



# Time for change:

Delivering  
deforestation-free  
supply chains



A photograph of a man in a forest, looking up, with a large circular graphic overlay containing the word 'Contents'. The man is shirtless, wearing a necklace and a wristband, and has a tattoo on his chest. The forest is lush with green foliage. The circular graphic is split into two halves: the left half is a light gray circle with the word 'Contents' written vertically in a dark blue font, and the right half is a solid dark gray circle.

# Contents



# Executive Summary

There is no solution to the growing climate and nature crisis the world faces without a solution to deforestation. Currently, two thirds of tropical deforestation is driven by agricultural expansion to produce commodities such as soy, palm oil, timber, and beef<sup>1</sup>.

Over the last decade leading companies, financial institutions and governments took on ambitious commitments to address deforestation in their supply chains and financing by 2020.

But by the start of 2020 – the year the problem was to have been all but resolved – even the leaders have fallen well short of their targets, and tropical primary forest loss had increased by 44%<sup>2</sup> since the signing of the landmark New York Declaration on Forests, announced by the Secretary General at the UN General Assembly in 2014.

Since that time, Forest 500 has annually assessed the 500 most influential companies and financial institutions in key forest-risk supply chains on the strength and implementation of their voluntary commitments and policies to address deforestation, including their reporting on progress.

## Key findings

**43%** of the Forest 500 companies and financial institutions do not have any deforestation commitments for any of the forest-risk commodities they are exposed to.

The finance sector is particularly lagging behind, 63% of the 150 assessed by Forest 500 do not have any deforestation policies. And 81% (122/150) have not published a deforestation policy covering all four high-risk commodity groups.

**\$2.7 trillion**

of financing into the most influential high-risk companies comes from Forest 500 financial institutions with no deforestation policy.



# 43%

of companies and financial  
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not have deforestation  
commitments

## Key findings continued

While 66% of the 350 companies assessed have at least one deforestation commitment, only **25%** have published a deforestation commitment for all of the high-risk commodities they are exposed to.

**34%** of companies with at least one deforestation commitment have not reported on their progress towards the commitment in the last two years.

2021 can be a decisive year for action on market driven deforestation - despite the recent failure of the private sector to achieve the high-profile 2020 global goals.

The Forest 500 assessment finds that 43% of the 500 companies and financial institutions in forest-risk supply chains do not have a commitment on deforestation.

There is momentum behind due diligence legislation to address market-driven deforestation in major markets. This is vital and is in the interests of companies that have led the way through voluntary action as it creates a level playing field, raising the bar for the poorest performing companies.

Financial institutions also have huge influence over the global supply chains driving deforestation. Yet the great majority – including some who make high-profile claims to be leaders on climate change – have remained silent on this issue.

\$2.7 trillion of financing into the most influential high-risk companies comes from Forest 500 financial institutions with no deforestation policy.



**Global Canopy calls on:**

- Exposed financial institutions and companies, as an absolute minimum to publish a strong deforestation policy or commitment covering all of their exposure to deforestation by the end of 2021. Those in the Forest 500 that position themselves as leaders on climate change at meetings like the forthcoming Climate Summit (COP26), cannot be taken seriously if they have no policy on deforestation.
- Those with policies already in place to focus on robust engagement with portfolio companies and suppliers, with the threat of divestment or exclusion for those not making progress.
- Consumer governments to introduce due diligence laws, recognising that existing proposals need to be strengthened and accelerated. Due diligence legislation needs to have clear requirements and sanctions; covering standardised reporting, conversion of all ecosystems, human rights, and the finance sector.

## Context

2020 was the year in which deforestation should have been eliminated from the production of agricultural commodities such as palm oil, soy, beef and paper, in line with a set of ambitious global deforestation goals.

### 2020 global deforestation goals

Over the last decade, several major collective commitments were made by companies, financial institutions and governments aiming to eliminate commodity driven deforestation by 2020. Many individual organisations followed suit and set their own goals aiming for the same date. A few of the key initiatives are:

- The New York Declaration on Forests (NYDF) signed by over 200 governments, companies, financial institutions and NGOs includes ten goals. Goal 2 aimed to “eliminat[e] deforestation from the production of agricultural commodities such as palm oil, soy, paper, and beef products by no later than 2020”<sup>3</sup>.
- The Consumer Goods Forum (CGF) deforestation resolution, made on behalf of their 400 members, aimed to “achieve zero net deforestation by 2020 in key commodity sectors (soy, palm oil, paper & pulp/timber and beef)”<sup>4</sup>.
- The Amsterdam Declarations of seven countries aimed to support the “private-sector goal of zero net deforestation and, in particular, the commitments expressed in the New York Declaration on Forests” to support “the private sector commitment for a fully sustainable palm oil supply chain by 2020”<sup>5</sup>.
- The Banking Environment Initiative’s Soft Commodities Compact signed by 12 global banks aimed to “help transform soft commodity supply chains and help the banks’ clients (companies) achieve zero net deforestation by 2020”<sup>6</sup>.





# 63%

of financial institutions with the greatest influence on deforestation have not published a deforestation policy.

Yet two thirds of tropical deforestation is still linked to forest-risk commodities. The past two years of surging fires in the Brazilian Amazon have seized global attention. Deforestation in the Amazon has now reached a level not seen since 2008<sup>7</sup>.

The companies and financial institutions with the greatest influence on tropical deforestation have shown that they are still either unable or unwilling to act with the urgency required to halt commodity-driven deforestation.

Nearly half, 43% (215/500), of the companies and financial institutions assessed by Forest 500 do not have a publicly available deforestation commitment for any of the forest-risk commodities they are exposed to. Those that do have commitments struggle to implement them, and progress is inconsistent and unclear.

The finance sector in particular is lagging behind. While some financial institutions are becoming more vocal on this issue<sup>8</sup>, 63% (95/150) of those with the greatest influence on deforestation have not published a deforestation policy for their financing activities.

### There is some cause for optimism post-2020.

Many companies have made some progress over the seven years of Forest 500 assessments. And a smaller group continue to lead the way by engaging with their peers, suppliers and portfolio companies like never before through new initiatives, like the Forest Positive Coalition<sup>9</sup>. Leading companies are now even calling for mandatory due diligence laws to level the playing field<sup>10</sup>.

Leaders in the finance sector continue to build collective capacity and engage via initiatives under the UN Principles for Responsible Investment<sup>11</sup> and Ceres<sup>12</sup>. Some have gone further, collectively engaging with the Brazilian government on concerns about the level of deforestation in the Amazon, and forming an ambitious new Investors Policy Dialogue on Deforestation Initiative<sup>13</sup>. Others have supported moves to establish a Taskforce for Nature-related Financial Disclosure (TNFD), recognising the material risk represented by the destruction of nature.





## The Taskforce on Nature-related Financial Disclosures (TNFD)

Building on the Task Force on Climate-related Financial Disclosures (TCFD), the initiative to bring together an equivalent for nature – a TNFD<sup>14</sup> – rapidly gained interest in the second half of 2020. Its Informal Working Group has 73 members, including over 40 financial institutions from across five continents. In its first year, the TNFD aims to develop a draft framework for nature-related reporting,

which is then planned to be tested and refined in year two, leading to launch and dissemination from mid-2023 onwards.

Standardised reporting on nature-related risks will improve transparency and accountability linked to deforestation, and both enable and incentivise financial institutions to deliver on zero deforestation commitments. Initially, aligning with the TNFD's reporting framework is expected to be voluntary, but over time reporting in line with TNFD recommendations could become mandatory.

The transparency of notoriously complex supply chains linked to deforestation is also improving. New tools like trase.finance, which tracks over a trillion dollars in investment and lending linked to deforestation, help to increase accountability for financial flows. Lack of access to data can no longer be an excuse for inaction.

Going into 2021, political momentum is strong. Deforestation is increasingly understood to be central to resolving both the climate and nature crises. As such, it is high on the agenda for the UN Climate Summit (COP26) at the end of the year.

Meanwhile the UK government has announced plans to introduce due diligence legislation in the forthcoming Environment Bill<sup>15</sup>, and in the European Union, the Commission is working towards regulatory measures which may include mandatory due diligence for companies exposed to deforestation in their supply chains.

### Time for change in 2021

There is a real opportunity to make 2021 a year of decisive progress. Global Canopy believes it would be unproductive to extend the strategies that characterised the long



run up to 2020. A purely voluntary approach has failed. It is time for change.

Our analysis suggests that there are two critical levers to accelerate progress: a move from rhetoric to action by the finance sector, and mandatory due diligence legislation.

Both would help to force action by the many high-risk companies that have remained below the radar. This is essential if we are to move beyond positive action by a small number of leaders towards the systemic change necessary to help eliminate deforestation.

## Forest 500 assessments

Forest 500 assesses companies and financial institutions on the strength and implementation of their voluntary commitments and policies to address deforestation, including their reporting on progress.

Since 2014, Forest 500 has identified the 350 most influential companies in forest risk commodity supply chains and the 150 financial institutions that provide the most finance to those companies, and annually assessed them on their publicly available<sup>14</sup> commitments and policies to tackle deforestation in their supply chains or portfolios. They are assessed against more than 20 indicators per commodity each

year, aligned with the principles and guidance of the Accountability Framework<sup>17</sup>. The whole database, containing over a million data points spanning seven years of assessments, can be explored and downloaded at [Forest500.org](https://Forest500.org).

Companies are expected to set and implement clear commitments on how they will address deforestation risks and social and human rights issues in their supply chains, while financial institutions' policies should set out how they will address these in their portfolios. Both are expected to include a clear timeframe and progress reporting for their commitments.

This report pulls out a snapshot of the entire database and highlights key findings from the latest assessments, as well as a series of conclusions and recommendations for the year ahead.

