

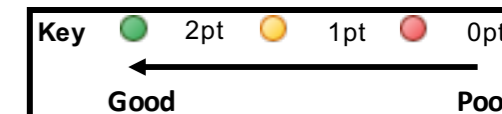
# FORESTS & FINANCE

## Bank Policy Assessment 2018

		ABN Amro	Rabobank	Standard Chartered	Deutsche Bank	BNP Paribas	HSBC	Citigroup	JPMorgan Chase	Credit Suisse	ANZ	SMBC Group	Sumitomo Mitsui Trust	Mitsubishi UFJ Financial	Mizuho Financial	DBS	Morgan Stanley	UOB	OCBC	Bank Negara Indonesia	Nomura	Bank Mandiri	Bank Rakyat Indonesia	China Development	Daiwa	ICBC	Bank of China	BoCOM	CIMB Group	CITIC	Malayan Banking	RHB Banking			
Scope of commitments by financier	Supports the main intl. human and labour rights covenants / frameworks.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●		
	Supports the main intl. forestry and land use covenants / frameworks.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	
	Has publicly available forest-risk commodity sector policies.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	
	Polic(ies) apply to all forms of financial services.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	
	Polic(ies) apply to all relevant investees and clients and their subsidiaries at the corporate group level.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	
Environmental standards for clients	Operations that convert / degrade natural habitat prohibited.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●		
	Operations that drain / degrade peatlands prohibited.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	
	Operations that convert / degrade High Carbon Stock (HCS) forests prohibited.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	
	Operations in/impacting protected areas prohibited.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	
	Companies must identify and protect High Conservation Value (HCV) areas.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	
	Use of fire for land clearing prohibited.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Trading in or harvesting IUCN Red List or CITES species prohibited.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Introduction or use of genetically modified / alien species or harmful pesticides prohibited.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Social standards for clients	Respect for Indigenous and customary land use rights required, including FPIC.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	
	Precautions to protect health and safety of workers and communities required.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Providing access to an effective grievance mechanism required.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Forced, compulsory and child labour prohibited.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Upholding rights to freedom of association, collective bargaining and freedom from discrimination required.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Living wage and compliance with ILO maximum working hours required.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Governance standards for clients	Proof of legality in operations and sourcing required.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	
	Compliance with credible certification schemes required across the client's supply chain.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Publication of geo-referenced concession maps of forest holdings required.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Publication of social and environmental impact assessments required.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Anti-corruption policy required.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Abusive tax arrangements prohibited and publication of full group structure required.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
<b>Total (Max score is 50)</b>	<b>39</b>	<b>39</b>	<b>37</b>	<b>32</b>	<b>31</b>	<b>30</b>	<b>29</b>	<b>28</b>	<b>27</b>	<b>23</b>	<b>22</b>	<b>22</b>	<b>18</b>	<b>16</b>	<b>15</b>	<b>13</b>	<b>11</b>	<b>9</b>	<b>4</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>			



\* This assessment evaluates the policies of some of the top 35 financial institutions that are exposed to the forest-risk sector in Southeast Asia.



