

Mining dataset 2022: Key Findings

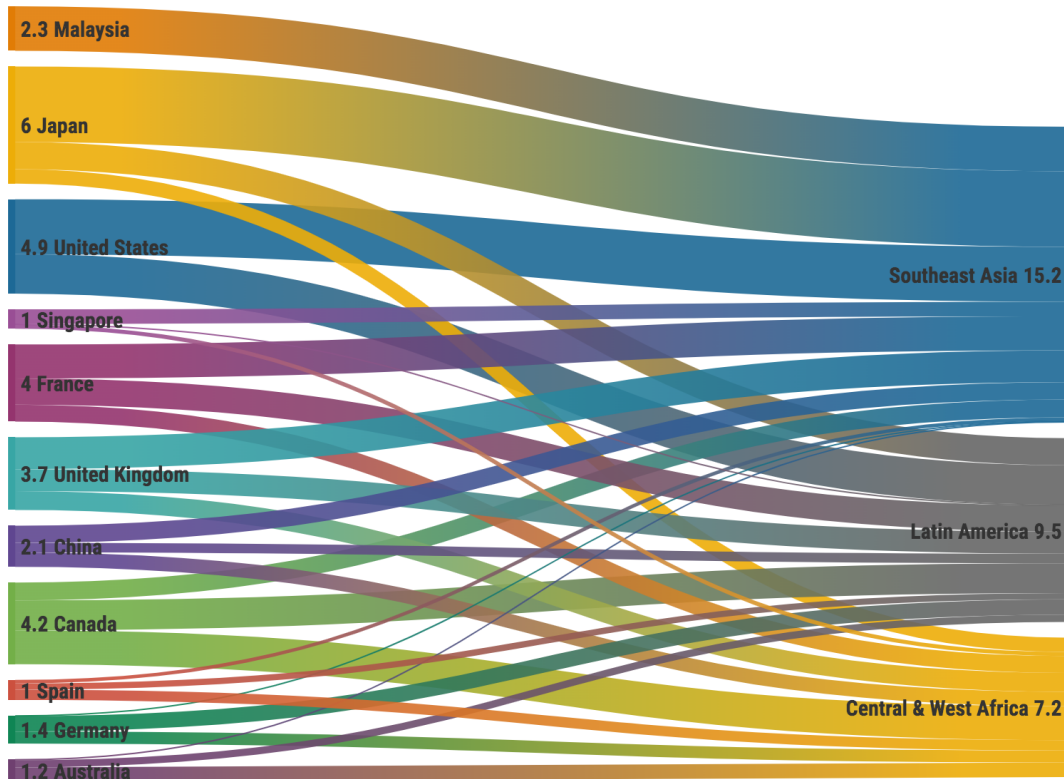
Launched in April 2022, the Forests & Finance mining dataset reveals the financial flows of credit and investment to 24 mining companies operating in the world's three largest tropical forest regions. Industrial mining causes many adverse social and environmental impacts globally and is a significant driver of deforestation in tropical regions. The key findings below show that banks and investors provided \$37.7 billion in credit between 2016 - 2021 with 43% (\$16 billion) going to companies in Southeast Asia. Investors held over \$61 billion in bond and shareholdings in the mining companies assessed, with 55% (\$39 billion) in companies operating in Latin America.

Credit and investment by forest-risk regions.

Forest-risk region	Credit 2016-2021	Investment 2022
Central & West Africa	\$10.8 bln	\$11.4 bln
Latin America	\$10.8 bln	\$33.8 bln
Southeast Asia	\$16.1 bln	\$15.9 bln
Total	\$37.7 bln	\$61.1 bln