Global Canopy is now working closely with partners that conduct complementary assessments to align and connect our datasets, resulting in even wider and deeper coverage of companies and financial institutions. This unified dataset will be aligned with the sector-leading guidance of the Accountability Framework Initiative<sup>18</sup>, and will be a resource that can be drawn upon to improve mainstream ESG ratings, which remain weak on deforestation and biodiversity.







# Report Findings

In 2020, 63% (95) of financial institutions had not published any deforestation policies for their financial portfolios, and 34% (120) of companies didn't have a deforestation commitment, showing very little progress since the 2019 Forest 500 assessments<sup>19</sup>.

## Financial institutions failing to act on deforestation

The majority of banks, asset managers, pension funds, and insurance companies that provide the most finance to companies in forest-risk supply chains have so far failed to act on the risks related to funding deforestation.

These financial institutions provide over \$5.5 trillion of finance to the 350 most influential companies in forest risk supply chains – a powerful lever for change. By using their influence they could play a transformational role in achieving deforestation-free supply chains.

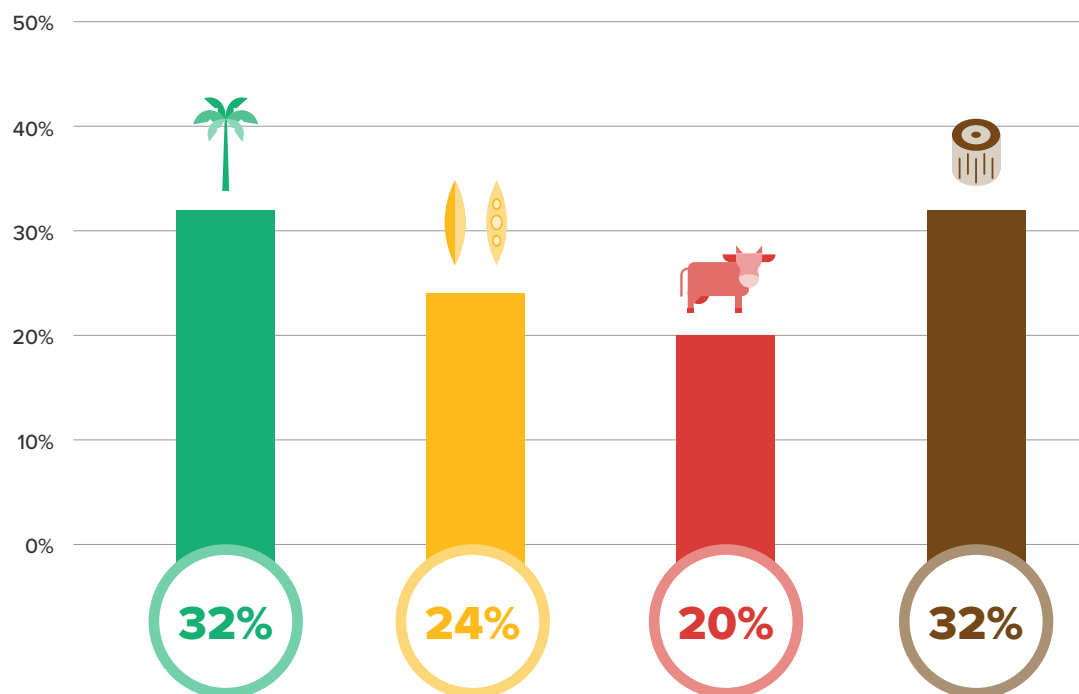
## Financing policies

Of the 150 financial institutions assessed, 63% (95/150) have not published a deforestation policy<sup>20</sup> for any of the key forest-risk commodities for their financing activities, including Bank of China, BlackRock, and Legal & General.

While 32% of financial institutions had at least one commodity-specific policy in 2019, in 2020 this had increased to only 37%.

As a minimum, financial institutions should publish commodity-specific policies that cover at least the key forest-risk commodities: palm oil, cattle products, soy and timber products. While some of the financial institutions have policies for individual commodities, the Forest 500 assessments found that 81% (122/150) have not published a deforestation policy covering all four high-risk commodity groups.





**Graph 1:** The percentage of financial institutions with deforestation policies for each high-risk commodity.

Out of the four commodities assessed, financial institutions are least likely to have a deforestation policy covering their investments in activities linked to cattle (20%) or soy (24%) – even though cattle ranching is the biggest driver of tropical deforestation globally<sup>21</sup>.

Despite the overall slow progress, 22 financial institutions have published a new commodity-specific deforestation policy since the last annual assessment. Most of these were for timber (14), followed by palm oil (10) and soy (9), and cattle products (4).

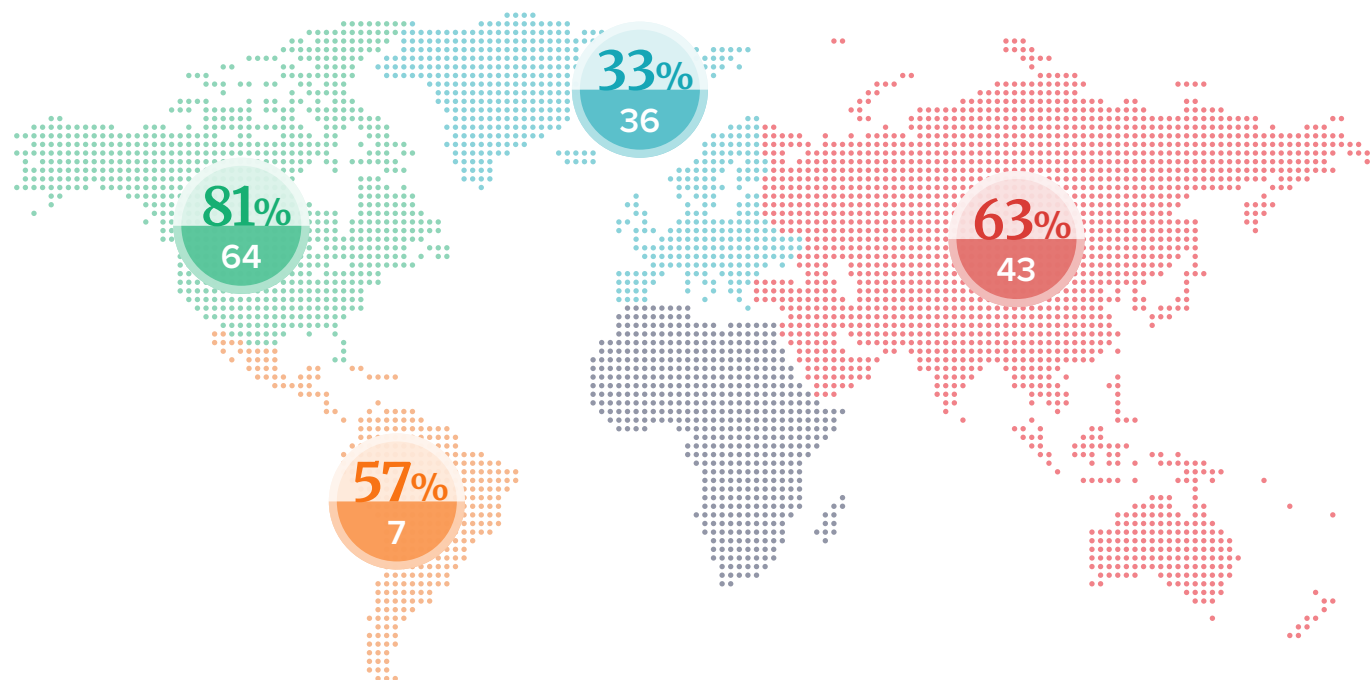
Financial institutions need to publish a policy to lay out their strategic commitment to removing deforestation from all of their investments and lending. By establishing an overarching policy that covers all commodities, financial institutions ensure that they are taking a systematic approach across their portfolios, and send a clear message to companies that deforestation is not acceptable.

Only 36 of the 150 financial institutions have an overarching policy including Barclays, Credit Suisse, and Norges Bank Investment Management. While this does not mean their financing activities are currently deforestation-free, it is a critical step in the right direction.

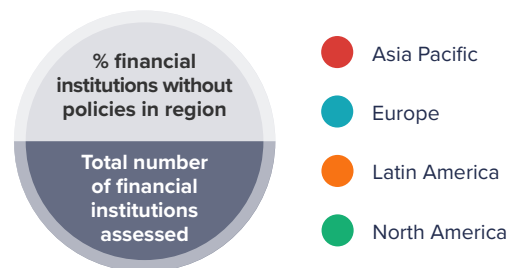
In 2020, only one financial institution, Italian financial service group UniCredit, published a new overarching deforestation policy that also specifically applies to all four commodities, although it only applies to transactions which are directly linked to rainforests – not all transactions.

It is clear that the majority of the 150 financial institutions are not taking a systematic approach and are putting policies in place on an opportunistic basis, looking only at one commodity at a time, rather than taking a holistic view of deforestation risk.





**Map 1:** The proportion of financial institutions headquartered in each region with no deforestation policies for any of the high-risk commodities.



## Implementing policies

There is still a marked absence of policy coverage across the finance sector, and the rate of progress does not match up to the urgency of the nature and climate crises. Policies are also only the first step, policies need to be effectively implemented and progress transparently reported.

To make a meaningful difference, financial institutions must set about systematically implementing their policies. This includes embedding this policy in their products and processes, including loan and bond covenants, Know Your Client procedures, and fund mandates. Similarly, financial institutions need to monitor the companies in their portfolios for their strategies and to check progress towards deforestation-free commodities. This will provide essential information about compliance with the financial institution's policy.

Financial institutions should set a process for engaging with companies that have not set or not achieved deforestation commitments, and actively report on outcomes of engagement and rates of compliance in their financial portfolios.

