

ACOP

Annual Communications Of Progress

SECTORAL REPORT

2014



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Particulars

About Your Organisation

Organisation Name

ABN AMRO Bank N.V.

Corporate Website Address

<http://www.abnamro.com/en/index.html>

Primary Activity or Product

- Finance
-

Related Company(ies)

No

Membership

Membership Number	Membership Category	Membership Sector
5-0016-14-000-00	Ordinary	Banks and Investors

Banks and Investors

Operational Profile

1.1 Please state what your main activities are within finance*

- Corporate / Commercial
- Trade Finance
- Retail / Private Banking
- Investment / Equity
- Debt / Capital Markets
- Capital Market Advisory Service

Operations in Palm Oil

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

- Trade Solution
- Lending / Loans
- Treasury Products

2.2 What geographic regions do you operate in for the palm oil business?

- Worldwide

Palm Oil Policy

3.1 Does your organization have a lending or investment policy on palm oil? If so please submit a copy as a pdf?

Yes

Uploaded files:

- [F-Lending-Policy.pdf](#)

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

- Traders
- Processors
- Retailers

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

Yes

3.3.1 Do you require your customers to be RSPO members?

No

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

No

3.4 What measures do you take if a client is not meeting the requirement of your policy on palm oil?

If issues with clients arise, ABN AMRO will undertake a review of the client and commence an engagement to address the issues until they are rectified

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

Yes

Time-Bound Plan

4.1 Do you have, or do you plan to develop a policy that calls for 100% of your palm oil customers to be RSPO members?

Yes

4.2 When do you expect to require 100% certification for growers?

2020

Comment:

RSPO membership is currently not a lending criteria but is included as a key reference in ABN AMRO's agri-commodities policy and palm oil questionnaire. The Bank references the RSPO and evaluates a client's progress towards RSPO membership and certification.

4.3 When do you expect to require 100% certification for other sectors?

2020

4.4 Which countries that your institution operates in do the above commitments cover?

- Applies Globally

4.5 What other commitments & activities have you undertaken in the reporting year to promote CSPO?

Currently ABN AMRO is in the process of updating its agri-commodities policy and client due diligence for palm oil. The bank is also active in a number of initiatives to promote CSPO and sustainable commodity value chains in general. Some of these activities include: participating in VGGT (FO voluntary guidelines on the Responsible governance of Land, Fishers and Forest), participating in the financial institution task force of the RSPO, engagement with relationship managers and sector managers to communicate the importance of RSPO compliance among clients, engagement with the Bank's clients, etc.

GHG Emissions

5.1 Are you currently assessing the GHG emissions from your operations?

No

Please explain why:

It is not relevant for a Financial Institution.

However, the bank participates in the Dutch Long Term Agreement on Energy Efficiency (MJA3). This agreement contributes to the so-called '20-20-20 targets' of the European Union, which require a reduction in EU greenhouse gas emissions of at least 20% below 1990 levels by 2020. By participating in the MJA3 agreement, ABN AMRO is committed to reducing its own greenhouse gas emissions to at least 30% below 2005 levels by 2020.

To be transparent about its progress towards meeting its greenhouse gas emission reduction targets, ABN AMRO fully discloses its greenhouse gas emissions on an annual basis, following the reporting standards of the Greenhouse Gas Protocol.

Do you publicly report the GHG emissions of your operations?

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5.2 Does your bank ask its customers in the Palm Oil sector to disclose their GHG emissions?

No

Please explain why:

However the bank has a public commitment to reducing indirect carbon footprint impacts through its financial products and services over time.

Through the application of the ABN AMRO Sustainability Risk Framework, clients are screened for their actions regarding monitoring, reporting and minimising their greenhouse gas emissions in response to climate change. The specific standards are outlined in the bank's sector policies (e.g. Agri Commodities Policy).

ABN AMRO is part of the UNEP FI Climate Change Working Group.

In addition to this, factors that contribute to GHG emissions such as forest burning and land conversion are detailed in the client due diligence process with the aim of reducing GHG emissions over time in the banks portfolio.

Actions for Next Reporting Period**6.1 Outline actions that will be taken in the coming year to promote CSPO along the supply chain:**

Continued engagement with clients to closely monitor the implementation of their plans to RSPO, engagement with relationship managers and sector managers of ABN AMRO to communicate the relevance of the principles and criteria of the RSPO to our clients.

Reasons for Non-Disclosure of Information**7.1 If you have not disclosed any of the above information please indicate the reasons why****Application of Principles & Criteria for all members sectors****8.1 Regarding your 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, such as:**

- Ethical conduct and human rights

8.2 What steps will your organization take to realize ethical conduct using business-applicable regulations and industry practices?

