

MEDIA RELEASE

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BANKING SECTOR IN SINGAPORE TO ADVANCE RESPONSIBLE FINANCING WITH THE LAUNCH OF NEW INDUSTRY GUIDELINES

Singapore – The Association of Banks in Singapore (ABS) today released a set of industry guidelines to enhance the implementation of responsible financing as part of Singapore banking sector’s strategic priorities to support sustainable development. The ABS recognises that responsible financing is vital in the sustainable development journey.

Developed in consultation with the banks, the guidelines underscore the Singapore banking sector’s commitment to advance responsible financing through a structured and transparent approach. The guidelines will help to achieve systematic integration of Environmental, Social and Governance (ESG) criteria into banks’ risk assessment and lending decision-making process, as well as greater transparency and accountability on ESG issues. The guidelines comprise three principles:

- Disclosure of senior management’s commitment to responsible financing
- Governance on responsible financing
- Capacity building on responsible financing

At the minimum, banks will share their vision and commitment on responsible financing in their annual reports, and publish their ESG policy framework in 12-18 months’ time. To facilitate the implementation of these guidelines, banks will allocate resources for internal capacity building and skills development. In addition, the banks will implement robust governance systems through appropriate policies and procedures by 2017.

Said Mrs Ong-Ang Ai Boon, Director, ABS: “The banking sector in Singapore wants to play a bigger role in driving responsible business and long-term sustainable development. While some major global banks are further ahead, others have just started on the journey. To support banks on this journey, ABS will continue to engage with regulatory bodies, civil societies, NGOs and other relevant stakeholders to raise the awareness of prevailing ESG issues and trends and facilitate capacity and skills development.”

The ABS will continue to work with the banks to promote sustainable development. It will build on the current work and update the guidelines to respond to new developments and evolving ESG best practices.

ENDS

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About The Association of Banks in Singapore:

The Association of Banks in Singapore (ABS) plays an active role in promoting and representing the interests of the banking community in Singapore. In doing so, ABS works closely with the relevant government authorities towards the development of a sound financial system in Singapore. Since its establishment in 1973, ABS has promoted common understanding among its members and projected a unifying voice on banking issues. It has brought its members closer together through various guidelines and banking practices as well as the support of projects of mutual benefit to face the challenges of the financial and banking community in Singapore. Today, ABS has a membership of 158 local and foreign banks. Further information on ABS is available on the website: www.abs.org.sg.