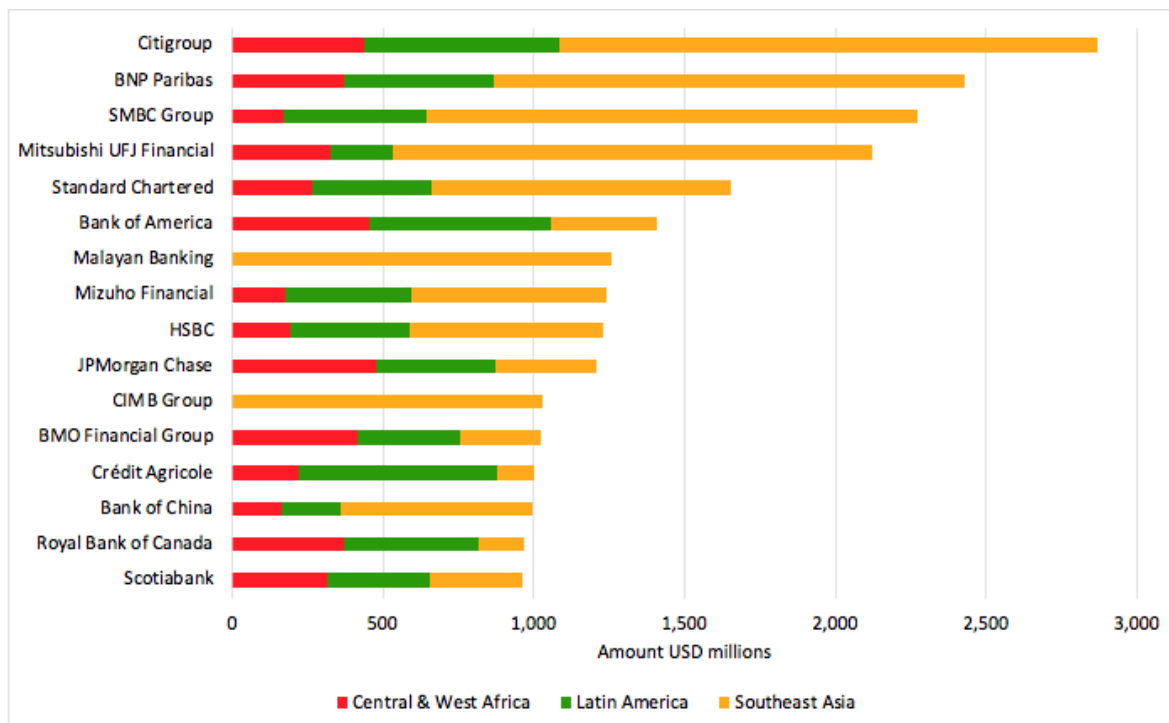
Financial institutions from Japan provided the most credit, \$6 billion, in this period with the majority flowing to companies operating in Southeast Asia. Followed by the United States, with \$5 billion to companies in Southeast Asia and Latin America, then Canada with \$4 billion mainly to companies in Latin America and Central & West Africa.

Largest 10 creditor countries by forest-risk region 2016-2021 (USD billion)



