

GLOBAL HUMAN RIGHTS BENCHMARK 2024: CRITERIA AND REQUIREMENTS

This document sets out the criteria and requirements of BankTrack's forthcoming Global Human Rights Benchmark, planned for publication in November 2024. It sets out the changes made from our last [Global Benchmark](#) in 2022, and lists the banks considered in the scope of this exercise. Revisions to the methodology follow a period of consultation with external human rights experts. The current version of this document may still be subject to minor changes.

Category 1: Policy commitment. Scores out of 3. *No changes.*

Criteria & referenced Principle	Requirements for full and half score
<p>1.1 Policy Has the bank adopted a statement of policy through which it expresses its commitment to respect human rights? (Principle 16)</p>	<p>Full score: A written commitment to "respect" human rights, as part of a statement of policy.</p> <p>Half score: The bank has a statement or policy addressing human rights, but this does not include a commitment to respect human rights.</p> <p>Or, the bank has a commitment to respect human rights but not as part of a formal statement of policy (e.g. in reporting)</p>
<p>1.2 Policy approval Is the bank's human rights policy commitment approved at the most senior level of the business? (Principle 16, 16a)</p>	<p>Full score: The bank's human rights policy commitment is approved by the Board or the CEO by name AND a Board member or Board committee is tasked with specific governance oversight of one or more areas of respect for human rights.</p> <p>Half score: The bank's human rights commitment is explicitly approved by the Board or the CEO by name, but without a Board member or committee being tasked with governance, or vice versa.</p> <p>Or, the bank meets the criteria for a full score, but its policy commitment does not meet the standard of a commitment to respect human rights in 1.1.</p>
<p>1.3 Scope of policy Does the bank's policy commitment stipulate the bank's human rights expectations of personnel, business partners and other parties directly linked to its operations, products or services - including the bank's client and investee relationships? (Principle 16, 16c)</p>	<p>Full score: The bank's human rights commitment extends to its provision of finance, as source of the banking sector's most significant potential human rights impacts, alongside personnel and other parties such as suppliers.</p> <p>Half score: For example, the bank's human rights commitment extends to some but not all of its finance (e.g. asset management is excluded). Or, the bank's commitment extends to its provision of finance, but does not meet the standard of a commitment to respect human rights in 1.1.</p>

Category 2: Due diligence process. Scores out of 5. *Wording changes for clarity and consistency only.*

Criteria & referenced Principle	Requirements for full and half score
<p>2.1 Due diligence Does the bank describe how it carries out human rights due diligence? (Principle 17)</p>	<p>Full score: The bank describes how it carries out human rights due diligence, for example describing its process for identifying and assessing human rights impacts and its decision-making criteria. This extends across its entire business operations, including impacts linked to the bank's finance.</p> <p>Half score: The bank describes how it carries out human rights due diligence, but this is limited in scope to certain sectors or business areas only.</p>
<p>2.2 Consultation Does the bank show how its process for identifying and assessing human rights impacts involves meaningful consultation with potentially affected groups and other relevant stakeholders? (Principle 18, 18b)</p>	<p>Full score: The bank details how its process for identifying impacts involves meaningful consultation with potentially affected groups. For example, the bank assesses the quality of consultations conducted by clients, and supplements this with its own direct consultation where this is insufficient, or in other high risk circumstances.</p> <p>Half score: <i>For example,</i> the bank details a process for identifying impacts which includes consultation, but this is limited to certain groups of stakeholders or business divisions. For example, potentially affected groups are not involved.</p>
<p>2.3 Allocating responsibility Does the bank clearly allocate responsibility for addressing human rights impacts to specific levels and functions within the business enterprise? (Principle 19, 19a)</p>	<p>Full score: The bank details differentiated responsibilities of staff in different functions (e.g. business development, relationship managers, analysts, ESG staff) including referral and escalation processes and ultimate responsibilities.</p> <p>Half score: <i>For example,</i> the bank details limited information on the main teams responsible for assessing human rights due diligence.</p>
<p>2.4 Assessing relationship to impact Does the bank have a process for assessing whether it has caused or contributed to an adverse impact? (Principle 19, 19b (ii))</p>	<p>Full score: The bank has a process in place for assessing whether it has caused or contributed to an adverse impact, and details the process, including decision-making criteria and lines of responsibility. This process is applicable across the bank's entire business operations, including impacts linked to the bank's finance.</p> <p>Half score: <i>For example,</i> the bank indicates that it assesses whether it has caused or contributed to an adverse impact as part of its human rights due diligence, without detailing the process.</p>
<p>2.5 tracking effectiveness Does the bank verify whether adverse human rights impacts are being addressed, by</p>	<p>Full score: The bank describes a process for tracking the effectiveness of its response to adverse human rights impacts to verify whether they are being addressed. This process details indicators and draws on feedback from internal and external sources, including affected stakeholders. It is applicable across the</p>