ABN AMRO aims to promote responsible business conduct both in the banking sector and in its lending practices. Within the banking sector ABN AMRO has taken a leading position in engaging in a number of cross-sector initiatives such as human rights due diligence pilot studies (SHIFT), engagement with OECD National Contact point for multinational enterprises, among others. These activities inform ABN AMRO to apply ethical and responsible conduct in its lending practices.

8.3 Do you provide financial or other incentives for companies that are RSPO member and have a time bound plan?

No

Please explain why:

No, all clients need to comply with our policies whether they are member or not. However the bank does differentiate between leaders and laggards among its clients and communicates to clients if they are in a leading position.

8.4 How does your organization benchmark the progress of its partners and/or clients in palm oil against its ESG criteria?

All clients (including clients in palm oil sector) will need to comply with the Bank's internal social and environmental criteria. We undertake due diligence to assess that clients meet RSPO's P&C. We will regularly monitor clients' progress towards their CSR commitment by speaking to clients on their efforts as well as review the RSPO-ACOP on our client's time-bound plans.

As a Financial Institution, our biggest challenge is the capacity to assess our palm clients efforts and verify the implementation of the policies by our clients. In order to benchmark progress of clients we regularly engage with a variety of stakeholders and experts such as RSPO and NGO's.

Concession Map

9.1 This questions only applies for companies who would like to declare concession boundaries owned. (both RSPO Certified and uncertified)

Do you agree to share your concession maps with the RSPO?

No

Please explain why

not applicable

Challenges

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?

Our biggest challenge is the engagement and promotion of RSPO standards within the local branches and banks to the same standard globally (having a level playing field) and thereby encouraging clients to adopt RSPO standards in the local context may be limited.

2 How would you qualify RSPO standards as compared to other parallel standards?

--

Cost Effective:

No

Robust:

Yes

Simpler to Comply to:

No

3 How has your organization supported the vision of RSPO to transform markets? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

Through client engagement, participation in RSPO meetings, engagement with NGO's.

4 Other information on palm oil (sustainability reports, policies, other public information)

ABN AMRO has an agri-commodities policy which identifies palm oil as a high risk sector. The policy outlines a process to engage clients on the Bank's agri core values (ACV) and undertake detailed due diligence for clients using questionnaires during the on-boarding and annual review process. The policies are in the process of revision in line with current international norms and standards and the RSPO principles and criteria (2013). The updated policy will have an annex that will serve as a supplemental policy and provide specific guidance on palm oil for all financial products and services and to clients in the entire value chain of palm oil. The Bank currently has in-depth client on-boarding questionnaires for all clients active in the palm oil sector. The questionnaire follows the main criteria of RSPO and attaches extra lending requirements inline with the Bank's own sustainability risk policy for lending. The questionnaire is also in the process of being revised in line with RSPO's principles and criteria (2013) but will differentiate between leaders and laggards in the sector within ABN AMRO's portfolio in a more detailed manner. This will allow for engagement with clients to continuously improve progress on mitigating risks associated with the sector.

Particulars

About Your Organisation

Organisation Name

ANZ Banking Group Limited

Corporate Website Address

<http://www.anz.com>

Primary Activity or Product

- Finance
-

Related Company(ies)

--

Membership

Membership Number	Membership Category	Membership Sector
5-0008-08-000-00	Ordinary	Banks and Investors

Banks and Investors

Operational Profile

1.1 Please state what your main activities are within finance*

- Corporate / Commercial
 - Trade Finance
 - Retail / Private Banking
 - Investment / Equity
 - Debt / Capital Markets
 - Capital Market Advisory Service
-

Operations in Palm Oil

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

- Trade Solution
 - Lending / Loans
 - Leasing
 - Treasury Products
 - Cash Management Products
-

2.2 What geographic regions do you operate in for the palm oil business?

- Worldwide
-

Palm Oil Policy

3.1 Does your organization have a lending or investment policy on palm oil? If so please submit a copy as a pdf?

Yes

Uploaded files:

- --
-

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

- Traders
 - Processors
 - Other:
-

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

Yes

3.3.1 Do you require your customers to be RSPO members?

No

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

No

3.4 What measures do you take if a client is not meeting the requirement of your policy on palm oil?

(3.3.1, 3.3.2, 3.4) ANZ's sustainability approach and standards are aligned to the social and environmental principles established by RSPO, and the bank encourages its customers to be RSPO members and establish a time-bound plan for full RSPO certification under its responsible business lending policy. However, the bank is disposed to make exceptions where a customer can positively demonstrate adherence to appropriate social, environmental and sustainability principles outside of the RSPO certification process.

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

Yes

Time-Bound Plan**4.1 Do you have, or do you plan to develop a policy that calls for 100% of your palm oil customers to be RSPO members?**

No

4.2 When do you expect to require 100% certification for growers?

2025

Comment:

RSPO members are expected to be 100% certified within an acceptable period to RSPO and ANZ depending on the circumstances of the grower.

