

From Disclosure to Perception: Rethinking ESG Communication Strategies in the Banking Industry

Laetitia Pozniak

Warocqué School of Business and Economics, Mons, Belgium

Margot Heyman

Warocqué School of Business and Economics, Mons, Belgium

Abstract:

In an economic context increasingly shaped by demands for transparency, accountability, and sustainability, non-financial communication has emerged as a strategic imperative for banking institutions. Rooted in Environmental, Social, and Governance (ESG) principles, this form of communication enables banks to demonstrate their commitment to societal and environmental challenges while responding to the expectations of stakeholders such as investors, regulators, and clients.

This study investigates the quality and effectiveness of non-financial communication in the banking sector through a dual analytical approach. The first axis focuses on institutional practices, examining the ESG-related content published on the websites of both traditional banks and neobanks. Using structured evaluation grids, the analysis reveals that traditional banks exhibit a higher level of non-financial communication. This is largely attributed to stronger organizational resources, stricter regulatory pressures, and a deliberate strategy to meet growing stakeholder expectations. Their ESG disclosures are typically more structured and comprehensive, often supported by CSR reports, certifications, and external audits.

In contrast, neobanks demonstrate a significant lag in ESG communication. Their emphasis on technological innovation and user-friendly services often comes at the expense of transparency and sustainability reporting. The regulatory environment for neobanks is generally more flexible, and their commercial positioning tends to prioritize simplicity over societal engagement, resulting in limited investment in ESG visibility.

The second axis of the study explores client perceptions through 16 semi-structured interviews with individuals of diverse profiles. The findings reveal a paradox: while most clients show limited interest in non-financial communication, often due to a general disengagement from banking practices or sustainability issues, they nonetheless express a growing expectation for transparency when responsible practices are implemented. This indicates a latent appreciation for ESG initiatives, provided they are clearly communicated and easily accessible.