

Particulars**About Your Organisation****Organisation Name**Standard Chartered Bank

Corporate Website Address<http://www.sc.com>

Primary Activity or Product

- Finance
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Related Company(ies)No

Membership

Membership Number	Membership Category	Membership Sector
5-0004-06-000-00	Ordinary	Banks and Investors

Banks and Investors

Operational Profile

1.1 Please state what your main activities are within finance*

- Corporate / Commercial
- Trade Finance
- Retail / Private Banking
- Investment / Equity
- Debt / Capital Markets
- Capital Market Advisory Service
- Other:
FX/ Commodity Risk Hedging solutions

Operations in Palm Oil

2.1 What are the various types of financial services to the palm oil sector provided by your organization?

- Trade Solution
- Lending / Loans
- Treasury Products
- Cash Management Products
- Investment
- Other:
FX/ Commodity Risk Hedging solutions

2.2 What geographic regions do you operate in for the palm oil business?

- Worldwide

Palm Oil Policy

3.1 Does your organization have a lending or investment policy on palm oil? If so please submit a copy as a pdf?

Yes

Uploaded files:

- [F-Lending-Policy.pdf](#)

3.2 Which sub-sectors does your palm oil policy cover?

- Traders
- Processors

3.3 Does the policy on palm oil make specific reference to RSPO certified sustainable palm oil and/or RSPO certification?

Yes

3.3.1 Do you require your customers to be RSPO members?

No

3.3.2 Do you require your customers to have a public Time-Bound Plan for 100% RSPO certification?

No

3.4 What measures do you take if a client is not meeting the requirement of your policy on palm oil?

As part of Standard Chartered's commitment to help our clients towards higher standards of sustainable development, our Relationship Managers supported by internal environmental and social specialists, and independent consultants as required, will work closely with clients who do not currently meet the standards set out in our Palm Oil Position Statement, to develop a time-bound action plan for compliance and to monitor the client's progress against that plan. In cases where clients are unable or unwilling to comply with our requirements or agree to an action plan to address gaps with our requirements, we will terminate the relationship.

3.5 Do you proactively engage with your customers to support and ask them to join the RSPO?

Yes

Time-Bound Plan**4.1 Do you have, or do you plan to develop a policy that calls for 100% of your palm oil customers to be RSPO members?**

Yes

4.2 When do you expect to require 100% certification for growers?

2025

Comment:

Based on our internal review, 2025 should give all our grower clients sufficient time to fully certify their current operations.

4.3 When do you expect to require 100% certification for other sectors?

2025

Comment:

Based on our internal review, 2025 should give all our other sector clients sufficient time to fully certify their current operations.

4.4 Which countries that your institution operates in do the above commitments cover?

- Applies Globally

4.5 What other commitments & activities have you undertaken in the reporting year to promote CSPO?

We continue to be actively involved in the Financial Institutions Task Force (FITF), which meets regularly and supports initiatives to promote the awareness of RSPO. We are also in regular dialogue with the regional banking regulators, including ABS and OJK, to promote responsible lending. We have also joined the Banking Environment Initiative (BEI) Soft Commodities Compact, which aims to achieve zero net deforestation by 2020.

GHG Emissions**5.1 Are you currently assessing the GHG emissions from your operations?**

Yes

Do you publicly report the GHG emissions of your operations?

Yes

www.sc.com/en/resources/global-en/pdf/annual_reports/annual_report_2015_sustainability_summary.pdf

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Yes

www.sc.com/en/resources/global-en/pdf/annual_reports/annual_report_2015_sustainability_summary.pdf

Actions for Next Reporting Period

6.1 Outline actions that will be taken in the coming year to promote CSPO along the supply chain:

We will continue to apply the Bank's policies and procedures for all our palm oil industry clients. We participate actively in delivering the objectives of the BEI Soft Commodities Compact alongside the other member-banks of the BEI. This includes developing ways to encourage the trade of sustainably-produced palm oil, primarily through the Sustainable Shipment Letter of Credit. We are also working with ABS to implement their Responsible Lending Guidelines published in Oct 2015, by engaging with local and regional banks to build awareness and capacity.