4.3 When do you expect to require 100% certification for other sectors?

2025

Comment:

RSPO members in other sectors are expected to operate with 100% certification within an acceptable period to RSPO and ANZ depending on the circumstances of the client.

4.4 Which countries that your institution operates in do the above commitments cover?

- Applies Globally

4.5 What other commitments & activities have you undertaken in the reporting year to promote CSPO?

Our senior Institutional bankers have attended training on transaction level decision making. This course directly supports responsible decision making in their roles or strengthens ANZ's approach to managing environmental impacts. It has been delivered in partnership with industry experts and NGOs, including WWF.

Our sensitive sector policies adopt a principles-based risk framework which is applied to decision-making in sensitive transactions across the industries. We support customers that demonstrate a balanced approach to social, environmental and developmental impacts and we encourage customers to adopt management practices to continuously improve their social and environmental performance. ANZ supports customers that use internationally accepted industry management practices to manage social, environmental and economic impacts (including effects on human rights, biodiversity, cultural heritage, indigenous rights, health and safety, governance and environmental sustainability)

GHG Emissions**5.1 Are you currently assessing the GHG emissions from your operations?**

Yes

Do you publicly report the GHG emissions of your operations?

Yes

Do you publicly report the GHG emissions of your operations?

Yes

5.2 Does your bank ask its customers in the Palm Oil sector to disclose their GHG emissions?

No

Please explain why:

Yes, if this is considered necessary for assessment within ANZ's policies and principles or if required by law or certification.

(5.0) <http://www.anz.com/about-us/corporate-responsibility/environment/targets-performance/carbon/>

Actions for Next Reporting Period**6.1 Outline actions that will be taken in the coming year to promote CSPO along the supply chain:**

Our senior Institutional bankers have attended training on transaction level decision making. This course directly supports responsible decision making in their roles or strengthens ANZ's approach to managing environmental impacts. It has been delivered in partnership with industry experts and NGOs, including WWF.

Our sensitive sector policies adopt a principles-based risk framework which is applied to decision-making in sensitive transactions across the industries. We support customers that demonstrate a balanced approach to social, environmental and developmental impacts and we encourage customers to adopt management practices to continuously improve their social and environmental performance. ANZ supports customers that use internationally accepted industry management practices to manage social, environmental and economic impacts (including effects on human rights, biodiversity, cultural heritage, indigenous rights, health and safety, governance and environmental sustainability).

Reasons for Non-Disclosure of Information**7.1 If you have not disclosed any of the above information please indicate the reasons why****Application of Principles & Criteria for all members sectors****8.1 Regarding your 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, such as:**

- Water, land, energy and carbon footprints
- Land Use Rights
- Ethical conduct and human rights
- Labour rights
- Stakeholder engagement

8.2 What steps will your organization take to realize ethical conduct using business-applicable regulations and industry practices?

Strict assessment and compliance with ANZ's Sensitive Sector policies, reviewed across all clients annually.

Our senior Institutional bankers have attended training on transaction level decision making. This course directly supports responsible decision making in their roles or strengthens ANZ's approach to managing environmental impacts. It has been delivered in partnership with industry experts and NGOs, including WWF.

Our sensitive sector policies adopt a principles-based risk framework which is applied to decision-making in sensitive transactions across the industries. We support customers that demonstrate a balanced approach to social, environmental and developmental impacts and we encourage customers to adopt management practices to continuously improve their social and environmental performance. ANZ supports customers that use internationally accepted industry management practices to manage social, environmental and economic impacts (including effects on human rights, biodiversity, cultural heritage, indigenous rights, health and safety, governance and environmental sustainability).

8.3 Do you provide financial or other incentives for companies that are RSPO member and have a time bound plan?

No

8.4 How does your organization benchmark the progress of its partners and/or clients in palm oil against its ESG criteria?

All customers undergo annual review, including assessment against our Sensitive Sector policies which include ESG criteria. This is conducted with support from RSPO public reporting, independent reports, and annual sustainability reports.

Concession Map**9.1 This questions only applies for companies who would like to declare concession boundaries owned. (both RSPO Certified and uncertified)**

Do you agree to share your concession maps with the RSPO?

No

Please explain why

NA

Challenges

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?

NA

2 How would you qualify RSPO standards as compared to other parallel standards?

--

Cost Effective:

--

Robust:

--

Simpler to Comply to:

--

3 How has your organization supported the vision of RSPO to transform markets? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

Our senior Institutional bankers have attended training on transaction level decision making. This course directly supports responsible decision making in their roles or strengthens ANZ's approach to managing environmental impacts. It has been delivered in partnership with industry experts and NGOs, including WWF.