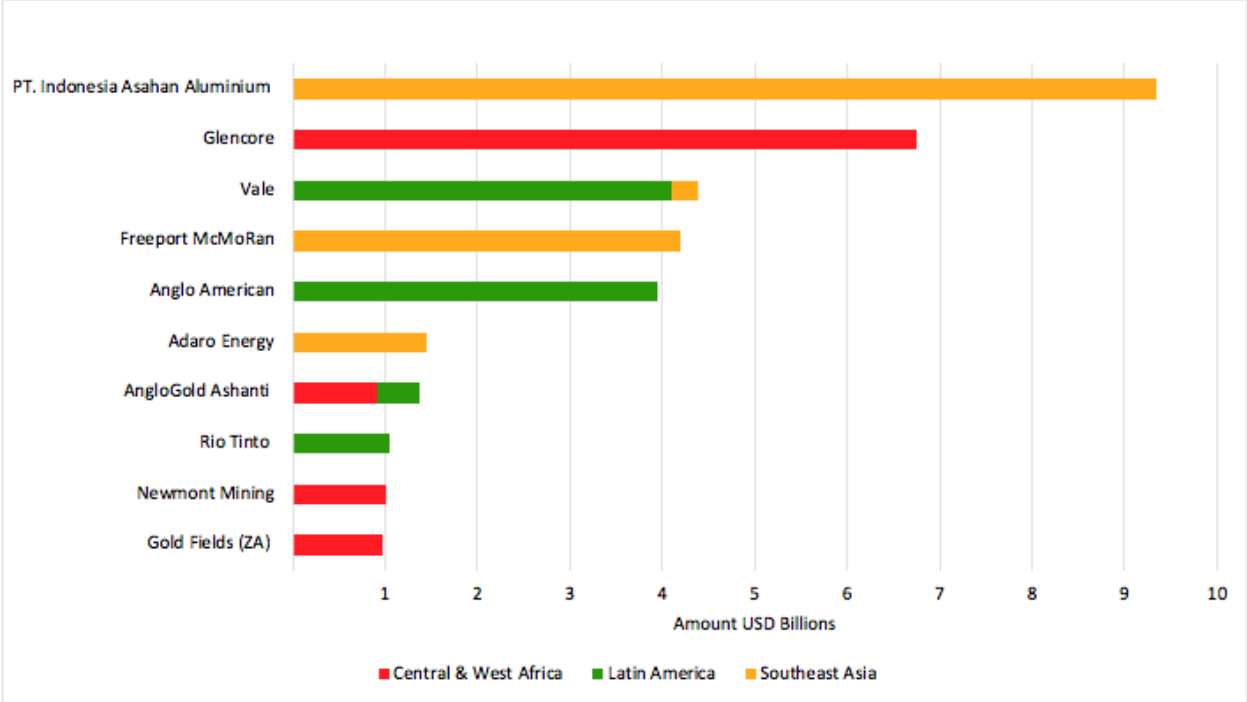
The largest 15 creditors include North American banks: Citigroup (\$2.9 bln), BoA (\$1.4), JPMorgan Chase (\$1.2), BMO (\$1), Royal Bank of Canada (\$1); European banks, BNP Paribas (\$2.4), Standard Chartered (\$1.7), HSBC (\$1.2), Crédit Agricole (\$1); and East Asian banks, SMBC (\$2.3), Maybank (\$1.2), Mizuho (\$1.2), CIMB (\$1), Bank of China (\$1)

Largest 15 creditors by forest-risk region 2016-2021 (USD million)



The largest 10 groups receiving credit include: Glencore, which has been linked to poor working conditions and environmental pollution in DR Congo; Vale, which is involved in conflicts with indigenous peoples and traditional communities in Brazil; and Freeport McMoRan, which has contaminated waterways and been criticized from fueling armed conflicts in Papua.