### *Monitoring, engaging and reporting*

Of the 55 financial institutions with at least one deforestation policy, almost a fifth (16%) including Goldman Sachs, Standard Life Aberdeen, and BTG Pactual have failed to publish a process describing how they identify and deal with non-compliance in their financial portfolios.

Monitoring their portfolios for compliance with their policies enables financial institutions to identify and engage companies which may be linked to deforestation, and encourage them to make and implement deforestation commitments. In cases of repeated non-compliance, this process should lead to sanctions including divestment.

Of the 55 financial institutions with a commodity-specific deforestation policy, 56% (31) reported on compliance within their financial portfolios. But for the other 44% (24) financial institutions, it is impossible for external stakeholders to assess whether policies are being implemented.

### *Issues of non-implementation*

Our data shows that some of the financial institutions with deforestation policies are continuing to finance companies that have not published deforestation commitments, leaving them exposed to financial and reputational

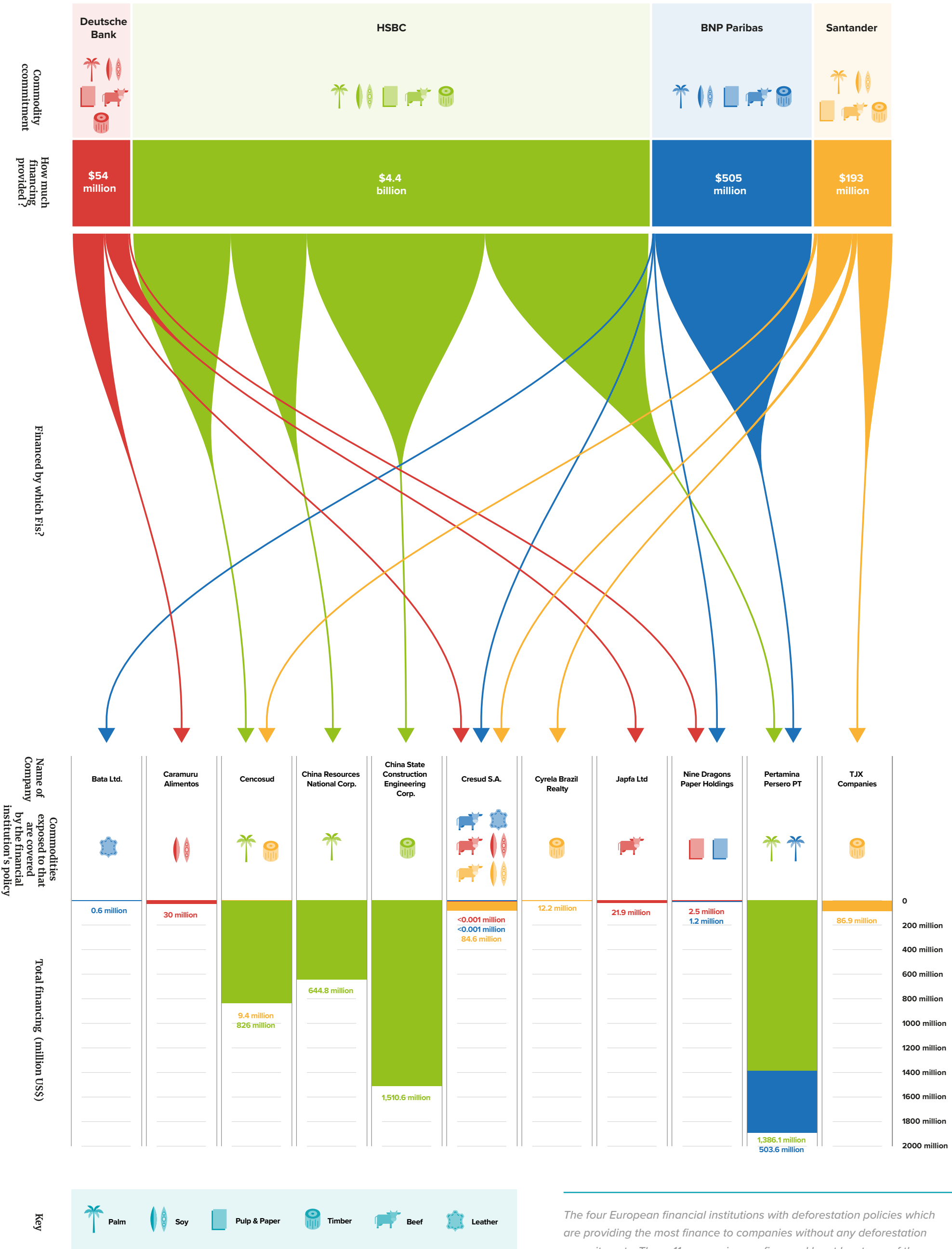
risk. Companies with commitments still need to be monitored by financial institutions to ensure that they are effectively implementing and making progress, but companies that do not even have a commitment are clearly lagging behind.

HSBC, Santander, Deutsche Bank, and BNP Paribas all have some commodity-specific deforestation policies for their financial portfolios, but also provide the largest amount of finance to Forest 500 companies which have not published any deforestation commitments.

As these financial institutions do not report on implementation, rates of compliance, or engagement and outcomes for all companies and commodities covered by their policies, it is unclear whether they have raised this issue with every exposed company, or whether they are simply failing to implement their commitments. Financial institutions need to engage all companies in their financial portfolios that have high exposure to deforestation risk – including those with deforestation policies – to ensure they are acting on deforestation. Reporting on all actions that they are taking is key in demonstrating that they are systematically implementing their policies across all exposed companies, and demonstrating the progress they are making towards their policies.



Banks with policies financing companies exposed to deforestation



## Companies are still failing to address deforestation across their supply chains

### Deforestation commitments

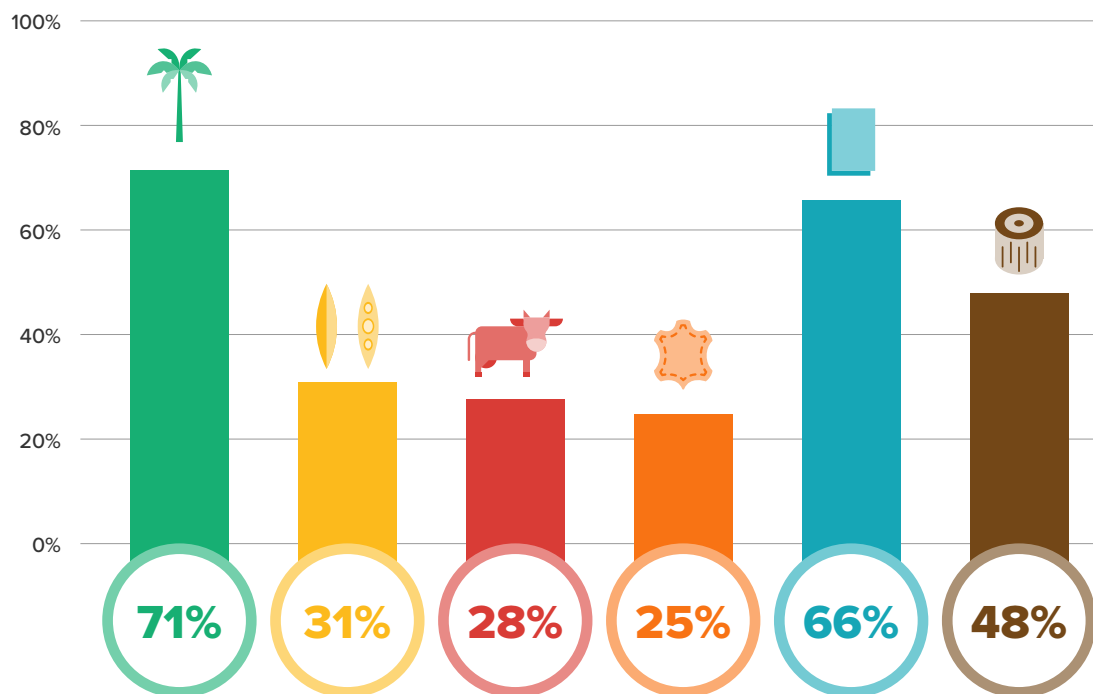
At the end of 2020, our analysis finds that 120 (34%) of the most influential companies in forest risk supply chains still do not have any deforestation commitments<sup>23</sup> for any of the high-risk commodities they are exposed to through their supply chains.

This means that a third of the companies with the largest exposure to tropical deforestation are still failing to take the first step to achieve deforestation-free supply chains; including Groupe Savencia S.A. (which manufactures dairy products including St Agur, Coeur de Lion and the Brazilian snack cheese, Polenghi), Groupe Lactalis (owners of Président, Rachel's Organic and Parmalat), Capri Holdings (owner of Versace, Jimmy Choo and Michael Kors), and Yakult Honsha Ltd (which makes Yakult yoghurt drinks).

And most of the companies with commitments are not addressing the risk of deforestation across all of their high-risk forest commodity supply chains for palm oil, soy, timber, pulp and paper, beef, and leather. A quarter of the 350 companies (87) have published a deforestation commitment for all of the high-risk commodities they are exposed to - including Unilever, Marks and Spencer, and Colgate-Palmolive. Of those that have, less than half (41) are only exposed to one of these commodities.







**Graph 2:** The percentage of companies with deforestation commitments for each high-risk commodity.

Companies are most likely to have commitments for palm oil (71%) and timber (66%), followed by paper (48%). Far fewer companies have commitments for soy (31%), beef (28%), and leather (25%).

Despite increased awareness of the influence of cattle products (beef and leather) and soy production on deforestation in recent years, action on these three commodities continues to lag behind – as it has done since the first Forest 500 assessment in 2014.