Our sensitive sector policies adopt a principles-based risk framework which is applied to decision-making in sensitive transactions across the industries. We support customers that demonstrate a balanced approach to social, environmental and developmental impacts and we encourage customers to adopt management practices to continuously improve their social and environmental performance. ANZ supports customers that use internationally accepted industry management practices to manage social, environmental and economic impacts (including effects on human rights, biodiversity, cultural heritage, indigenous rights, health and safety, governance and environmental sustainability).

4 Other information on palm oil (sustainability reports, policies, other public information)

NA

Particulars

About Your Organisation

Organisation NameBNP Paribas

Corporate Website Address<http://www.bnpparibas.com>

Primary Activity or Product

- Finance
-

Related Company(ies)No

Membership

Membership Number	Membership Category	Membership Sector
5-0013-11-000-00	Ordinary	Banks and Investors

Banks and Investors

Operational Profile

1.1 Please state what your main activities are within finance*

- Corporate / Commercial
- Trade Finance
- Retail / Private Banking
- Investment / Equity
- Debt / Capital Markets
- Capital Market Advisory Service

Operations in Palm Oil

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

- Trade Solution
- Lending / Loans
- Treasury Products
- Cash Management Products
- Investment

2.2 What geographic regions do you operate in for the palm oil business?

- Worldwide

Palm Oil Policy

3.1 Does your organization have a lending or investment policy on palm oil? If so please submit a copy as a pdf?

Yes

Uploaded files:

- [F-Lending-Policy.pdf](#)

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

- Traders
- Processors

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

Yes

3.3.1 Do you require your customers to be RSPO members?

No

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

No

3.4 What measures do you take if a client is not meeting the requirement of your policy on palm oil?

We do not require our clients to be RSPO members but the policy clearly says that "BNP Paribas believes that the RSPO has made, and is still making, a major contribution to the adoption of sustainability practices within the palm oil sector, through its wide-reaching, consensus-based, and multi-stakeholder approach. ". If a client does not meet the requirements of our policy on palm oil, we initiate a dialogue to ensure that improvements can be made, to achieve compliance with our policy within an acceptable time-frame. If the client does not comply with our policy and does not show willingness to improve its practices, we would refuse investing or providing financial products or services.

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

Yes

Time-Bound Plan**4.1 Do you have, or do you plan to develop a policy that calls for 100% of your palm oil customers to be RSPO members?**

Yes

4.2 When do you expect to require 100% certification for growers?

2020

Comment:

Apart from encouraging companies to become RSPO members in its CSR sectoral financing and investing policy, BNP Paribas strengthened in 2014 its actions to fight against deforestation with the signature of the "Soft Commodities Compact" which commits the Group to finance the growth in the markets for palm oil, wood products, soya and beef, without causing net deforestation up to 2020. Above their own due diligence processes, the signatory banks ensure that their customers also implement suitable internationally-recognised monitoring means, such as RSPO in the palm oil sector.

4.3 When do you expect to require 100% certification for other sectors?

2020

Comment:

Apart from encouraging companies to become RSPO members in its CSR sectoral financing and investing policy, BNP Paribas strengthened in 2014 its actions to fight against deforestation with the signature of the "Soft Commodities Compact" which commits the Group to finance the growth in the markets for palm oil, wood products, soya and beef, without causing net deforestation up to 2020. Above their own due diligence processes, the signatory banks ensure that their customers also implement suitable internationally-recognised monitoring means, such as RSPO in the palm oil sector.

4.4 Which countries that your institution operates in do the above commitments cover?

- Applies Globally

4.5 What other commitments & activities have you undertaken in the reporting year to promote CSPO?

Extract of our CSR policy:

Recognising the importance of multi-stakeholders voluntary approaches such as the RSPO, BNP Paribas recommends that Upstream Palm Oil Companies:

- Become active members of the RSPO, e.g. by regularly reporting on progress and participating to working groups;
- Work towards full RSPO certification for their palm oil operations (plantations and mills), as evidenced by a time-bound action plan;
- For palm oil mills: engage with third-party suppliers to achieve full RSPO certification of the supply base.

BNP Paribas encourages Downstream Palm Oil Companies (i.e. refiners and traders) to become active members of the RSPO and maximize the use of RSPO-certified palm oil.

Besides, this policy was reviewed in 2014 to take into account recent, significant advances in this sector in terms of environmental and societal responsibility, bolstered by new "Non-deforestation" commitments taken by major producers and buyers .

Our policy requires customers not to develop plantations on peatlands, to reduce their greenhouse gas emissions and to limit use of pesticides and in particular, Paraquat.

Our policy also encourages our customers to adopt and implement the High Carbon Stock analysis.

In the societal area, it requires the customer to obtain the free, prior and informed consent of populations impacted by new plantations, as described by the RSPO.

It also invites palm oil traders to ensure the traceability of their supply chain and check that their suppliers operate in line with the requirements of this policy.

