animates each year approximately more than 40 000 teams and 250 000 students and their teachers from Austria, France, Germany, Italy, Latvia, Luxembourg and Spain, who are invited to manage a virtual portfolio of €50,000 using indexes from the Frankfurt, Milan, Madrid, Paris, Vienna and London stock exchanges.

This unique pan-European, financial education initiative is highly valued by the participating schools as a key tool to help youngsters understand economics and markets, and experience portfolio investment and the prudent and sustainable management of financial risk, through a “learning by doing” process. The use of the internet contributes to make financial education more appealing to young people. Besides, part of a team, students learn to make strategic decisions as a group.

The Stock Market Training is coordinated at European level by the European Savings Banks Group (ESBG) and is part of savings banks’ joint commitment to financial education and socially responsible approach to banking practices and activities.

More information from [www.stockmarket-training.com](http://www.stockmarket-training.com)



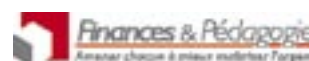
### Savings banks in France Support to financial education and prevention

In France, savings banks develop pedagogic and information tools to help the general public handle money matters via the association “Finances & Pédagogie”, set up in 1957. It is a certified training entity, with 25 regional correspondents. It plays an educational and training role, but also a preventive role in combating over-indebtedness and financial exclusion through its involvement in social insertion and cohesion programmes.

Finances & Pédagogie also leads specific projects such as the development of a computer tool for budget planning, which takes account of the entire economic and social situation of a given person. This tool has been developed on the basis of a public partnership with the Social Employment Department of the Northern Region (SSTRN), based on local needs and specificities. It offers a solid support for users’ teaching efforts, as it allows for both the planning and analysis of the budget status, and tailors the programme to individual situations.

The Fondation Caisse d’Épargne pour la Solidarité organizes the operation “Knowledge for success” in partnership with the National Agency for the Promotion of Literacy and the French Ministry of Defence. The objective is to offer support to young people aged 17 to 25 whose illiteracy was detected during the day of national service, with a view to encouraging them, gradually, to pursue training leading to a qualification, to find a job or alternatively to create their own enterprise.

More information from [www.finances-pedagogie.caisse-epargne.fr](http://www.finances-pedagogie.caisse-epargne.fr)



## Savings banks in Germany

### Educating households on financial matters through “Geld und Haushalt”

A similar institution to “Finances et Pédagogie” is “Geld und Haushalt” of the Sparkassen-Finanzgruppe in Germany. The main objectives of this household consultancy service established on a Federal level in 1958 are:

- to equip private households with better financial management skills and thus to improve their financial scope for action;
- to enhance the population's general knowledge of financial matters;
- to prevent excessive debt.

“Geld und Haushalt”'s means of action include:

- free offers of consultancy for customers and non-customers of the Sparkassen-Finanzgruppe alike and targeted cooperation with the academia and politics (e.g. the Federal Ministry for Family Affairs);
- brochures on financially-relevant consumer topics (more than 750,000 brochures are distributed every year via the savings banks network, call centers and NGOs) and PC software for budget planning;
- web-based programmes for targeted budget consultancy for individual private households and financial ratio analysis via post or internet;
- a lecture service geared to external educational institutions, societies, associations and social institutions (on average each year roundabout 1,400 information events).

“Geld und Haushalt” participates in ongoing projects within the framework of the UN decade of “Education for sustainable development 2005-2014”, in the research project “Future of Private Households” and in the restructuring of consumer lending policies.

More information from <http://www.geldundhaushalt.de>



## Spanish Confereration of Savings Banks

### Higher School

Savings Banks Higher School (Escuela Superior de Cajas de Ahorros-ESCA) was founded 33 years ago by CECA. This School is in charge of training for Savings Banks' employees, both from the banks' headquarters and from their commercial network. Due to financial innovation process, legal reforms and the implementation of financial services new technologies in day-to-day work, ESCA has increased the number of programmes in the last years.

In 2005, ESCA carried out 930 programs in which 4307 students participated, 24% more than in 2004. Courses are taught by recognised experts from different economic sectors (Bank of Spain, Stock Exchange Commission, Data Protection Agency, Insurance General Directorate, Universities, etc). ESCA's Training system combines on-line, in-company and attendance learning.

Programs can be categorised in:

- Insurance training.
- Risk training: in accordance with Basel II requirements, specially in operational risk, balance analysis,

- credit risk, mortgage risk, related to Basel II requirements.
- Customer Attention Service and Commercial Training
  - Legal compliance training: specially related to Anti-money laundering. Moreover, there have been seminars on CSR, Corporate Governance and Data Protection.

More information from <http://www.e-esca.net/esca/webesca.nsf/fwentrada?open>



## Caixa Terrassa in Spain “Learn to Manage your Money” Programme

The aim of “Learn to Manage your Money” programme launched by Caixa Terrassa is to promote planned, responsible management of personal and domestic finances among young people. It is in this context that the programme introduces conceptual approaches to everyday finances, referring to money as a limited resource which is obtained through effort and must be managed responsibly, encouraging saving and planning at the very heart of domestic finances.