Overall, 33 companies have made at least one new deforestation commitment since 2019. Six companies (17%), including Tyson Foods, RELX Group, and Brazilian beef company, Frialto, made a new commitment for all of the commodities they are exposed to.

Twenty companies introduced new policies for at least one commodity, but are still exposed to other forest-risk commodities which are not covered by commitments. For example, Starbucks introduced a new commitment for pulp and paper, but the company has failed to make a commitment for soy, despite using millions of gallons of milk a year. Soy is a major component of the animal feed used in dairy production.

Without having deforestation commitments for all of the forest-risk commodities they are exposed to, companies cannot be reliably addressing all of the deforestation linked to their sourcing. Companies need to systematically address their exposure to tropical deforestation, starting by making commitments for all forest-risk commodities. But the majority have shown that they are unwilling to do so on a voluntary basis.



# 130

companies in the Forest 500  
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## Spotlight: indirect soy

130 companies in the Forest 500 are exposed to deforestation-risk through their use of animal products that contain hidden soy.

Soy is a common ingredient in animal feed, and so soy is embedded in the production of meat, fish, dairy and egg products. Some of these companies may also use soy directly as an ingredient in products like chocolate and biscuits, but the volumes are relatively small in comparison to the use of indirect soy. Therefore we assess companies on whether their deforestation commitments apply to all soy in their supply chains.

Only 27 (21%) of the companies indirectly exposed to soy through their purchase of dairy or meat products had a deforestation commitment which explicitly includes indirect soy, including Aldi Group, Restaurant Brands International (owners of Burger King), and Nestle.



This means that 103 companies, including Dunkin' Brands (owner of Dunkin' Donuts and Baskin-Robbins), Yildiz Holding (owner of McVities biscuit manufacturer, United) and Kraft Heinz (manufacturer of salad cream, ketchup and tinned foods), are not recognising their links to deforestation through soy used in animal feed.



1%

of companies have  
commitments for all criteria  
across commodities.

### Social commitments

Companies in forest-risk commodity supply chains also face the risk that their supplies may be linked to human rights abuses, which often occur alongside deforestation.

Because of these related risks, Forest 500 also assesses companies on their commitments to address and protect human rights in their supply chains.

The assessment criteria focus specifically on labour rights, gender rights, the Free, Prior and Informed Consent (FPIC) of local communities affected by agricultural expansion, the inclusion of smallholders in supply chains, and whether or not the company commits to provide remediation for any harms associated with deforestation.

Our assessment shows that the majority of companies do not have public commitments to address human rights issues in their forest-risk supply chains, with 99% of companies failing to make comprehensive commitments across all commodities and all issues.

Companies including Samsonite International S.A., Yakult Honsha Co. Ltd., and Domino's Pizza Inc. haven't made any commitments on social issues.

Of the 350 companies assessed, only 23 (7%) scored for all of the criteria for at least one of the commodities they are exposed to.

Just three companies (1%) had commitments covering the five issues for all of their commodities – though all are assessed for only one commodity.

### Commitment implementation and reporting

Deforestation commitments must be implemented if they are to drive progress towards deforestation-free supply chains.

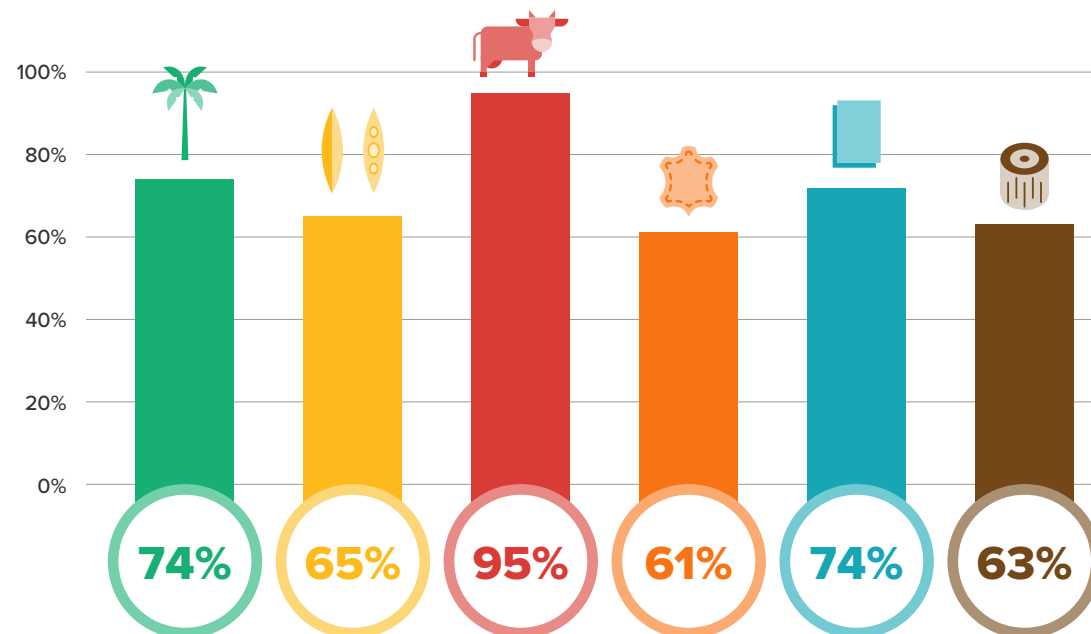
#### *Monitoring compliance*

Monitoring to check compliance with their deforestation commitments enables companies to ensure that their commitments are achieved.

While upstream companies (producers and processors) need to monitor their own operations, plantations, or processing facilities for compliance with their commitments, downstream companies (traders, manufacturers, retailers) need to monitor the control systems of their suppliers for assurance that their sourcing in turn is in line with the buyer's commitments.

Only 68% (150) of the 221 downstream companies with at least one deforestation commitment described a process to monitor their suppliers for compliance across the relevant commodities. This means 71 of the companies with the greatest exposure to tropical deforestation do not commit to check whether their suppliers are operating in line with all of their commitments, including Adidas Group for leather, Kraft Heinz for palm oil, and Yum! Brands Inc. for soy.

*Graph 3: The percentage of downstream companies (traders, manufacturers, and retailers) with deforestation commitments which monitor their suppliers for compliance, broken down by high-risk commodity.*







Only  
46%

reported on their  
progress for  
deforestation-free  
beef

#### *Reporting on commitments*

Transparency on whether a company is making progress in delivering on its commitments allows downstream companies in the same supply chain, investors and lenders, and other stakeholders such as civil society to hold companies to account for their commitments. It also allows customers and financial institutions to monitor and implement their own commitments and policies.

We found that only 66% (152/230) of companies with a deforestation commitment had reported on their progress towards all of their deforestation commitments in the last two years.

Reporting rates were lower for beef and leather. Only 26% (5/19) of companies with commitments reported on their progress to deforestation-free leather, and only 46% (11/24) did so for beef. In comparison 91% (128/140) of companies reported on their progress for palm oil.

Just over half of companies (129/230) verified their reporting through an internal traceability mechanism, certification scheme, or third-party audit, for all of their deforestation commitments. Verification was particularly low for beef, leather, and soy.

While it is promising that two thirds of companies with a deforestation commitment are voluntarily reporting, 34% (78) of companies with commitments are failing to be transparent about their progress towards any of their commitments.

Those which are reporting do not do so uniformly. It is not always clear how close a company is to achieving its commitment, or possible to compare progress between companies or commodities. Standardised and publicly available information on progress across companies is vital for downstream companies and financial institutions which need to use company reporting to understand their own exposure, implementation and progress.



# Time for change

## Defunding deforestation

The finance sector is waking up to climate risks<sup>24</sup>, but there is no solution to climate change which does not include eliminating deforestation. With greater transparency on financial flows as well as supply chain links, lack of data is no longer an excuse for inaction. In this context, having a strong policy on deforestation is a minimum requirement for financial institutions to begin tackling this issue and to be taken seriously on the climate and nature crisis.

Yet the majority of financial institutions are silent on this issue. Four of the world's five biggest asset managers – BlackRock, Vanguard, State Street and Fidelity Investments – which provide US\$1.1 trillion to the most influential companies in forest risk supply chains – still have no policy in place to tackle this problem in their portfolios<sup>25</sup>.

They are not alone. Of the 150 financial institutions with the greatest influence on tropical deforestation, 95 are still without a single deforestation policy. Of the 235 investors that signed a strongly-worded call to action after the dramatic Amazon fires of 2019, 202 have still not published any deforestation policies<sup>26</sup>. To avoid greenwashing, these investors need to rapidly put in place policies and report on the action and engagement they are taking on deforestation.



## The top 10 financiers without deforestation policies

The top 10 financial institutions without deforestation policies that provide the most financing to the 350 most influential companies in forest-risk supply chains.

Financial institutions without deforestation policies	HQ Country	Total amount of funding given to 350 companies
Vanguard	USA	US\$ 417.7 billion
BlackRock	USA	US\$ 394.1 billion
State Street	USA	US\$ 209.5 billion
Wells Fargo	USA	US\$ 148.7 billion
Capital Group	USA	US\$ 111.6 billion
Fidelity Investments	USA	US\$ 106.7 billion
Royal Bank of Canada	Canada	US\$ 77.0 billion
T. Rowe Price	USA	US\$ 72.9 billion
Northern Trust	USA	US\$ 67.8 billion
Geode Capital Holdings	USA	US\$ 65.8 billion

Together, the 95 financial institutions without any public policies on deforestation provide \$2.7 trillion dollars in financing to the world's most influential companies in forest-risk supply chains. A great majority of the world's largest financial institutions are ignoring this critical issue.