Criteria & referenced Principle	Requirements for full and half score
tracking the effectiveness of its response? (Principle 20)	<p>bank's entire business operations, including impacts linked to the bank's finance.</p> <p>Half score: For example, the bank describes a process for tracking effectiveness of its response to adverse human rights impacts, but: this is limited in scope to impacts arising from certain business activities or sectors; indicators are not detailed; or the process does not include feedback from internal and external sources.</p>

Category 3: Reporting. Scores out of 3. Significant changes.

Criteria & referenced Principle	Requirements for full and half score
<p>3.1 Reporting Does the bank report formally on how it addresses risks of severe human rights impacts? (Principle 21)</p>	<p>Full score: The bank reports formally on how it addresses its main risks of human rights impacts.</p> <p>Half score: The bank reports on some internal human rights developments (e.g. policy developments, training carried out, data on human rights related internal complaints), but this does not include reporting on how it addresses its main risks of human rights impacts. Or, the bank reports formally on what its main risks of human rights impacts are, but it doesn't detail how it addresses them.</p>
<p>3.2 Adequacy of response Does the bank's reporting provide information that is sufficient to evaluate the adequacy of its response to particular human rights impacts? (Principle 21, 24)</p>	<p>Full score: The bank reports on how it has sought to address particular human rights impacts, and the reporting is sufficient to evaluate the adequacy of its response (e.g. describing information on sector, geographic location, concrete actions taken, follow-up steps requested from clients or investee companies.) Reporting covers three impacts at least, and where prioritisation is necessary, the bank prioritises impacts that are most severe or where delayed response would make them irremediable.</p> <p>Half score: The bank reports on how it has sought to address particular human rights impacts, but the reporting is not sufficient to evaluate the adequacy of the response, is limited to one example, or does not set how impacts are prioritised for reporting (e.g. examples are presented without clarity on how they are selected).</p>
<p>3.3 Quality of reporting Does the bank's reporting include appropriate indicators and</p>	<p>Full score: The bank's human rights reporting is independently verified and includes indicators concerning how it identifies and addresses adverse impacts.</p>

Criteria & referenced Principle	Requirements for full and half score
independent verification? (Principle 21, commentary)	Half score: The bank's human rights reporting is independently verified, or it includes indicators concerning how it identifies and addresses adverse impacts (but not both).

Category 4: Remedy. Scores out of 3. *One new criterion; limited other changes.*

Criteria & referenced Principle	Requirements for full and half score
<p>4.1 Remediation Does the bank provide for, or cooperate in, the remediation of adverse impacts to which it identifies it has caused or contributed? (Principle 22)</p>	<p>Full score: The bank makes a clear commitment to providing for or cooperating in the remediation of human rights impacts to which it has caused or contributed, and details a process for remediating such impacts.</p> <p>Half score: The bank makes a clear commitment to providing for or cooperating in the remediation of human rights impacts to which it has caused or contributed, but without detailing a process for their remediation.</p>
<p>4.2 Evidence of remedy (NEW)</p>	<p>Full score: The bank is able to show a track record of providing remedy, or used its leverage to support remedy, in specific instances and provides sufficient detail (e.g. form of remedy achieved).</p> <p>Half score: The bank describes one example of how it has provided remedy, or used its leverage to support remedy, for adverse human rights impacts OR the examples of remedy it provides are not sufficiently detailed (e.g. outcome or role of bank unclear).</p> <p><i>Note: Examples of provision of remedy from the last five years will be considered for scoring.</i></p>
<p>4.3 Grievance mechanism Has the bank established or participated in a grievance mechanism for individuals and communities who may be adversely impacted by its activities? (Principle 29)</p>	<p>Full score: The bank operates or participates in a grievance mechanism through which complaints or grievances can be raised to the bank, which is supported by a clear process for handling complaints; is explicitly able to address human rights related issues; and which is open to all who may be adversely impacted by its operations, products and services.</p> <p>Half score: The bank operates or participates in a grievance mechanism through which complaints or grievances can be raised to the bank, but it is restricted to certain sectors or business areas, or is not supported by a clear process for handling complaints. Complaints mechanisms for employees are not scored in this benchmark.</p>

4.4 Effectiveness Does the bank's grievance mechanism meet effectiveness criteria? (Principle 31)

Full score: the bank shows how the grievance mechanism that it has established (or in which it participates) meets all of the UNGPs effectiveness criteria found in Guiding Principle 31, for example by conducting and reporting on assessment against these criteria, whether itself or via a third party.