GHG Emissions

5.1 Are you currently assessing the GHG emissions from your operations?

Yes

Do you publicly report the GHG emissions of your operations?

Yes

Uploaded file:[F-GHG-Public-Commitment.pdf](#)

Do you publicly report the GHG emissions of your operations?Yes

5.2 Does your bank ask its customers in the Palm Oil sector to disclose their GHG emissions?

No

Please explain why:

We do not ask them to disclose but we require them to have at least the following policies in place, in order to minimize GHG emissions:

- A no-burn policy, in line with the recommendations of the ASEAN Policy on Zero Burning or other regional best practice;
- A policy not to develop new oil palm plantations on peatlands;
- Peatland management procedures to minimize peat degradation for existing oil palm plantations located on peatlands;
- A policy to minimize the use of artificial fertilizers;
- A policy to reduce GHG emissions from palm oil mills.

We believe that these requirements cover the main GHG emissions sources from our clients.

Actions for Next Reporting Period**6.1 Outline actions that will be taken in the coming year to promote CSPO along the supply chain:**

As mentioned above, our CSR policy regarding our financing and investing activities in the palm oil sector has been updated in 2014 to take into account recent developments and commitments taken by major players. On that basis, we will strengthen the dialogue with our clients regarding their CSR performance, including the promotion of CSPO as explained above.

Reasons for Non-Disclosure of Information**7.1 If you have not disclosed any of the above information please indicate the reasons why**

Application of Principles & Criteria for all members sectors**8.1 Regarding your 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, such as:**

- Water, land, energy and carbon footprints
[F-Policies-to-PNC-waterland.pdf](#)
 - Land Use Rights
[F-Policies-to-PNC-landuseright.pdf](#)
 - Ethical conduct and human rights
[F-Policies-to-PNC-ethicalconducthr.pdf](#)
 - Labour rights
[F-Policies-to-PNC-laborrights.pdf](#)
 - Stakeholder engagement
[F-Policies-to-PNC-stakeholderengagement.pdf](#)
-

8.2 What steps will your organization take to realize ethical conduct using business-applicable regulations and industry practices?

We will keep on applying our CSR policy regarding investing and financing in palm oil sector, also with the help of the Compliance function that gathers more than 2 000 collaborators in the world, based on a decentralized organization coordinated by Group Compliance team. Besides, 6000 Risk officers within the Group ensure an objective and systematic double check for all financial transactions of the Group and its clients. On top of this, BNP Paribas has also released the BNP Paribas Responsibility Charter and its Code of Conduct on its internet website.

8.3 Do you provide financial or other incentives for companies that are RSPO member and have a time bound plan?

No

Please explain why:

We believe that sustainability is eventually a competitive advantage for our customers, and at this stage we do not believe it is practical to offer varying financial terms and conditions to our customers based on their CSR performance. For instance, a corporate loan can have a long tenor (e.g. 10 years, during which it is not possible to modify the loan agreement), while the CSR performance of a company can improve or worsen very quickly.

8.4 How does your organization benchmark the progress of its partners and/or clients in palm oil against its ESG criteria?

We keep direct dialogue, we listen to any controversial issue that arises from external stakeholders, and if needed we ask an external expert consultant to conduct in-depth on site audit on ESG criteria in order to assess compliance with our CSR policy. Companies which do not comply with our criteria are placed in our monitoring list, with limited access to our products and services and yearly review of their status. In case of significant improvement of their practices, they are removed from that list and all products and services are made available for them.

Concession Map**9.1 This questions only applies for companies who would like to declare concession boundaries owned. (both RSPO Certified and uncertified)****Do you agree to share your concession maps with the RSPO?**

No

Please explain why

This section does not apply to a financial institution such as BNP Paribas.

Challenges

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?

1) Economic obstacle: RSPO seems to be in an in-between situation: on one hand, many very important markets do not pay particular importance to environmental labels such as RSPO and growers find strong difficulties in passing-through certification costs when addressing these markets. On the other hand, many Consumer Goods Manufacturers in the European and American markets ask now their providers to comply with environmental standards which go beyond RSPO requirements, such as HCS protection and no deforestation commitment. Addressing these two issues appears to be crucial for RSPO and a necessary preamble to any effort from the financial sector to promote CSPO among its clients.

2) Another important difficulty is, while assessing the ESG performance, to know precisely what the real practices of the company on the ground are. Many different statements and points of view may arise during investigation or audit and we need to clearly state out what's really happening. To mitigate this difficulty we ask, when needed, an external expert consultant to conduct in-depth local audit on ESG criteria in order to assess ESG performance.