## The need for strong deforestation policies

Deforestation policies from financial institutions are important because they:

- Send a clear signal to the market and to companies that the financial institution is committed to action on deforestation as a strategic priority.
- Encourage a systematic approach to engagement and risk assessment across their entire portfolio – not just focusing on a few high-profile companies or regions.
- Provide clarity on their expectations of companies and their approach to engagement.

Financial institutions must then implement their deforestation policies throughout their portfolios, including by:

- Monitoring companies in their financial portfolios for compliance and progress
- Engaging with the companies taking too little action, or taking action too slowly, and
- Divesting from non-compliant companies who have failed to take action following engagement.

Policies are not sufficient without effective implementation throughout portfolios. But they are a necessary statement of strategic intent – not only to those they invest in and lend to, but also to governments in countries where rates of deforestation are accelerating.

One fifth of the financial institutions with the greatest influence on tropical deforestation, including Rabobank and UBS, have set policies for all of the key forest-risk commodities.

Once strong policies have been adopted, they must be implemented. Financial institutions can use their unique leverage to influence companies to improve practices and eliminate commodity-driven deforestation – this includes due diligence and onboarding of new clients and engaging with existing portfolio companies.

## Due diligence legislation

While some leading companies continue to make progress towards voluntary commitments, seven years of Forest 500 assessments have shown that legislation is now an essential next step to achieve systemic change.

Some consumer governments are already starting to look at how they can use legislation to reduce their impact on deforestation overseas. In the European Union, the Commission is working towards regulatory measures for companies exposed to deforestation in their supply chains, and the UK government has announced plans to introduce due diligence legislation in the forthcoming Environment Bill.

Such measures would mean that companies operating in the UK and potentially the EU would need to monitor, mitigate and report on the risks that they are sourcing commodities linked to deforestation.



The Forest 500 assessment of voluntary policies and commitments has shown that the devil will be in the detail.

### To be effective legislation needs to:

1. **Require standardised reporting**
2. **Include all forms of deforestation**
3. **Include human rights**
4. **Apply to financial institutions**
5. **Have sanctions for non-compliance**

For the poorest performers, due diligence legislation would force them to identify their exposure to deforestation, and to take the first steps to address this.

For the leaders, there is an opportunity to advocate for change. Many will already be taking the steps that mandatory due diligence will require, and legislation will ensure that their peers are required to follow suit, beginning to level the playing field.

Leading financial institutions should add their voices to growing calls for mandatory due diligence. Legislation for companies would ensure greater access to data for financial institutions trying to implement and monitor their own policies.

They should also join calls for legislation to cover the finance sector. Due diligence legislation is needed to drive sector-wide change, and bring those financial institutions without any policies up to a common baseline, levelling the playing field across the financial sector.

But to drive change across all sectors, other markets also need to act. While the EU market is important (the EU is the second biggest market for forest-risk commodities from tropical countries), the agricultural commodity trade is global.

Of the companies headquartered in the EU and UK, 85% (69/81) had a deforestation commitment for at least one of their commodities, while only 23% (6/26) of those headquartered in China, the largest market for forest-risk commodities, had a deforestation commitment.



## Due diligence recommendations

### *Require standardised reporting*

Due diligence should require companies to transparently report on their exposure to deforestation through their supply chains, and set requirements to ensure that reporting is standardised. Standardised public reporting ensures that information on progress is comparable across companies and can be used by downstream companies and financial institutions to identify high-risk companies, implement and monitor progress against their own commitments. It also allows civil society to effectively hold companies and financial institutions accountable.

Currently a third of the Forest 500 companies with a commitment are not reporting their progress. To be effective, companies need to report on their progress at least annually, regardless of how much or how little progress has been made. This should be quantitative, clearly indicating the proportion of their volumes which are compliant with their commitments, and should be independently verified.

### *Include all forms of deforestation*

While the UK proposal currently only covers illegal deforestation, it is vital that this is extended to include all deforestation - and ideally conversion of all ecosystems. Forest 500 data shows that 85% of companies operating in both the UK and EU markets have already made commitments on deforestation or conversion, going beyond illegal deforestation. But only 23% have made at least one commitment to zero-net or zero-gross conversion, extending beyond only key forest types.

### *Include human rights*

Any efforts to remove deforestation from supply chains must also address human rights and social justice issues.

Forest 500 found that currently only three of the 350 companies with the greatest influence on tropical deforestation have policies on labour and gender rights, Free, Prior and Informed Consent, inclusion of smallholder producers in supply chains, and to remediate any harms associated with deforestation. All three companies are only exposed to one high-risk forest commodity.

### *Apply to financial institutions*

Requiring financial institutions to identify and address their exposure to deforestation-risk through the companies they finance would place further pressure on companies to ensure their supply chains are not contributing to tropical deforestation.

Forest 500 found that only 37% of the financial institutions providing \$5.5 trillion to the companies with the greatest exposure to deforestation have policies to limit deforestation in their financial portfolios - due diligence on deforestation needs to extend to financial institutions too.

### *Have sanctions for non-compliance*

Significant sanctions should be put in place for those who fail to act to address the deforestation-risk in their supply chains, going beyond fines that simply get factored into the cost of doing business by companies and financial institutions unwilling to take action.



## Getting the basics right in 2021

As we enter 2021, momentum to decisively tackle market-driven deforestation is strong. The European Commission and UK government are working towards regulatory measures for companies, and the Taskforce for Nature-related Financial Disclosure (TNFD) will be formally established to develop a reporting framework for nature related risks.

This year, world leaders will turn their attention to the growing environmental emergency at the UN Biodiversity Summit (CBD COP15) in China, and the UN Climate Summit (COP26) in the UK. At these meetings, many of the world's most influential companies and financial institutions will seek to position themselves as leaders in the fight to tackle climate change and the systematic destruction of nature.

But those with high exposure to deforestation – which includes whole business sectors, and the world's biggest investors – and who still do not have a basic policy in place to address these risks should no longer be taken seriously, and should be called out.

Seven years have passed since the New York Declaration codified the 2020 global goals on deforestation. This issue has been in the political and business mainstream

for the best part of a decade. Yet while deforestation continues to rise in many regions with devastating impacts four of the world's five biggest investors have no policy on deforestation.

## First things first

For those currently without deforestation policies or commitments, putting one in place for all high-risk commodities is just the basic first step. Beyond this minimum, financial institutions and companies need to ensure that their policies are implemented effectively. Financial institutions need to monitor the companies in their financial portfolios, and engage with them to support continuous improvement, with a clear threat of divestment for those making too little progress.

For companies, the path forward is clearly defined by the Accountability Framework Initiative (AFI).

Even those financial institutions and companies which are taking action on this issue are not yet free from deforestation and need to do more. They are, however, sending a clear message to the companies that they are supplied by or finance, demonstrating that they recognise and will act on the vital role of deforestation in tackling the climate and nature crises.

But for the great majority who are lagging behind, we have laid out what we believe is the absolute minimum to be achieved this year.

**There is no more time for silence or greenwashing.**

# Appendix: References

- <sup>1</sup> <https://science.sciencemag.org/content/361/6407/1108>
- <sup>2</sup> <https://www.climatefocus.com/sites/default/files/2019NYDFReport.pdf>
- <sup>3</sup> New York Declaration on Forests, Goal 2
- <sup>4</sup> [https://www.theconsumergoodsforum.com/press\\_releases/consumer-goods-industry-announces-initiatives-on-climate-protection/](https://www.theconsumergoodsforum.com/press_releases/consumer-goods-industry-announces-initiatives-on-climate-protection/)
- <sup>5</sup> <https://ad-partnership.org/about/>
- <sup>6</sup> <https://www.cisl.cam.ac.uk/business-action/sustainable-finance/banking-environment-initiative/programme/restore-nature/soft-commodities>
- <sup>7</sup> <https://www.bbc.co.uk/news/world-latin-america-55130304>
- <sup>8</sup> In 2019, 235 investors demanded action from companies linked to deforestation following the catastrophic fires in the Amazon. Since then a smaller group has continued to engage with companies and the Brazilian government over continued deforestation.
- <sup>9</sup> <https://www.theconsumergoodsforum.com/environmental-sustainability/forest-positive/>
- <sup>10</sup> [https://www.retailsoygroup.org/wp-content/uploads/2020/10/Letter-on-due-diligence-consultation\\_final.pdf](https://www.retailsoygroup.org/wp-content/uploads/2020/10/Letter-on-due-diligence-consultation_final.pdf)
- <sup>11</sup> <https://www.unpri.org/>
- <sup>12</sup> <https://www.ceres.org/>
- <sup>13</sup> <https://www.tropicalforestalliance.org/en/collective-action-agenda/investors-policy-dialogue-on-deforestation-ipdd-initiative/>
- <sup>14</sup> The TNFD is being catalysed through a partnership between Global Canopy, the United Nations Development Programme (UNDP), the United Nations Environment Programme Finance Initiative (UNEP FI), and the World Wide Fund for Nature (WWF).
- <sup>15</sup> <https://www.gov.uk/government/news/government-sets-out-world-leading-new-measures-to-protect-rainforests>
- <sup>16</sup> Companies and financial institutions must be transparent on their actions on deforestation, as it sends a clear signal to their suppliers, customers and to competitors that deforestation is no longer acceptable in supply chains and financial portfolios, as well as enabling others to hold them accountable for their action on deforestation.
- <sup>17</sup> <https://accountability-framework.org/>
- <sup>18</sup> <https://accountability-framework.org/>
- <sup>19</sup> [https://forest500.org/sites/default/files/forest500\\_annualreport2019\\_final\\_0.pdf](https://forest500.org/sites/default/files/forest500_annualreport2019_final_0.pdf)
- <sup>20</sup> For financial institutions a deforestation policy is defined as a commodity-specific policy focused on forest protection, or a policy to protect primary, intact or high conservation value forests, or commits to a credible certification scheme that protects these.
- <sup>21</sup> <https://www.worldwildlife.org/magazine/issues/summer-2018/articles/what-are-the-biggest-drivers-of-tropical-deforestation>
- <sup>22</sup> Based on active financing data from Profundo, including financing provided to Forest 500 companies between March 2015 and October 2020.
- <sup>23</sup> For companies, a deforestation commitment is one that commits to zero-gross/zero-net deforestation or zero-gross/zero-net conversion, or at least protects priority forest types including high conservation value forests or commits to a credible certification scheme that protects these.
- <sup>24</sup> <https://www.unepfi.org/banking/bankingprinciples/collective-commitment/>
- <sup>25</sup> UBS is the third largest asset manager in the world, and has deforestation policies for all four commodities; palm oil, soy, cattle products, and timber products.
- <sup>26</sup> <https://forest500.org/publications/fuelling-fires-why-investors-need-do-more-protect-amazon>
- <sup>27</sup> <https://accountability-framework.org/>
- <sup>28</sup> <https://accountability-framework.org/>
- <sup>29</sup> <https://forest500.org/publications/scoring-methodologies-2020>



## Appendix: The scores

### Methodology changes

Two methodologies are used: one for companies and one for financial institutions, reflecting their different roles in the deforestation economy.