Half score: the bank shows how the grievance mechanism that it has established (or in which it participates) meets at least two aspects of the UNGPs effectiveness criteria.

Category 5: "Specific rights indicators". Scores out of 3. *NEW.*

Criteria	Requirements for full and half score
<p>5.1: Human Rights Defenders (HRDs)</p> <p>Reference: UN Guidance, A/HRC/47/39/Add.2</p>	<p>Full score: The bank commits not to tolerate attacks on HRDs, in connection to its own operations or its business relationships, in a statement of policy AND integrates HRD-specific considerations into human rights due diligence processes to identify and mitigate risks (including meaningful and safe stakeholder engagement).</p> <p>Half score: The bank includes considerations on HRDs in a statement of policy, or as part of its human rights due diligence processes.</p>
<p>5.2: Free, prior and informed consent (FPIC)</p> <p>Reference: UNDRIP, 2007</p>	<p>Full score: The bank's policy commitment includes reference to the right to Free, Prior and Informed Consent, and <i>requires</i> that clients and investee companies, regardless of sector, provide evidence of FPIC to the bank wherever it is applicable.</p> <p>Half score: The bank's policy commitment includes reference to the right to Free, Prior and Informed Consent.</p>
<p>5.3: Environmental rights as human rights</p>	<p>Full score: The bank's policy commitment includes a recognition of environmental rights as human rights; for example, with reference to the right to a clean, healthy, and sustainable environment (as recognised in 2022 by the UN General Assembly) AND its due diligence process identifies, prevents and mitigates risks of environmental impacts on human rights.</p> <p>Half score: The bank's policy commitment includes a recognition of environmental rights as human rights; for example, with reference to the right to a clean, healthy, and sustainable environment (as recognised in 2022 by the UN General Assembly).</p>

Category 6: Response Tracking criteria. Scores out of 3, per allegation. *Limited changes to 5.1 only.*

Criteria	Requirements for full and half score
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Criteria 6.1: Response

Requirement: The bank responds publicly and in sufficient detail to allegations of adverse human rights impact(s) linked to its finance.

Full score: The bank responds publicly to an allegation of adverse human rights impacts raised by civil society in a way which comments on and responds to the substance of the issues raised, and its response acknowledges its link to the impact.

Half score: The bank responds publicly to the allegations and its response acknowledges its link to the impact, but without detailing specific actions taken,

OR the bank responds publicly to the allegations and its response details specific actions taken in response to the impact (e.g. engagement with the company), but without acknowledging the bank's link.

(Note: where the bank confirms there is no link to the impact, the impact will not be considered for scoring. Allegations raised more than 10 years ago will not count towards the score.)

No score: The bank does not respond publicly, or its response does not comment on or respond to the issues raised. There is no score for responses which only confirm receipt, or which set out that the bank is unable to comment on the specific company concerned.

Full score: The bank sets out publicly that it has engaged with the client or investee company regarding the allegations of adverse human rights impact(s) linked to its finance AND sets out that it has required the company to take specific actions tailored to the situation at hand within a reasonable timeline for the actions to be taken.

OR the bank sets out how it has taken appropriate action sought by affected rights-holders; for example by disengaging with the company or project at hand (where this constitutes an appropriate action according to rights-holders) or by participating in remediation which is considered appropriate by rights-holders involved in raising the issue with the bank.

Criteria 6.2: Action

Requirement: The bank takes appropriate action towards resolving the impact (either by itself or through engagement with its client or investee company).

OR if the bank denies the allegation, it still engages in a dialogue with the company reportedly involved in the allegation to ensure that it has engaged with affected stakeholders AND provides evidence of having management systems in place that are sufficient to prevent such impacts from occurring in the future.

Half score: The bank sets out the details of its engagement with the client or investee company regarding the allegations of adverse human rights impact(s) linked to its finance.

OR the bank provides evidence of having reviewed its management systems to prevent such impacts from occurring in the future, but without this being considered an appropriate and sufficient remedy by rights-holders involved in raising the issue with the bank.