The central pillar of the programme is a role-playing activity which lasts approximately two and a half hours, and is conducted on a stage located in a hall of the Cultural Centre of the Caixa Terrassa savings bank. The set shows a typical city street with all the essential features of the economy and commerce: the home, a shop, a branch of the Caixa Terrassa to conduct transactions and take out financial services and products and a neutral space, where students can reflect on unexpected situations, a place for good management skills to play their part.

Depending on the age group, the programme has two versions. The first one is intended for the upper cycle of primary education, pupils aged between 10 and 12, and focuses on general aspects of looking after personal finances. The second one is intended for pupils in the second cycle of secondary education, aged between 14 and 16, and is more complex in its contents, dealing with how to manage family finances.

Since the year 2000, a total of 44,000 pupils have benefited from the project, at some two hundred primary and secondary schools from various cities of Catalonia. Over the course of the last five years, the savings bank has invested a total of €1,250,000 in this educational programme. The programme has always gone down very well with teachers, who give a positive evaluation to the appropriateness of the content and language for young learners, and the motivation of the various elements involved.

## Savings banks in Austria Business and School Consortium to support economic and financial school education

As part of the Business and School Consortium (AWS), the Austrian Sparkassen work together with the Austrian Chamber of Commerce (wko) to provide all schools in Austria with teaching materials about economics and money, on an outstanding didactic basis prepared in an exciting manner by competent experts. The aim is to convey practical, hands-on economic know-how to the school students. The range of material extends from specifically customised media packages with factual information, work sheets, games and foils via multi-lingual up-to-date documents through to exclusive seminars for teachers, rounded off by a current online service.

For secondary schools, monthly publications on macroeconomic topics, such as “US Economy: a short overview” or “North East Asia, a powerful trade zone” are put at the disposal of teachers, in French and in English. These tools enable teachers to organise multi-disciplinary sessions, combining economics with languages skills. In addition, they provide basic facts and figures, leading students to structured analysis and critical reading. Economic press reviews in French and English are also available, and include language exercises (vocabulary, tips and questions on the texts etc), providing students with guidance for better grasping the press articles.

Besides, and in order to provide adapted support for primary schools’ children, an education pack called “Welcome to the world of economy” (“Willkommen in der Wirtschaftswelt”) has been developed. It is based on a learning by playing and acting principles. It covers daily life situations where children have to deal with money - my pocket money, why savings-, and extends to consumption and trade issues and the role played by money in these contexts. Feedback from teachers is extensively used as input to improve the material and develop new instruments.

More information from <http://wko.at/aws/>

## Lloyds TSB in the UK

### Financial education in the workplace “Make the most of your money”

One of the aims of the Financial Services Authority (FSA), the UK Financial Services Regulator, is to increase the financial capability of the UK population. In this context, it launched a Financial Capability programme in 2004, to further promote public understanding of the financial system.

The programme operates seven workstreams. One of the largest components is Financial capability in the workplace. This work has been led by Lloyds TSB. With over 28 million employees in the UK, the workplace is seen as a good place to reach adults – indeed, it is one of the few places that they can be reached in large numbers.

From March to November 2005, workplace education pilot activity has taken place in nine businesses, such as an NHS Trust and a large energy company, employing over 20,000 employees. Basic information packs have been delivered to all the employees and around 100 face-to-face educational seminars have been delivered to 1,250 employees. The seminars covered budgeting, planning, borrowing, savings, investments and pensions.

Results to date have been encouraging with scores for the individual’s knowledge and skills generally improving. There are also indications that employees take positive action, to address aspects of their financial arrangements, as a result of the seminars. The results also show that the understanding and control of basic income and expenditure management is a key weakness amongst a surprising number of people. This is a factor restraining their ability to undertake longer term savings and pension provisioning.

The workshops are now being rolled out to the UK’s 30 million workers. It is hoped that the programme will ease money worries and help provide people with peace of mind to enjoy their personal life and concentrate at work.

More information from [http://www.fsa.gov.uk/financial\\_capability/tools/workplace.html](http://www.fsa.gov.uk/financial_capability/tools/workplace.html)

This brochure was produced in the framework of the Report "Savings banks' socially responsible activities, a wealth of experience".

For further information please visit [www.savings-banks.com](http://www.savings-banks.com) or contact [info@savings-banks.com](mailto:info@savings-banks.com)



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## ABOUT ESBG



ESBG (European Savings Banks Group) is an international banking association that represents one of the largest European retail banking networks, comprising about one third of the retail banking market in Europe, with total assets of €4,716 billion (1 January 2005). It represents the interests of its members vis-à-vis the EU Institutions and generates, facilitates and manages high quality cross-border banking projects.

ESBG members are typically savings and retail banks or associations thereof. They are often organised in decentralised networks and offer their services throughout their region. ESBG member banks have reinvested responsibly in their region for many decades and are one distinct benchmark for corporate social responsibility activities throughout Europe and the world.



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