This year we strengthened the company assessment methodology, aligning with the Accountability Framework Initiative (AFI) Common Methodology. Sixteen indicators were either added or adjusted compared to the 2019 methodology with greater emphasis on how companies report and implement their deforestation commitments.

Companies are scored on:	MAXIMUM POINTS
Overall approach	Out of 16
Content of Commitments	Out of 30
Reporting and Implementation	Out of 36
Social considerations	Out of 18
<b>TOTAL</b>	<b>100</b>

The financial institution methodology has remained largely the same since 2019, bar the addition of an indicator on anti-corruption policies.

Financial Institutions are scored on:	MAXIMUM POINTS
Overall approach	Out of 16
Commitment strength	Out of 42
Social considerations	Out of 22
Reporting and Implementation	Out of 20
<b>TOTAL</b>	<b>100</b>

More detail on the updated company and financial institution methodologies can be found in the 2020 methodologies<sup>29</sup>.

## Financial institutions (FI) with with no policies

FI name	FI HQ	Score
3G Capital	USA	○○○○○
ABP	NLD	●○○○○
Affiliated Managers Group, Inc.	USA	●○○○○
Allstate	USA	●○○○○
American Century Investments	USA	○○○○○
American Equity Investment Life Holding Co.	USA	○○○○○
American International Group, Inc.	USA	○○○○○
Ameriprise Financial, Inc.	USA	○○○○○
AMMB Holdings Bhd.	MYS	○○○○○
AQR Capital Management LLC	USA	○○○○○
Atmos Capital Gestão de Recursos Ltda	BRA	○○○○○
Baillie Gifford	GBR	●○○○○
Bangkok Bank	THA	●○○○○
Bank of China	CHN	○○○○○
Bank of Communications	CHN	○○○○○
Bank of New York Mellon	USA	●○○○○
Berkshire Hathaway, Inc.	USA	○○○○○
BlackRock	USA	●○○○○
BPCE Group	FRA	●○○○○
Bradesco	BRA	●○○○○
Capital Group Cos., Inc., The	USA	○○○○○
Charles Schwab	USA	○○○○○
China Construction Bank	CHN	●○○○○
CIMB Group	MYS	●○○○○
Crédit Mutuel CIC Group	FRA	○○○○○
Dimensional Fund Advisors	USA	●○○○○
Dynamo - Administração de Recursos	BRA	○○○○○
East West Banking Corporation	PHL	○○○○○
Eaton Vance	USA	○○○○○

FI name	FI HQ	Score
Employees Provident Fund	IND	○○○○○
Equitable Holdings	USA	○○○○○
Export Import Bank of Thailand	THA	○○○○○
Farm Credit Services	USA	○○○○○
Fidelity Investments	USA	○○○○○
Fifth Third Bancorp	USA	○○○○○
Franklin Resources	USA	○○○○○
Geode Capital Management	USA	○○○○○
GIC	SGP	●○○○○
Government Savings bank	THA	○○○○○
Guggenheim Capital	USA	○○○○○
ICICI Bank	IND	○○○○○
Indonesia Eximbank	IND	●○○○○
Industrial & Commercial Bank of China Ltd	CHN	○○○○○
Intesa Sanpaolo	ITA	●○○○○
Invesco Ltd.	USA	●○○○○
Itau Unibanco Holding S.A.	BRA	●○○○○
Janus Henderson	GBR	●○○○○
Jefferies Financial Group, Inc.	USA	●○○○○
Kasikornbank	THA	●○○○○
KKR	USA	○○○○○
Kotak Mahindra Bank Ltd.	IND	●○○○○
Krung Thai Bank	THA	●○○○○
Kumpulan Wang Persaraan	MYS	○○○○○
Lazard Ltd.	BMU	○○○○○
Legal & General	GBR	●○○○○
Legg Mason	USA	●○○○○
Life Insurance Corp of India	IND	○○○○○
Lincoln National Corp.	USA	○○○○○
Macquarie Group	AUS	●○○○○
Magellan Financial Group	AUS	●○○○○
MassMutual Financial	USA	○○○○○
MetLife	USA	○○○○○

FI name	FI HQ	Score
National Australia Bank	AUS	●○○○○
Nationwide Mutual Insurance Co.	USA	○○○○○
New York Life Insurance Co.	USA	○○○○○
Northern Trust	USA	●●○○○
Northwestern Mutual Life Insurance	USA	○○○○○
PNC Financial Services	USA	○○○○○
Power Corp. of Canada	CAN	○○○○○
Prudential Financial (US)	USA	○○○○○
Prudential (UK)	USA	○○○○○
Public Bank Bhd.	MLY	●○○○○
Royal Bank of Canada	CAN	●●○○○
Safra Group	BRA	●○○○○
Schroders	GBR	●○○○○
Schweizerische Nationalbank	CHE	○○○○○
Scotiabank	CAN	●○○○○
Siam Commercial Bank	THA	●○○○○
State Bank of India	IND	●○○○○
State Farm	USA	○○○○○
State Street	USA	●○○○○
Sun Life Financial	CAN	○○○○○
Temasek Holdings	SGP	○○○○○
Toronto-Dominion Bank	CAN	●●○○○
Travelers	USA	○○○○○
T. Rowe Price	USA	○○○○○
Truist Financial Corp.	USA	○○○○○
United Services Automobile Association	USA	○○○○○
Vanguard	USA	○○○○○
Venerable Holdings, Inc.	USA	○○○○○
Wellington Management	USA	○○○○○
Wells Fargo	USA	●○○○○
Western & Southern Mutual Holding Co.	USA	○○○○○
Yayasan Pelaburan Bumiputra	MYS	●○○○○



## Financial institutions (FIs) with deforestation policies for all commodities

FI name	FI HQ	Score	FI name	FI HQ	Score
ABN Amro	NLD	●●●●○	Standard Chartered	GBR	●●●●○
Aegon	NLD	●●●○○	UBS	CHE	●●●○○
Australia & New Zealand Banking Group Ltd.	AUS	●●●○○	UniCredit	ITA	●●○○○
BNDES	BRA	●●○○○	United Overseas Bank	SGP	●●○○○
BNP Paribas	FRA	●●●●○	Westpac	AUS	●●●○○
Citigroup	USA	●●●○○			
Commerzbank	DEU	●●●○○			
Commonwealth Bank Of Australia	AUS	●●●○○			
Credit Suisse	CHE	●●●○○			
DBS	SGP	●●●○○			
Deutsche Bank	DEU	●●●●○			
Goldman Sachs	USA	●●○○○			
HSBC	GBR	●●●○○			
JBIC	JPN	●●○○○			
JPMorgan Chase & Co.	USA	●●●○○			
Lloyds Banking Group	GBR	●●○○○			
Mitsubishi UFJ Financial	JPN	●●●○○			
Morgan Stanley	USA	●●●○○			
NatWest	GBR	●●●○○			
Norges Bank Investment Management	NOR	●●●○○			
Oversea-Chinese Banking Corp. Ltd.	SGP	●●●○○			
Rabobank U.A	NLD	●●●●○			
Santander	ESP	●●○○○			

## Financial institutions (FIs) with at least one policy but not all

FI name	FI HQ	Score
Agricultural Bank of China	CHN	●○○○○
Allianz	DEU	●●○○○
Banco Bilbao Vizcaya Argentaria (BBVA)	ESP	●●●○○
Banco do Brasil	BRA	●●●○○
Bank of America	USA	●●○○○
Bank Negara Indonesia	IDN	●●○○○
Barclays	GBR	●●●○○
BMO Financial Group	CAN	●●○○○
BTG Pactual	BRA	●●○○○
California Public Employees	USA	●●○○○
Crédit Agricole	FRA	●●○○○
ING Groep NV	NLD	●●●○○
Landesbank Baden-Württemberg (LBBW)	DEU	●●○○○
Liberty Mutual Holding Co., Inc.	USA	●○○○○
Malayan Banking	MYS	●●○○○
Manulife Financial	CAN	●○○○○
Mizuho Financial	JPN	●●○○○
Nomura	JPN	●●○○○
Nordea	FIN	●●○○○
Norinchukin Bank	JPN	●○○○○
PT Bank Mandiri (Persero) Tbk (Mandiri)	IDN	●●○○○
Société Générale	FRA	●●●○○
Standard Life Aberdeen	GBR	●●○○○
Sumitomo Mitsui Financial Group	JPN	●●○○○