OR if the bank denies the allegation, it still engages in a dialogue with the company reportedly involved in the allegation to ensure it has engaged with affected stakeholders.

Criteria 6.3: Monitoring
(for impacts that were raised to the bank at least a year ago)

Full score: The bank meets the criteria for a half score AND the bank collects stakeholder views on whether the adverse human rights impacts have been addressed and adequate remedy provided.

Requirement: the bank monitors the measures taken by its client or investee company and assesses the engagement process.
OR the bank monitors the impact on rights-holders of the action it took itself.

Half score: The bank monitors the steps taken by its client or investee company to remedy negative impacts, at least within 12 months of the allegation being reported. It continues to monitor these until the impact is considered resolved.

OR, if the bank has itself taken steps to remedy a specific negative impact, the bank monitors the impact of these steps on rights-holders (e.g. disengaging from the project, or participating in remediation).

APPENDIX: BANKS IN SCOPE

Banks have been selected primarily with reference to the list of the world's largest banks by assets. Banks without significant involvement in commercial banking, and national development banks, have been excluded. Some further changes have been made to achieve better geographic balance (e.g. inclusion of largest Latin American banks and exclusion of smaller Chinese banks).

Bank name	Country	Region	Assets US\$bn
1. Industrial & Commercial Bank of China	China	Asia Pacific	6,116.82
2. Agricultural Bank of China	China	Asia Pacific	5,356.86
3. China Construction Bank	China	Asia Pacific	4,977.48
4. Bank of China	China	Asia Pacific	4,421.76
5. JPMorgan Chase	United States	Americas	3,875.39
6. Bank of America	United States	Americas	3,180.15
7. HSBC	United Kingdom	Europe	2,989.70
8. Mitsubishi UFJ Financial Group	Japan	Asia Pacific	2,966.29
9. BNP Paribas	France	Europe	2,845.69
10. Citigroup	United States	Americas	2,411.83
11. Crédit Agricole	France	Europe	2,313.39
12. Sumitomo Mitsui Financial Group	Japan	Asia Pacific	2,005.65
13. Wells Fargo	United States	Americas	1,932.47
14. Mizuho Financial Group	Japan	Asia Pacific	1,908.30
15. Barclays	United Kingdom	Europe	1,902.96
16. Banco Santander	Spain	Europe	1,900.64
17. Goldman Sachs	United States	Americas	1,641.59
18. BPCE Group	France	Europe	1636.35
19. Société Générale	France	Europe	1,586.81
20. Royal Bank of Canada	Canada	Americas	1,448.66
21. Toronto-Dominion Bank	Canada	Americas	1,445.11
22. Deutsche Bank	Germany	Europe	1,419.75
23. Morgan Stanley	United States	Americas	1,193.69
24. Lloyds Banking Group	United Kingdom	Europe	1,095.15
25. UBS Group	Switzerland	Europe	1,053.13
26. Intesa Sanpaolo	Italy	Europe	1,037.75
27. ING Group	Netherlands	Europe	1,032.90
28. Bank of Nova Scotia	Canada	Americas	1,030.04
29. UniCredit	Italy	Europe	915.46
30. NatWest Group	United Kingdom	Europe	860.1
31. Bank of Montreal	Canada	Americas	858.63

32. Commonwealth Bank of Australia	Australia	Asia Pacific	835.78
33. BBVA	Spain	Europe	803.5
34. Standard Chartered	United Kingdom	Europe	802.68
35. ANZ	Australia	Asia Pacific	744.23
36. National Australia Bank	Australia	Asia Pacific	702.09
37. State Bank of India	India	Asia Pacific	695.2
38. Canadian Imperial Bank	Canada	Americas	690.97
39. CaixaBank	Spain	Europe	672.2
40. DZ Bank	Germany	Europe	670.13
41. Nordea	Sweden	Europe	656.35
42. Westpac Banking Corp	Australia	Asia Pacific	653.08
43. Rabobank	Netherlands	Europe	617.7
44. Danske Bank*	Denmark	Europe	552.96
45. Commerzbank	Germany	Europe	524.97
46. Sumitomo Mitsui Trust Holdings	Japan	Asia Pacific	516.55
47. Itaú Unibanco	Brazil	Americas	441.4
48. ABN AMRO	Netherlands	Europe	405.67
49. Banco do Brasil	Brazil	Americas	380.27
50. Banco Bradesco	Brazil	Americas	357.45

*Not ranked in 2022