2 How would you qualify RSPO standards as compared to other parallel standards?

--

Cost Effective:

No

Robust:

Yes

Simpler to Comply to:

Yes

3 How has your organization supported the vision of RSPO to transform markets? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

BNP Paribas is member of RSPO since 2011 and has been since then fully supporting the vision of RSPO to transform markets by being a responsible financial player in the palm oil sector, based on a public policy including binding ESG criteria and with the help of external auditors to assess the ESG performance of the actors we chose to support. BNP Paribas is also member of the Financial Institution Task Force (FITF): placed under the umbrella of RSPO, this group gathers several banks involved in the palm oil sector and members of RSPO. It has released an outreach document detailing what are the opportunities for a financial player to become RSPO member and where can be found useful information regarding best practices in financing the palm oil sector.

4 Other information on palm oil (sustainability reports, policies, other public information)

All important matters have been released through the previous questions. Additional information may be found in our 2014 Registration Document attached to this questionnaire.

Particulars

About Your Organisation

Organisation Name

Citi

Corporate Website Address

<http://www.citi.com>

Primary Activity or Product

- Finance
-

Related Company(ies)

No

Membership

Membership Number	Membership Category	Membership Sector
5-0011-10-000-00	Ordinary	Banks and Investors

Banks and Investors

Operational Profile

1.1 Please state what your main activities are within finance*

- Corporate / Commercial
- Trade Finance
- Retail / Private Banking
- Investment / Equity
- Debt / Capital Markets
- Capital Market Advisory Service

Operations in Palm Oil

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

- Trade Solution
- Lending / Loans
- Treasury Products
- Cash Management Products

2.2 What geographic regions do you operate in for the palm oil business?

- Asia
- South America

Palm Oil Policy

3.1 Does your organization have a lending or investment policy on palm oil? If so please submit a copy as a pdf?

Yes

Uploaded files:

- [F-Lending-Policy.pdf](#)

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

- Traders
- Processors

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

Yes

3.3.1 Do you require your customers to be RSPO members?

Yes

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

Yes

3.4 What measures do you take if a client is not meeting the requirement of your policy on palm oil?

We engage in a dialogue with the client to better understand the challenges it faces and to assess its commitment to achieving 100% certified operations.

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

Yes

Time-Bound Plan**4.1 Do you have, or do you plan to develop a policy that calls for 100% of your palm oil customers to be RSPO members?**

Yes

4.2 When do you expect to require 100% certification for growers?

2020

4.3 When do you expect to require 100% certification for other sectors?

2020

4.4 Which countries that your institution operates in do the above commitments cover?

- Applies Globally
-

4.5 What other commitments & activities have you undertaken in the reporting year to promote CSPO?

Citi participates in the Financial Institutions Task Force of the RSPO, and supports outreach and engagement with financial institutions on becoming members of RSPO. Additionally, we hosted a workshop in Brazil on the use of certification schemes to meet zero deforestation commitments. RSPO was one of four certification schemes that were discussed.

GHG Emissions**5.1 Are you currently assessing the GHG emissions from your operations?**

Yes

Do you publicly report the GHG emissions of your operations?

Yes

Uploaded file:

[F-GHG-Public-Commitment.pdf](#)

Do you publicly report the GHG emissions of your operations?

Yes

5.2 Does your bank ask its customers in the Palm Oil sector to disclose their GHG emissions?

No

Please explain why:

We recognize the challenges associated with measuring GHG and carbon stock. During the implementation period for Criterion 5.6 (through December 2016), we will encourage rather than require our clients to disclose their GHG emissions to allow time for tools such as PalmGHG to be further tested and refined.

Actions for Next Reporting Period

6.1 Outline actions that will be taken in the coming year to promote CSPO along the supply chain:

We will continue to participate in the Financial Institutions Task Force, and seek opportunities to promote CSPO.

Reasons for Non-Disclosure of Information**7.1 If you have not disclosed any of the above information please indicate the reasons why****Application of Principles & Criteria for all members sectors****8.1 Regarding your 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, such as:**

- Water, land, energy and carbon footprints
[F-Policies-to-PNC-waterland.pdf](#)
 - Land Use Rights
[F-Policies-to-PNC-landuseright.pdf](#)
 - Ethical conduct and human rights
[F-Policies-to-PNC-ethicalconducthr.pdf](#)
 - Labour rights
[F-Policies-to-PNC-laborrights.pdf](#)
 - Stakeholder engagement
[F-Policies-to-PNC-stakeholderengagement.pdf](#)
-

8.2 What steps will your organization take to realize ethical conduct using business-applicable regulations and industry practices?

We will continue to support the outreach efforts of the RSPO to ensure broad uptake of the Principles and Criteria by all actors in the value chain.

8.3 Do you provide financial or other incentives for companies that are RSPO member and have a time bound plan?

No

Please explain why:

We only do business with companies that are RSPO members and have a time bound plan for certification.

8.4 How does your organization benchmark the progress of its partners and/or clients in palm oil against its ESG criteria?