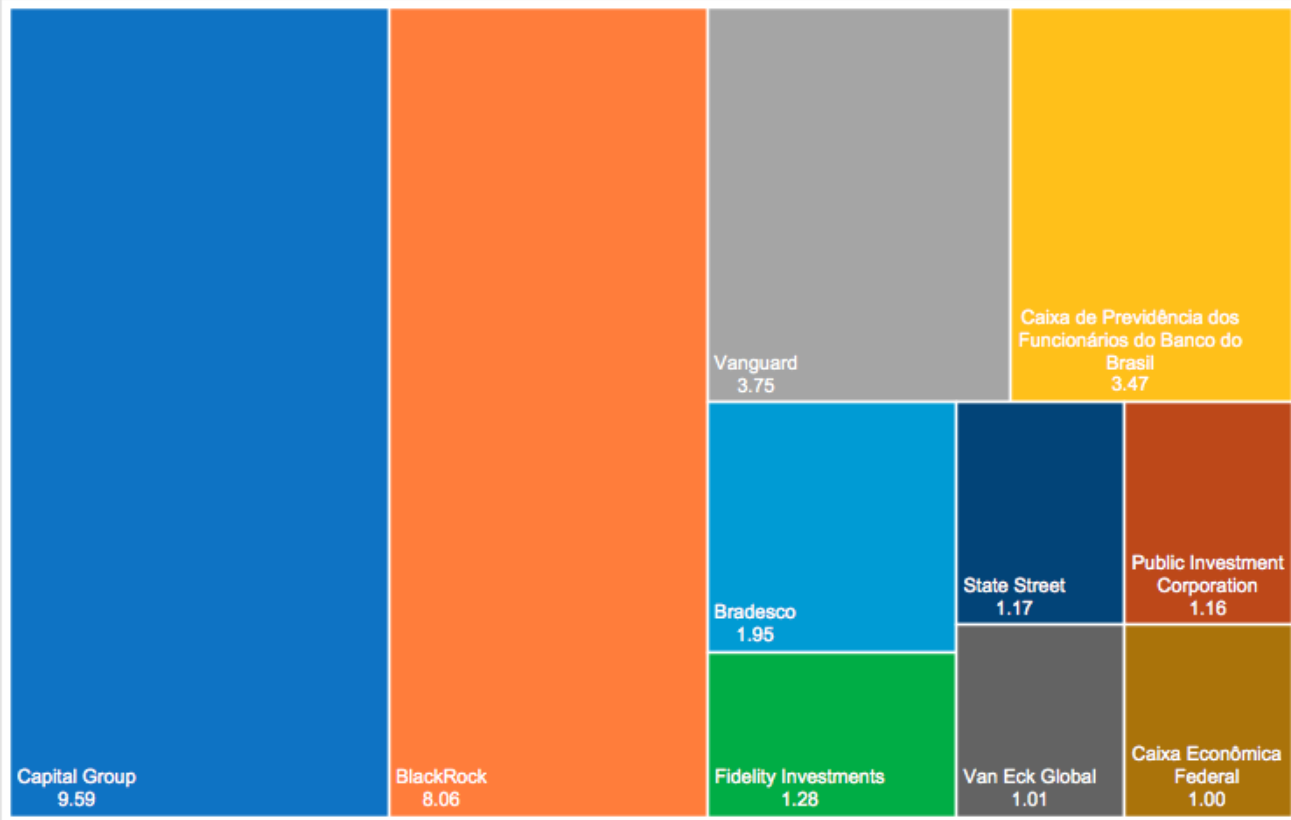
Largest 10 groups receiving credit 2016-2021



Investment

The countries with financial institutions investing the most in these mining companies were: the US (\$37.8 bln); Brazil (\$9.2 bln); UK (\$2.4 bln); South Africa (\$2.2 bln); Canada (\$1.7 bln). Again, the companies receiving the lion’s share of investment were: Vale (\$24.7 bln); Freeport McMoRan (\$12.5); Anglo American (\$5 bln); Glencore (\$3.7bln); and Rio Tinto (\$3.1 bln). Capital Group and Blackrock were the two largest investors by a huge margin holding \$9.6 billion and \$8.1 billion respectively in bonds and shares as of February 2022.

Largest 10 Investors 2022 (USD Million)



Methodology

Forests & Finance analyzed the financial flows of 24 small to large forest-risk mining companies with operations in South America, Central, and West Africa, and Southeast Asia. The credit data covers the period of 2016 to 2021 (April, July & November depending upon data available for each company) and the investor data is per January 2022.

Financial databases Bloomberg, Refinitiv TradeFinanceAnalytics, and IJGlobal, company reports (annual, interim, quarterly) and other company publications, company register filings, as well as media and analyst reports were used to identify corporate loans and underwriting facilities provided to the selected companies.

Investments in bonds and shares of the selected companies were identified through Refinitiv, EMAXX, and Bloomberg at the most recently available filing dates at the end of January 2022. Regional adjusters were applied to the data.

Companies with business activities outside of the forest-risk sector had recorded amounts reduced to more accurately present the proportion of financing that can be reasonably attributed to the forest-risk sector operations of the selected company. Further adjusters were calculated

for companies operating in multiple geographies within the scope of this research.

Not for inclusion in the blog - just for internal reference

Between October 2021 and January 2022, there were some significant changes in investments.

Investments in mining companies operating in Brazil		
	October 2021 (data from Complicity in destruction)	January 2022 (data from F&F)
Capital Group	7056	8.118
BlackRock	6172	4.603
Caixa de Previdência dos Funcionários do Banco do Brasil	7441	3.198
Bradesco	4388	1.797
Vanguard	1586	1.652
Caixa Econômica Federal	789	927