

Particulars

About Your Organisation

1.1 Name of your organization

Citi

1.2 What is/are the primary activity(ies) or product(s) of your organization?

- Grower
 - Processor and/or Trader
 - Consumer Goods Manufacturer
 - Retailer and/or Wholesaler
 - Bank and/or Investor
 - Social and/or Development NGO
 - Environmental and/or Conservation NGO
 - Supply Chain Associate
 - Affiliate
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1.3 Membership number

5-0011-10-000-00

1.4 Membership category

Banks and Investors

1.5 Membership sector

Ordinary

Bank and/or Investor

1. Operational Profile

1.1 Please state your main activity(ies) within the palm oil supply chain. Please select the option(s) that apply to you

- Corporate / Commercial Banking
- Trade Finance
- Private Banking
- Investment / Equity
- Debt / Capital Market
- Other:

Other:

2. Operations in Palm Oil

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

- Trade Solutions
- Lending/Loans
- Leasing
- Treasury Products
- Cash Management Products
- Investments
- Insurance
- Other

Other:

2.2 What geographic region(s) do you operate in for the palm oil business?

Africa, Oceania, Europe, North America, South America, Middle East, China, India, Indonesia, Malaysia, Rest of Asia

3. Palm Oil Policy and Progress

3.1 Does your organisation have a lending or investment policy on palm oil?

Yes

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

- Growers
- Traders
- Processors
- Consumer Goods Manufacturers
- Retailers
- Others

3.2 Others

-

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

Yes

3.4 Do you have a policy that requires all your palm oil customers to be RSPO members?

Yes

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

Yes

3.6 When do you expect to require all your Grower customers to be RSPO certified?

2022

3.7 When do you expect to require all your customers in other sectors to be RSPO certified?

N/A

3.8 In which regions do the above commitments cover?

Worldwide

3.9 What measures do you take if a customer is not meeting the requirements of your policy on palm oil?

Citi requires all growers and mills of palm oil to be members of the RSPO with a commitment to become 100% certified. We only bank RSPO members or palm oil companies with a strong and realistic commitment to becoming RSPO members. If a client is not an RSPO member at the time of onboarding we engage the client to ensure they generate a timeline to become a member along with a time bound plan for 100% certification and we include this commitment in the loan documentation. If a client cannot make a serious commitment to become a member of the RSPO we decline the engagement. If a client decides to exit the RSPO or has its membership suspended or revoked due to non-compliance we exit the relationship unless the client creates a strong and reliable plan to reengage.

We understand that it is an iterative process to align with the stringent rules of the RSPO P&C and as such we review our client's progress toward meeting the RSPO Principles and Criteria through the distribution of our own annual questionnaire in addition to reviewing the client's RSPO ACOP. We do this to both encourage adoption of challenging aspects of the P&C as well as to learn about best practices being adopted. If non-alignment with the RSPO principles and criteria occurs for an existing client, we first engage with the client to understand the non-alignment and any attempts to realign with RSPO Principles and Criteria. We also encourage the client or the complainant to utilize the RSPO Complaints Panel to resolve the issue at hand. If accusations of non-compliance are valid we require a corrective action plan and status updates toward achievement. If non-alignment continues and no corrective action plan is forthcoming, Citi will exit the relationship with the client.

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

3.11 What other activities have you undertaken in the reporting year to promote RSPO-certified sustainable palm oil and oil palm products?

Citi consistently promotes the uptake of RSPO membership with our peer banks and clients. This year we featured our work with the RSPO in a full page of our 2018 Global Citizenship Report:

<https://www.citigroup.com/citi/about/citizenship/download/Global-Citizenship-Report-2018.pdf?ieNocache=184#page=60>

We also work with prospective clients to help them better understand the RSPO and the business case for membership and certification as well as the technical challenges of certification.

Citi is also an active member of the RSPO complaints panel and Financial Institutions Task Force.

4. Actions for Next Reporting Period**4.1 Outline actions that will be taken in the coming year to promote RSPO-certified sustainable palm oil and oil palm products.**

In the coming year Citi will promote the aspects of the RSPO Principles and Criteria to ensure uptake of new labor and zero deforestation principles (among others aspects) through our annual questionnaire and client engagement.

We will also continue to engage with local and global financial institutions to explain the benefits and business case of RSPO membership. We look forward to seeing more financial institutions become RSPO members in 2019.

5. Non-Disclosure

5.1 Information in the sections above are mandatory declarations in your ACOP. For confidentiality purposes, members may choose not to display data in Section 3 publicly; however, RSPO reserves the right to utilise the member's data on an aggregate basis for sectoral and total analysis. Please check this box if the member consents to have the data in Section 3 displayed publicly.

Yes - Display Publicly

6. Application of Principles & Criteria for all member sectors

6.1 Regarding your company's investment policies, do you have position statements and/or policies related to dealings in the palm oil industry that are in line with RSPO P&C. Select all relevant options.

6.1.A Water, land, energy and carbon footprints

File: --

Link: --

6.1.B Land use rights

File: --

Link: --

6.1.C Ethical conduct and human rights

File: --

Link: --

6.1.D Labour rights

File: --

Link: --

6.1.E Stakeholder engagement - Name

File: --

Link: --

6.1.F None of the above. Please explain why.

We do not have a sustainable palm oil policy related to Citi internal procurement of goods outside of our lending policy.

6.2 What best practice guidelines or information has your organisation provided in the past year to facilitate production and consumption of RSPO-certified sustainable palm oil and oil palm products? What languages are these guidelines available in?

Citi's Environmental and Social Risk Management team produces an internal training that includes information on RSPO principles and criteria and our policy of RSPO membership and certification. This training is available in English and to a lesser degree, Spanish.

7. Support for Oil Palm Smallholders**7.1 Are you currently supporting any oil palm Independent Smallholder groups?**

No

7.2 If yes, how are you supporting them?

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7.2.1 Do you have any future plans to support oil palm Independent Smallholders?

No

7.2.2 When do you plan to start your support for oil palm Independent Smallholders?

-

8. Challenges**8.1 What significant economic, social or environmental obstacles have you encountered in the production, procurement, use and/or promotion of CSPO and what efforts did you make to mitigate or resolve them?**

- Awareness of RSPO in the market
- Difficulties in the certification process
- Certification of smallholders
- Competition with non-RSPO members
- High costs in achieving or adhering to certification
- Human rights issues
- Insufficient demand for RSPO-certified palm oil
- Low usage of palm oil
- Reputation of palm oil in the market
- Reputation of RSPO in the market
- Supply issues
- Traceability issues
- Others

Other:

8.2 In addition to the actions already reported in this ACOP, how has your organisation supported the vision of RSPO to transform the market for sustainable palm oil in other ways? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

- Engagement with business partners or consumers on the use of CSPO
 - Engagement with government agencies
 - Promotion of CSPO outside of RSPO venues eg trade workshops industry associations
 - Promotion of physical CSPO
 - Providing funding or support for CSPO development efforts
 - Research & Development support
 - Stakeholder engagement
 - Others
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Other:

8.3 Please attach or add links to any other information from your organisation on your palm oil policies and activities (e.g.: sustainability reports, policies, other public information)

Citi Global Citizenship Report 2018:

<https://www.citigroup.com/citi/about/citizenship/download/Global-Citizenship-Report-2018.pdf?ieNocache=184#page=60>

Citi Environmental and Social Risk Management Framework:

<https://www.citigroup.com/citi/sustainability/data/Environmental-and-Social-Policy-Framework.pdf>