We review the Annual Communication of Progress reports for clients during annual credit reviews. Prior to new transactions, we will engage with the company to better understand its environmental and social performance, and in some cases, we may hire an independent consultant to conduct audits of the company's operations.

Concession Map**9.1 This questions only applies for companies who would like to declare concession boundaries owned. (both RSPO Certified and uncertified)****Do you agree to share your concession maps with the RSPO?**

No

Please explain why

--

Challenges

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?

For financial institutions, our main obstacle or challenge in promoting CSPO is the competition from local and regional banks that are not RSPO members. Without a level playing field in the financial sector, our leverage to influence clients to adopt RSPO Principles & Criteria is limited.

2 How would you qualify RSPO standards as compared to other parallel standards?

--

Cost Effective:

No

Robust:

Yes

Simpler to Comply to:

No

3 How has your organization supported the vision of RSPO to transform markets? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

Engagement with key stakeholders; Business to business education/outreach.

4 Other information on palm oil (sustainability reports, policies, other public information)

Our Environmental Policy Framework can be found here:

http://www.citigroup.com/citi/environment/data/Environmental_Policy_Framework

Particulars

About Your Organisation

Organisation Name

Credit Suisse AG

Corporate Website Address

<http://www.credit-suisse.com>

Primary Activity or Product

- Finance
-

Related Company(ies)

No

Membership

Membership Number	Membership Category	Membership Sector
5-0010-10-000-00	Ordinary	Banks and Investors

Banks and Investors

Operational Profile

1.1 Please state what your main activities are within finance*

- Corporate / Commercial
- Trade Finance
- Retail / Private Banking
- Debt / Capital Markets
- Capital Market Advisory Service

Operations in Palm Oil

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

- Trade Solution
- Lending / Loans
- Treasury Products

2.2 What geographic regions do you operate in for the palm oil business?

- Asia

Palm Oil Policy

3.1 Does your organization have a lending or investment policy on palm oil? If so please submit a copy as a pdf?

Yes

Uploaded files:

- [F-Lending-Policy.pdf](#)

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

- Traders
- Processors
- Other:

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

Yes

3.3.1 Do you require your customers to be RSPO members?

Yes

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

Yes

3.4 What measures do you take if a client is not meeting the requirement of your policy on palm oil?

Engagement and advisory support in the first instance.

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

Yes

Time-Bound Plan**4.1 Do you have, or do you plan to develop a policy that calls for 100% of your palm oil customers to be RSPO members?**

Yes

4.2 When do you expect to require 100% certification for growers?

2019

4.3 When do you expect to require 100% certification for other sectors?

2020

4.4 Which countries that your institution operates in do the above commitments cover?

- Applies Globally
-

4.5 What other commitments & activities have you undertaken in the reporting year to promote CSPO?

Examples of activities include:

- 1) Co-development of ESG Guide for Emerging Market Banks and Companies in the Oil Palm sector
 - 2) Reiterating our support for RSPO and CSPO at the Tropical Landscapes Summit 2015 in Jakarta
 - 3) Engagement with other financial institutions via the RSPO Financial Industry Task Force
 - 3) Ongoing support to corporate client to develop sustainable palm oil strategy
-

GHG Emissions**5.1 Are you currently assessing the GHG emissions from your operations?**

Yes

Do you publicly report the GHG emissions of your operations?

Yes

Do you publicly report the GHG emissions of your operations?

Yes

5.2 Does your bank ask its customers in the Palm Oil sector to disclose their GHG emissions?

No

Please explain why:

We require RSPO membership and ultimately certification, including the adoption of RSPO rules on GHG emission disclosures.

Actions for Next Reporting Period

6.1 Outline actions that will be taken in the coming year to promote CSPO along the supply chain:

A few action areas as follows:

- 1) Continued outreach with peers within and outside the RSPO financial institutions community
 - 2) Raising awareness of RSPO via other industry platforms, and in collaboration with peers
 - 3) Continue to support clients on a discretionary basis in developing and implementing RSPO membership commitments
-

Reasons for Non-Disclosure of Information**7.1 If you have not disclosed any of the above information please indicate the reasons why****Application of Principles & Criteria for all members sectors****8.1 Regarding your 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, such as:**

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8.2 What steps will your organization take to realize ethical conduct using business-applicable regulations and industry practices?

Our 'Global Policy - Forestry & Agribusiness' (incorporating palm oil) requires clients to join RSPO, comply with RSPO P&C and develop a roadmap towards CSPO production.

8.3 Do you provide financial or other incentives for companies that are RSPO member and have a time bound plan?

No

Please explain why:

We do not feel we should need to incentivise companies to operate sustainably when there are clear benefits to them by doing so. However, on a discretionary basis we do offer clients pro bono advisory services to assist them in developing their commitment and capacity in support of the RSPO P&C.