FI name	FI HQ	Score
Sumitomo Mitsui Trust	JPN	●●○○○
TIAA	USA	●●○○○
US Bancorp	USA	●●○○○



## Companies with no deforestation policies

Company	HQ	Score
Aceitera Gral. Deheza S.A.I.C.A.	ARG	●○○○○○
Adient	USA	●○○○○○
Advance Publications Inc.	USA	●○○○○○
AFA (Agric. Federados Args.)	ARG	●○○○○○
Allanasons Pvt Ltd.	IND	○○○○○○
Alpargatas SA	BRA	●○○○○○
Ameropa Ltd.	CHE	○○○○○○
Amul	IND	○○○○○○
Aokang Group Co. Ltd.	CHN	○○○○○○
Arre Beef S.A.	ARG	○○○○○○
Ashley Furniture Industries Inc.	USA	○○○○○○
Bata Ltd.	CHE	●○○○○○
Behshahr Industrial Development Corp.	IRN	○○○○○○
Beidahuang Group	CHN	○○○○○○
Belle International Holdings Ltd.	HKG	○○○○○○
BF Logistics	BRA	○○○○○○
Bhartiya International Ltd	IND	○○○○○○
Bricapar S.A.	PRY	○○○○○○
Bright Food (Group) Co. Ltd.	CHN	○○○○○○
Camera Agroalimentos S.A.	BRA	○○○○○○
Capri Holdings Ltd	USA	●○○○○○
Caramuru Alimentos	BRA	●○○○○○
CATTER MEAT SA	ARG	○○○○○○
Cencoprod Ltda	PRY	●○○○○○
Cencosud	CHL	●○○○○○
China Resources National Corp.	HKG	●○○○○○
China State Construction Engineering Corp.	CHN	○○○○○○

Company	HQ	Score
Coamo Agroindustrial Coop.	BRA	●●○○○○
Compañía Bernal S.A.	ARG	●○○○○○
Compañía Industrial Aceitera Coto Cincuenta y Cuatro S.A	CRI	●○○○○○
COMPAÑIA PARAGUAYA DE GRANOS S.A.	PRY	○○○○○○
Coop Col Multiactiva Fernheim Ltda	PRY	●○○○○○
COOP FREIGHT LOGISTICS LTD	TWN	○○○○○○
Corporación De Abastecimiento Y Servicios Agrícolas S.A. (CASA)	VEN	○○○○○○
Corpovex - Corporacion Venezolana De Com. Exterior	VEN	●○○○○○
Cresud S.A.	ARG	●○○○○○
Cyrela Brazil Realty	BRA	●○○○○○
Dalian Huafeng Furniture Co. Ltd.	CHN	○○○○○○
Danish Agro	DNK	●○○○○○
Darmex Agro	IDN	○○○○○○
Deichmann Group	DEU	●○○○○○
DIRECTA LINE LOGISTICA	BRA	○○○○○○
Donto	ARG	○○○○○○
East Hope Group	CHN	○○○○○○
Emami Ltd.	IND	●○○○○○
EURO AMERICA	BRA	○○○○○○
Evershining Ingredient	THA	○○○○○○
Fleury Michon, Groupe	FRA	●○○○○○
Foshan Saturday Shoes Co. Ltd.	CHN	○○○○○○
F.R.I.A.R. S.A.	ARG	○○○○○○
Frigorifico Concepcion S A	PRY	●○○○○○
Frigorifico Gorina Sociedad Anonima Industrial Y Comex	ARG	○○○○○○

Company	HQ	Score
Future Group	IND	○○○○○○
Granol	BRA	●○○○○○
Groupe Lactalis	FRA	○○○○○○
Groupe Savencia S.A.	FRA	●○○○○○
Grupo Bom Retiro	BRA	○○○○○○
Grupo Jari	BRA	○○○○○○
GRUPO PILAR S A	ARG	●○○○○○
Grupo Viz	MEX	●○○○○○
Gruppo Mastrotto Spa	ITA	●○○○○○
Gruppo Veronesi	ITA	●○○○○○
Guangdong Wens Foodstuff Group Co., Ltd	CHN	○○○○○○
Guangzhou Highest Industrial Co. Ltd.	CHN	○○○○○○
Guangzhou Liby Enterprise Group Co Ltd	CHN	●○○○○○
Haid Group	CHN	○○○○○○
Htoo Group	MMR	●○○○○○
Industrias Frigorificos Recreo SAIC	ARG	○○○○○○
InVivo	FRA	●○○○○○
Irmaos Goncalves Comercio E Industria Ltda.	BRA	○○○○○○
Japfa Ltd	IDN	●○○○○○
KAI BO FROZEN MEAT SUPERMARKET	HKG	○○○○○○
Land O'Lakes Inc.	USA	●○○○○○
Lear Corp.	USA	●○○○○○
Le Gouessant	FRA	●○○○○○
Lenta OOO	RUS	●○○○○○
Li Ning Company Ltd.	CHN	●○○○○○
Magnit Group	RUS	●○○○○○
Makin Group	IDN	○○○○○○

Company	HQ	Score	Company	HQ	Score
MAR.VI SPED SRL	ITA	○○○○○	The Woodbridge Company Ltd	CAN	●○○○○
Meredith Corporation	USA	●○○○○	TJX Companies	USA	●○○○○
Mizkan Holdings	JPN	●○○○○	Total Enterprise Ltd	HKG	○○○○○
Nanyang Hoo's Furniture Manufacturing Co. Ltd.	CHN	○○○○○	Tradewinds (M) Berhad	MYS	●○○○○
New Hope Group	CHN	●○○○○	Vicwood Group	CHN (HKG)	○○○○○
Nice Group	CHN	●○○○○	Weltra	ITA	○○○○○
Nine Dragons Paper Holdings	HKG	●○○○○	WH Group	HKG	●○○○○
Nitori Holdings Co. Ltd.	JPN	●○○○○	Wings Corp	IDN	○○○○○
Offal Exp S.A.	ARG	○○○○○	X5 Retail Group N.V.	RUS	●○○○○
Parker-Migliorini International Gmbh	CHE	○○○○○	Yakult Honsha Co. Ltd.	JPN	●○○○○
Patanjali Ayurved	IND	○○○○○	Yamazaki Baking Co.	JPN	●○○○○
Pertamina Persero PT	IDN	●○○○○	Yomiuri Group, The	JPN	●○○○○
Pou chen	TWN	●○○○○	YPF	ARG	●○○○○
Rezervnaja Prodovol'stvennaja Kompanija	RUS	○○○○○	Zhejiang Tongtianxing Group Joint-Stock Co Ltd	CHN	○○○○○
Rimbunan Hijau Group	MYS	●○○○○			
Rioverde OOO	RUS	○○○○○			
Sadesa	ARG	○○○○○			
Shanghai Construction Group	CHN	○○○○○			
Shuangbaotai Group (Twins Group)	CHN	○○○○○			
Sinograin	CHN	●○○○○			
Sociedad Cooperativa Colonizadora Chortitzer Komitee Ltda	PRY	○○○○○			
Sodrugestvo Group S.A	LUX	●○○○○			
Soyuz Corporation	RUS	●○○○○			
Steve Madden Ltd	USA	●○○○○			
Strong OOO	RUS	○○○○○			
Suguna Foods	IND	○○○○○			
Tangrenshen Group (TRS)	CHN	○○○○○			



## Companies with commitments for all commodities

Company	HQ	Score
3M Company	USA	●●○○○○
AAK AB	SWE	●●●○○○
Adecoagro S.A.	LUX	●●○○○○
Aditya Birla Group	IND	●●○○○○
Amaggi	BRA	●●●○○○
Angelini Group	CHL	●●○○○○
Arla Foods	DNK	●●○○○○
Bertelsmann SE & Co. KGaA	DEU	●●○○○○
Blondeau Group	DEU	●○○○○○
Cargill	USA	●●●○○○
Carrefour S.A.	FRA	●●●○○○
Colgate-Palmolive Co.	USA	●●●○○○
ConAgra Brands Inc	USA	●●●○○○
Dai Nippon Printing	JPN	●●○○○○
Daio Paper Corporation	JPN	●●○○○○
Danone	FRA	●●●○○○
DekelOil	CIV	●○○○○○
DuPont	USA	●●○○○○
Empresas CMPC S.A.	Chile	●●●○○○
Essity	SWE	●●○○○○
Frialto	BRA	●○○○○○
Genting Bhd.	MYS	●●●●○○
Grupo SLC	BRA	●●●○○○
H & M Hennes & Mauritz AB	SWE	●●○○○○
Harita Group	IDN	●●●●○○
Hengan International Group Co Ltd	CHN	●●○○○○
International Paper	USA	●●○○○○
JBJ Investimentos	BRA	●●○○○○