# Assessment Scoring Criteria

Criteria		0 pt	1 pt	2 pt
Scope of commitments by financier	Supports the main intl. human and labour rights covenants / frameworks.	Does not support any relevant covenants or frameworks.	Supports three or less relevant covenants or frameworks.	Supports four or more relevant covenants or frameworks.
	Supports the main intl. forestry and land use covenants / frameworks.	Does not support any relevant covenants or frameworks.	Supports four or less relevant covenants or frameworks.	Supports five or more relevant covenants or frameworks.
	Has publicly available forest-risk commodity sector policies.	Does not have a forest-risk sector policy.	Does not have a forest-risk sector policy, but does have ESG guidelines.	Has a forest-risk sector policy.
	Polic(ies) apply to all forms of financial services.	Not clearly described.	Not applied to all forms of investments and financial services.	Explicitly applied to all forms of investments and financial services.
	Polic(ies) apply to all relevant investees and clients and their subsidiaries at the corporate group level.	Not clearly described.	Yes, but relevant client/subsidiary noncompliance does not exclude financing to the corporate group.	Yes, relevant client/subsidiary noncompliance explicitly excludes financing to the corporate group.
Environmental standards for clients	Operations that convert / degrade natural habitat prohibited.	No policy or not explicitly described.	Yes, but with exceptions or only applied to part of the financier's business.	Yes, explicitly prohibited for all client business activities and applied to all of the financier's relevant businesses.
	Operations that drain / degrade peatlands prohibited.	No policy or not explicitly described.	Yes, but with exceptions or only applied to part of the financier's business, or implied by certification requirements.	Yes, explicitly prohibited for all client business activities and applied to all of the financier's relevant businesses.
	Operations that convert / degrade HCS forests prohibited.	No policy or not explicitly described.	Yes, but with exceptions or only applied to part of the financier's business.	Yes, explicitly prohibited for all client business activities and applied to all of the financier's relevant businesses.
	Operations in/impacting protected areas prohibited.	No policy or not explicitly described.	Yes, but with exceptions or only applied to part of the financier's business, or implied by certification requirements.	Yes, explicitly prohibited for all client business activities and applied to all of the financier's relevant businesses.
	Companies must identify and protect HCV areas.	No policy or not explicitly described.	Yes, but with exceptions or only applied to part of financier's business, or implied by certification requirements.	Yes, applies to all business activities and explicitly describes the identification process and protection activities or refers to related standards/initiatives.
	Use of fire for land clearing prohibited.	No policy or not explicitly described.	Yes, but with exceptions or only applied to part of the financier's business, or implied by certification requirements.	Yes, explicitly prohibited for all client business activities and applied to all of the financier's relevant businesses.
	Trading in or harvesting IUCN Red List or CITES species prohibited.	No policy or not explicitly described.	Yes, but with exceptions or only applied to part of the financier's business, or implied by certification requirements.	Yes, explicitly prohibited for all client business activities and applied to all of the financier's relevant businesses.
	Introduction or use of GM / alien species or harmful pesticides prohibited.	No policy or not explicitly described.	Yes, but with exceptions or only part of the financier's business.	Yes, explicitly prohibited for all client business activities and applied to all of the financier's relevant businesses.
Social standards for clients	Respect for Indigenous and customary land use rights required, including FPIC.	No policy or not explicitly described.	Yes, but with exceptions or only applied to part of the financier's business, or implied by certification requirements.	Yes, explicitly required for all client business activities and applied to all of the financier's relevant businesses .
	Precautions to protect health and safety of workers and communities required.	No policy or not explicitly described.	Yes, but with exceptions or only applied to part of the financier's business, or implied by certification requirements.	Yes, explicitly required for all client business activities or implied by adoption of related standards / initiatives and applied to all of the financier's relevant businesses.
	Providing access to an effective grievance mechanism required.	No policy or not explicitly described.	Yes, but with exceptions or only applied to part of the financier's business, or implied by certification requirements.	Yes, explicitly required for all client business activities or implied by adoption of related standards/initiatives and applied to all of the financier's relevant businesses.
	Forced, compulsory and child labour prohibited.	No policy or not explicitly described.	Yes, but with exceptions or only applied to part of the financier's business, or implied by certification requirements.	Yes, explicitly required for all client business activities or implied by adoption of related standards/initiatives and applied to all of the financier's relevant businesses.
	Upholding rights to freedom of association, collective bargaining and freedom from discrimination required.	No policy or not explicitly described.	Yes, but with exceptions or only applied to part of the financier's business, or implied by certification requirements.	Yes, explicitly required for all client business activities and applied to all of the financier's relevant businesses.
	Living wage and compliance with ILO maximum working hours required.	No policy or not explicitly described.	Yes, but with exceptions or only part of the financier's business.	Yes, explicitly required for all client business activities and applied to all of the financier's relevant businesses.
Governance standards for clients	Proof of legality in operations and sourcing required.	No policy or not explicitly described.	Yes, but with exceptions or only applied to part of the financier's business, or implied by certification requirements.	Yes, explicitly required for all client business activities and applied to all of the financier's relevant businesses.
	Compliance with credible certification schemes required across the client's supply chain.	No policy or not explicitly described.	Yes, but with exceptions or only part of the financier's business.	Yes, explicitly required and covers all the financier's relevant businesses.
	Publication of geo-referenced concession maps of forest holdings required.	No policy or not explicitly described.	Yes, but with exceptions or only applied to part of the financier's business, or implied by certification requirements.	Yes, requires publication of maps for all client business activities and covers all of the financier's relevant businesses.
	Publication of social and environmental impact assessments required.	No policy or not explicitly described.	Yes, but with exceptions or only applied to part of the financier's business, or implied by certification requirements.	Yes, requires publication of assessments for all client business activities and describes impact assessment process and prevention activities, or fulfilled by adoption of related standards / initiatives.
	Anti-corruption policy required.	No policy or not explicitly described.	Yes, but with exceptions or only part of the financier's business.	Yes, explicitly required.
	Abusive tax arrangements prohibited and publication of full group structure required.	No policy or not explicitly described.	Yes, but with exceptions or only part of the financier's business.	Yes, explicitly required.