

Why there is a need for this award

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The integration of environmental and social issues in the business of banking has become more significant than ever as governments and institutions face up to the challenges of sustainable development.

The large number of leading banks that have already signed up to the Equator Principles, a voluntary set of environmental and social guidelines for project financing, shows a growing commitment not only to being involved in sustainable development but to being measured on performance and results.

As intermediaries in our economies, banks have an important part to play in fostering a sustainable world - whether they are financing specific projects, providing cash to environmentally focused businesses or responding to the increased demand for environmental and ethical investment funds.

But banks are also responsible to their shareholders. Mindful of this, teams of specialist bankers have emerged whose mandate is to find innovative ways of financing projects or creating products with significant social and environmental benefits, while also meeting their banks' profit targets.

It is clear that the development of this kind of banking - sustainable banking - is emerging as a new trend for global business in the 21st century.

But until now, there has been no truly global awards programme that recognises major advances in this area.

That is why the Financial Times, in association with the International Finance Corporation, has decided to launch the annual FT Sustainable Banking Awards.

These awards, open to banks active in both developed and emerging markets, will not only acknowledge leadership and innovation in sustainable banking but also stimulate debate over how banks can create social and environmental value without sacrificing profitability - sustainability's "triple bottom line".

A special FT web site designed to accompany the awards programme will act as a reference resource, while providing a forum for discussion, with live Q&As and links to industry experts. The FT will also organise a series of lectures on sustainable banking at top business schools and universities.

We are honoured to have on our judging panel for the awards leading figures involved in sustainable finance and development. Sustainable banking has the potential to make a positive long-term impact on communities, corporations and economies around the world. We hope these awards will act as a catalyst for further innovation in this area.