



beneficial state foundation

"Building Better Banks" Case Study Series: City National Bank

Beneficial State Foundation's mission is to change the banking system for good. These case studies highlight some of the exceptional work banks and credit unions are doing in the areas of Diversity, Equity, & Inclusion, Environmental Stewardship, Good Governance & Leadership, and Alternative Credit Underwriting & Services. We hope that spotlighting mission-driven business and banking practices will inspire bankers to bring similar approaches to their workplaces. Imagination precedes accomplishment, and being a good bank is profitable. [This case study spotlights the exceptional Environmental Stewardship work that City National Bank prioritizes.](#)

Industry Challenge for Environmental Stewardship:

Financial institutions remain invested in the success of the fossil fuel industry despite wide recognition of how their activities accelerate climate change and diminish our planet's ecological diversity. Many prioritize maximizing shareholder return over the well-being of our communities and the health of our planet. Banks and credit unions have also neglected to proactively seek out and fund those businesses and projects with a sustainability focus. Let's take a look at how City National is building a better bank.



ABOUT CITY NATIONAL BANK

City National Bank was founded in 1954 by a group of entrepreneurs who wanted to expand access to banking in California and saw a need for a new banking model anchored in building relationships. City National is led by CEO Kelly Coffey and offers a full complement of banking, trust, and investment services. City National is a subsidiary of the Royal Bank of Canada (RBC) based in Toronto.

LOCATIONS & FINANCIALS

City National Bank operates 75 offices in Southern California, the San Francisco Bay Area, Nevada, New York City, Nashville, Atlanta, Minneapolis, Washington, D.C., and Miami.

- Assets: \$76.26 B (2020)
- Assets Growth Rate YTD: 24.22% (2020)
- Net Income: \$430 M (2020)
- Return on Equity: 7.25% (2020)
- Return on Assets: N/A
- Net Interest Margin: 2.56% (2020)
- Net Loans & Leases to Deposits: 77.82% (Q4 2020)
- Capital Ratio: 13.02% (Q4 2020)
- Efficiency Ratio: 86.95 (Q4 2020)
- Texas Ratio: N/A

MIGHTY DEPOSITS

Mighty Deposits is a comparison tool to help the public better understand where their money goes after it is deposited at their bank or credit union.

For every \$100 a customer deposits at City National Bank, an estimated \$55 is reinvested in the community. This is 23% higher than the industry average. Housing, Construction, Large Business, and Overall Community Financing are the top four likely places a depositor's money would go at City National Bank.

IMPACT HIGHLIGHTS



**Recycled or Donated
160,726 LBS of
Electronic Equipment
(2019).**



**100% Renewable
Energy Use at CNB's
Data Center (2019).**



**Eliminated 12M
Pages of Printed
Paper (2019).**



**10% Drop in Total
Energy Use Since
2016 (2019).**



**60% Drop in Water
Use Since 2016 (2019).**



**Originated \$200M in
Renewable Power
Project Commitments.**

"As a bank, we anchor our business model in building relationships. That includes some of the most central relationships in each of our lives: to the air we breathe, the water we drink, and the resources we rely on for a vibrant life."

-Excerpt from City National's 2019 CSR Report



ENVIRONMENTAL STEWARDSHIP SPOTLIGHT



(Courtesy of City National Bank)

Leadership in Energy and Environmental Design (LEED) Certifications

About LEED:

LEED is the most widely used green building program in the world. LEED requirements cover a wide range of qualities relevant to sustainability, including site suitability, energy and water efficiency, materials and resources used, as well as design features. LEED's rating system grades buildings' environmental performance and encourages sustainable operating practices on an ongoing basis. We encourage readers to explore the LEED website to learn more about the certification process.

City National Bank's LEED Journey:

City National has over 1.8 million square feet of space in 122 locations across the country. They have committed to having all new building projects designed to attain LEED certification because following LEED standards reduces energy costs and benefits the planet. City National's current real estate portfolio consists of the following LEED ratings:

- 18% LEED Platinum Certification (highest rating).
- 42% LEED Gold Certification.
- 7% LEED Silver Certification.
- 33% Non-Certified.

LEED Certifications can help you learn about how eco-friendly your buildings are and how they may become more sustainable. LEED provides its building reporting metrics online to help businesses be proactive.

ENVIRONMENTAL STEWARDSHIP SPOTLIGHT

Reducing Operational Environmental Impact

Eliminating Single-Use Plastic Utensils

City National created the Green Champion Program to inspire colleagues to create sustainable practices that reduce their environmental footprint and promote responsible business practices. Colleagues NanJoo Kim (Senior Relationship Manager, Entertainment) and Matthew Steiger (Client Manager in Private Banking) wanted to eliminate single-use plastic utensils at the bank's Roxbury location. The Roxbury location is home to 350 employees and includes the executive suite.

They didn't want people to feel as if something was being taken away from them, so Kim and Steiger gave individual packets of actual silverware to every colleague in the building. "That instilled a lot of corporate pride – everyone loves those utensils and uses them," said Steiger. "People weren't just losing something, they were getting a gift in return. It's become part of their routine now, and they carry those utensils around." This has prevented the use of an estimated 80,500 single-use utensils and inspired the bank-wide elimination of single-use water bottles.

"Change is possible when passionate people are empowered to take action."

-Quote from City National's 2019 CSR Report

Other Eco-Friendly Objectives

Below are more City National practices that can help make your operations more eco-friendly and cost-effective:

- Automatic shutdown of computers after hours.
- Paying for employee public transportation subsidies to reduce road congestion and emissions.
- Discontinuing the use of styrofoam cups which saves trash liners.
- Replacing bottled water with filtered water systems.
- Provide cleaning crews with non-toxic cleaners and recycled paper supplies.
- Installing motion-sensor lighting.





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Thank you for your engagement with this case study on City National Bank.

This is part of a series of case studies on financial institutions, published by Beneficial State Foundation.

For information about how Beneficial State Foundation can support your bank's corporate social responsibility strategy, **[please click here to contact us.](#)**