Reasons for Non-Disclosure of Information

7.1 If you have not disclosed any of the above information please indicate the reasons why

Application of Principles & Criteria for all members sectors

8.1 Regarding your investment policies, do you have position statements and/or policies related to dealings in the palm oil industry that are in line with RSPO P&C, such as:

- Water, land, energy and carbon footprints
[F-Policies-to-PNC-waterland.pdf](#)
- Land Use Rights
[F-Policies-to-PNC-landuseright.pdf](#)
- Ethical conduct and human rights
[F-Policies-to-PNC-ethicalconducthr.pdf](#)
- Labour rights
[F-Policies-to-PNC-laborrights.pdf](#)
- Stakeholder engagement
[F-Policies-to-PNC-stakeholderengagement.pdf](#)

8.2 What steps will your organization take to realize ethical conduct using business-applicable regulations and industry practices?

As set out in our Human Rights Policy, we respect human rights in our operations and adhere to relevant international and local legal obligations in the countries where we operate. Human rights are taken into account in our procurement decisions, as set out in our Supplier Charter. We also consider human rights in our financing decisions guided by our Position Statements, which address the rights of workers and communities in relation to sectors with specific risks, as well as specifically covering Children's Rights. We are working through the Thun Group of Banks and the UNEP FI network to achieve consensus and promote best practice on human rights due diligence within the financial services industry.

8.3 Do you provide financial or other incentives for companies that are RSPO member and have a time bound plan?

No

Please explain why:

We have joined the BEI which is working to develop incentives to promote the growth of sustainably produced commodities, including for palm oil. As discussed in Q6.1, BEI is trying to encourage the trade of sustainably-produced palm oil via the deployment of the Sustainable Shipment Letter of Credit, which references RSPO as the benchmark.

8.4 How does your organization benchmark the progress of its partners and/or clients in palm oil against its ESG criteria?

We have developed sector-specific environmental and social risk assessment (ESRA) tools for clients and certain transactions, which include a series of questions regarding a client's operations and ability to manage environmental & social risks. ESRA's help us assess a client's performance against industry peers, build a long-term view of their ability and capacity to manage E&S risks and associated challenges, and compliance with our position statement. It includes consideration of our clients' track record in complying with relevant laws and regulations along with their E&S management systems, and their plan and strategy for reducing greenhouse gas emissions and water conservation and pollution. In cases where we are not satisfied with the information that was provided, we will on an ad hoc basis request for an audit by an independent assessor. We also conduct regular outreach to clients as well as portfolio reviews as required.

Concession Map

9.1 This questions only applies for companies who would like to declare concession boundaries owned. (both RSPO Certified and uncertified)

Do you agree to share your concession maps with the RSPO?

No

Please explain why

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Challenges

1 What significant economic, social or environmental obstacles have you encountered in the production, procurement, use and/or promotion of CSPO and what efforts did you make to mitigate or resolve them?

We have engaged our clients to ensure that they are meeting the RSPO membership rules and requirements and noted that some of these can be better articulated, clarified, enhanced and enforced. We will continue to discuss with RSPO via FITF to ensure that RSPO and RSPO certification become more robust, thorough, equitable and transparent, including to publish names of members who failed to meet RSPO requirements so that we can engage our clients, if any, to encourage compliance.

2 How would you qualify RSPO standards as compared to other parallel standards?

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Cost Effective:

Yes

Robust:

Yes

Simpler to Comply to:

No

3 How has your organization supported the vision of RSPO to transform markets? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

Standard Chartered is an active member of the RSPO FITF. Through knowledge sharing and exchange, we aim to encourage other financial institutions, especially the local banks, to join the RSPO.

4 Other information on palm oil (sustainability reports, policies, other public information)

1. Palm Oil Position Statement (https://www.sc.com/en/resources/global-en/pdf/sustainability/Palm_Oil_Position_Statement.pdf) 2. Integrated Annual Report 2015 (https://www.sc.com/en/resources/global-en/pdf/annual_reports/annual_report_2015_full_report.pdf) 3. SCB Sustainability Summary (https://www.sc.com/en/resources/global-en/pdf/annual_reports/annual_report_2015_sustainability_summary.pdf) 4. SCB Environmental and Social Risk Management Framework (https://www.sc.com/en/resources/global-en/pdf/sustainability/Environmental_and_Social_Risk_Assessment.pdf)