Company	HQ	Score	Company	HQ	Score
J Sainsbury's PLC	GBR	●●●○○○	Reckitt Benckiser Group PLC	GBR	●●●○○○
Kencana Agri Ltd	SNG	●●●○○○	RELX Group	GBR	●●○○○○
Kering S.A.	FRA	●●●○○○	Restaurant Brands International	CAN	●●○○○○
Kimberly-Clark Group	USA	●●●○○○	Royal Dutch Shell	NLD	●●○○○○
Koninklijke FrieslandCampina N.V.	NLD	●●●○○○	R. R. Donnelley & Sons Co.	USA	●●○○○○
Korindo Group PT	IDN	●●●○○○	Saint Gobain S.A.	FRA	●●○○○○
L'Oreal S.A.	FRA	●●●○○○	Sampoerna Agri Resources Pte. Ltd	SNG	●●●○○○
LOUIS DREYFUS	NLD	●●●○○○	SC Johnson & Son Inc	USA	●●●○○○
LVMH Moët Hennessy Louis Vuitton S.A.	FRA	●●○○○○	Schwarz Group	DEU	●●○○○○
Marks & Spencer Group PLC	GBR	●●●○○○	Shandong Chenming Paper Holdings Co., Ltd.	China	●●○○○○
Mars Inc.	USA	●●●●○○	Sipef Group	BEL	●●●●○○
McDonald's Corp.	USA	●●●○○○	Socfin Group	LUX	●●●●○○
Mondi Group	AUT	●●●○○○	Staples Inc.	USA	●●○○○○
Natura&Co	BRA	●●○○○○	Stora Enso	FIN	●●●●○○
Neste Corp.	FIN	●●●○○○	Sumitomo Forestry	JPN	●●●○○○
Nestlé S.A.	CHE	●●●●○○	Suzano Group	Brazil	●●●○○○
New Balance Athletic Shoe Inc.	USA	●●○○○○	Tangshan sanyou	CHN	●○○○○○
News Corp.	USA	●●●○○○	Tetra Laval	CHE	●●○○○○
Nike Inc.	USA	●●○○○○	Toppan Printing Co. Ltd.	JPN	●●○○○○
Nippon Paper Industries Co. Ltd.	JPN	●●○○○○	Triputra Group	IDN	●●●○○○
NordSud Timber	DRC	●○○○○○	Tyson Foods Inc.	USA	●●○○○○
Oji Holdings corporation	JPN	●●●○○○	Unicharm Corp	JPN	●●●○○○
Orkla Group	NOR	●●○○○○	Unilever PLC	GBR	●●●●○○
Pearson PLC	GBR	●●●○○○	UPM	FIN	●●●○○○
Perkebunan Nusantara	IDN	●●○○○○	Vancouros Indústria e Comércio de Couros LTDA	BRA	●○○○○○
Permata Hijau Group	IDN	●●●○○○	VF Corp.	USA	●●●○○○
Perum Perhutani	IDN	●●○○○○	Westrock	USA	●●○○○○
Precious Woods Holding AG	CHE	●●●●○○	Wm Morrison Supermarkets PLC	GBR	●●●○○○
PT Astra International TBK	IDN	●●●●○○	Yum! Brands Inc.	USA	●●●○○○
PT Rajawali Corp.	IDN	●●●●○○			

## Companies with deforestation policies for at least one but not all commodities

Company	HQ	Score
Adidas Group	DEU	●●○○○
AEON Co. Ltd.	JPN	●●○○○
Agrifirm	NLD	●●○○○
Ahold Delhaize	NLD	●●○○○
Aldi Group	DEU	●●○○○
Amazon	USA	●○○○○
AmorePacific Corp	KOR	●●○○○
Archer Daniels Midland Co.	USA	●●●○○
Arcor SAIC	ARG	●●○○○
Asics Corp.	JPN	●●○○○
Associated British Foods Plc	GBR	●●○○○
Association Familiale Mulliez (AFM)	FRA	●●○○○
BASF SE	DEU	●●●○○
Best Group	IDN	●○○○○
Bestseller A/S	DNK	●○○○○
BioMar	DNK	●●○○○
Boparan Holdings	GBR	●○○○○
BRF Brasil Foods S.A.	BRA	●●○○○
Bunge Ltd.	USA	●●●○○
Calbee Inc.	JPN	●○○○○
Campbell Soup Co.	USA	●●○○○
Casino Guichard Perrachon S.A.	FRA	●●○○○
Charoen Pokphand Group	THA	●●○○○
China Mengniu Dairy Co. Ltd.	HKG	●○○○○
CJ Cheiljedang Corporation	KOR	●●○○○
C & J Clark International Ltd.	GBR	●○○○○

Company	HQ	Score	Company	HQ	Score
CK Hutchison Holdings	HKG	●○○○○	Groupe Blattner Elwyn	COD	●○○○○
Clariant	CHE	●●○○○	Grupo Bimbo SAB de CV	MEX	●●○○○
Clorox Co, The	USA	●●●○○	Grupo Nueva	CHL	●○○○○
COFCO	CHN	●●○○○	Hain Celestial Group, Inc.	USA	●○○○○
Cofra	CHE	●○○○○	Hamlet Protein	DNK	●○○○○
Costco Wholesale Corporation	USA	●●○○○	Hayel Saeed Anam Group	ARE	●●○○○
Coty Inc	USA	●●○○○	Henkel AG & Co. KGaA	DEU	●●●○○
Daiwa House Group	JPN	●●○○○	Hershey Co.	USA	●●○○○
Danzer Group	CHE	●●○○○	Home Depot	USA	●●○○○
Deckers Outdoor Corp	USA	●●○○○	Hormel Foods Corp.	USA	●●○○○
De Heus	NLD	●●○○○	ICA Gruppen AB	SWE	●●○○○
DLG Denmark	DNK	●○○○○	IFFCO	ARE	●●○○○
Doctor's Associates Inc.	USA	●●○○○	IKEA Group	NLD	●●●○○
Domino's Pizza Inc.	USA	●○○○○	Imcopa Food Ingredients	BRA	●○○○○
Dunkin' Brands Group Inc.	USA	●●○○○	Inditex S.A.	SPA	●●○○○
Ebro Foods	SPA	●○○○○	Inner Mongolia Yili Industrial Group Co. Ltd.	CHN	●○○○○
Eight Capital Inc.	SGP	●●●○○	IOI Corporation Bhd.	MYS	●●●○○
Estée Lauder Companies Inc.	USA	●●○○○	JA Group	JPN	●○○○○
Fast Retailing	JPN	●●○○○	JBS	BRA	●●●○○
Felda Global Ventures Holdings Bhd.	MYS	●●●○○	JM Smucker	USA	●●○○○
Ferrero Group	ITA	●●○○○	Johnson & Johnson	USA	●●●○○
ForFarmers B.V.	NLD	●●○○○	Kao Corp.	JPN	●●●○○
Fuga Couros S/A	BRA	●○○○○	Kellogg Co.	USA	●●●○○
Gap Inc.	USA	●○○○○	Kewpie Corp.	JPN	●○○○○
General Mills Inc.	USA	●●●○○	Kikkoman Corp.	JPN	●○○○○
GlaxoSmithKline Plc	GBR	●●○○○	Kingfisher Plc	GBR	●●○○○
Glencore	CHE	●●○○○	Koninklijke DSM N.V.	NLD	●●○○○
Godrej Group	IND	●○○○○	Kraft Heinz Co.	USA	●●○○○
Gold Best Holdings	BVI	●○○○○	Kroger Co.	CAN	●●○○○
Groupe Avril	FRA	●●○○○	Kuala Lumpur Kepong Bhd.	MYS	●●○○○



Company	HQ	Score	Company	HQ	Score
Lindt & Sprungli AG	CHE	●●○○○	Samsonite International S.A.	HKG	●○○○○
Lotte Co. Ltd.	JPN	●○○○○	Sekisui House Ltd.	JPN	●●○○○
Lowe's Companies Inc.	USA	●●○○○	Seven & I Holdings Co. Ltd.	JPN	●○○○○
Marfrig Global Foods	BRA	●●○○○	Shiseido Co. Ltd.	JPN	●●○○○
Maxingvest AG	DEU	●●○○○	SHV holdings	NLD	●●○○○
Meiji Holdings Co. Ltd.	JPN	●●○○○	SIFCA Group	CIV	●○○○○
Metro AG	DEU	●●○○○	Sime Darby Bhd.	MYS	●●●○○
Mewah International Inc.	SGP	●●●○○	Sinar Mas Group Co. Ltd.	IDN	●●○○○
Minerva S.A.	BRA	●●●○○	Skechers USA Inc.	USA	●○○○○
Mitsubishi Corp.	JPN	●●○○○	SPAR International B.V.	NLD	●○○○○
Mitsui & Co. Ltd	JPN	●○○○○	Starbucks Corp.	USA	●●○○○
Mondelez International Inc.	USA	●●●○○	Tapestry	USA	●●○○○
MRV Engenharia e Participacoes S.A.	BRA	●●○○○	Target Corp.	USA	●●●○○
MUSIM MAS	IDN	●●●○○	Tesco plc	GBR	●●○○○
Natuzzi	Italy	●○○○○	Ting Hsin International Group	TWN	●○○○○
Nisshin Oillio Group Ltd.	JPN	●●○○○	Toyo Suisan Kaisha Ltd.	JPN	●○○○○
Oetker-Gruppe	DEU	●●○○○	Unigra	ITA	●●○○○
Olam International	SGP	●●●○○	Uni-President Enterprises Corp.	TWN	●○○○○
PepsiCo Inc.	USA	●●●○○	Vicentin S.A.I.C.	ARG	●○○○○
Perez Companc Family Group	ARG	●○○○○	Wal-Mart Stores Inc.	USA	●●●○○
PHW Group	DEU	●●○○○	Want Want	TWN	●○○○○
Plukon Food Group	NLD	●○○○○	Wendy's Co.	USA	●●○○○
Prada SpA	Italy	●○○○○	Wilmar International Ltd.	SGP	●●○○○
Procter & Gamble Co, The	USA	●●●○○	Wolverine World Wide Inc.	USA	●●○○○
Rewe Group	DEU	●●○○○	Woolworths Group Ltd.	AUS	●●○○○
Rougier Group	FRA	●○○○○	Yihua Group	CHN	●○○○○
Royal Golden Eagle	SGP	●●○○○	Yildiz Holding	TUR	●○○○○
Salim Group	IDN	●●●○○			
Samko Timber Ltd.	SGP	●○○○○			
Samling Group	MYS	●●○○○			

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Forest 500, a Global Canopy project,  
identifies and ranks the most influential  
companies and financial institutions in  
the race towards a deforestation-free  
global economy.

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