8.4 How does your organization benchmark the progress of its partners and/or clients in palm oil against its ESG criteria?

A mix of qualitative evaluation vis-a-vis our 'Global Policy - Forestry & Agribusiness', reference to the RSPO P&C and industry news, and through ongoing engagement with a range of social and ecological NGOs and research organisations.

Concession Map**9.1 This questions only applies for companies who would like to declare concession boundaries owned. (both RSPO Certified and uncertified)****Do you agree to share your concession maps with the RSPO?**

No

Please explain why

We have no concession areas.

Challenges

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?

Occasional feedback from our bankers in client / prospect meetings that other global banks and regional banks are not applying ESG standards to deals in the sector, placing ourselves and other RSPO member banks at a competitive disadvantage. There needs to be more work done across RSPO to reward / recognise the efforts of committed members and to pressure other players to join and support a sustainable palm oil industry.

2 How would you qualify RSPO standards as compared to other parallel standards?

--

Cost Effective:

Yes

Robust:

Yes

Simpler to Comply to:

Yes

3 How has your organization supported the vision of RSPO to transform markets? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

Examples of our key activities include: (A) client engagement on strategy development, (B) development of ESG guidance for (i) emerging market investment banks, (ii) emerging market private equity investors and (iii) oil palm growers in SE Asia (jointly with WWF-International); and (C) global peer engagement through FITF.

4 Other information on palm oil (sustainability reports, policies, other public information)

Three relevant reports produced with Credit Suisse AG support:

- 1) "Environmental, Social and Governance Integration for Banks: A Guide to Starting Implementation" [<http://wwf.panda.org/>]
- 2) "Sustainable finance in Singapore, Malaysia and Indonesia: A review of financiers ESG practices, disclosure standards and regulations" [http://wwf.panda.org/what_we_do/how_we_work/businesses/transforming_markets/news/]
- 3) "Private Equity and Emerging Markets Agribusiness: Building Value Through Sustainability" [http://wwf.panda.org/what_we_do/how_we_work/businesses/transforming_markets/solutions/commodity_financing/]

Particulars

About Your Organisation

Organisation Name

Generation Investment Management

Corporate Website Address

<http://www.generationim.com>

Primary Activity or Product

- Finance
-

Related Company(ies)

No

Membership

Membership Number	Membership Category	Membership Sector
5-0012-11-000-00	Ordinary	Banks and Investors

Banks and Investors

Operational Profile

1.1 Please state what your main activities are within finance*

- Investment / Equity

Operations in Palm Oil

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

- Investment

2.2 What geographic regions do you operate in for the palm oil business?

- Worldwide

Palm Oil Policy

3.1 Does your organization have a lending or investment policy on palm oil? If so please submit a copy as a pdf?

No

Please explain why

As an investment management firm, we are not directly involved in the palm oil industry. Our exposure is through our investments in (FMCG) companies. The investment process that leads to our stock selection is centred on the integration of sustainability issues with fundamental financial analysis. Our sector analysts investigate those sustainability issues that may be material and relevant to a particular sector/company. Palm oil procurement and management engagement around the topic are an important part of analysts' research and assessment of

FMCG companies, but are not material in, for instance, the automobile sector. Because of the integrated, case-by-case nature of our investment process, we do not operate a broad palm oil policy across all industry sectors.

We do, however, recognise and embrace our role as investors in promoting a sustainable palm oil industry and indeed helped mobilise the investor community through founding the Palm Oil Investor Working Group (IWG) with the UNPRI. The investor working group has grown to 31 members with over \$2 trillion of assets under management. Mark Mills Chairs the IWG, and has done since its formation. The IWG's mission statement reflects our commitment to engaging with companies within the palm oil value chain alongside other stakeholders:

<http://www.unpri.org/viewer/>

3.4 What measures do you take if a client is not meeting the requirement of your policy on palm oil?

As an investment management company we do not have clients with palm oil operations. Our clients are institutions such as Pension Funds, and their palm oil exposure is not material. Our engagement is focused on the exposure we may have in the companies we invest in, as part of the IWG (see 3.1).

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

No

Please explain why:

See 3.4

Time-Bound Plan

4.1 Do you have, or do you plan to develop a policy that calls for 100% of your palm oil customers to be RSPO members?

No

4.2 When do you expect to require 100% certification for growers?

2017

Comment:

We do not feel it is relevant for us to have a time-bound plan. Our clients are institutions such as Pension Funds and it is not appropriate for them to become RSPO certified. In addition, we do not produce or purchase palm oil and so cannot expect to achieve 100% certified palm oil.

4.3 When do you expect to require 100% certification for other sectors?

2017

4.4 Which countries that your institution operates in do the above commitments cover?

--

4.5 What other commitments & activities have you undertaken in the reporting year to promote CSPO?

As part of the IWG, we continued to engage with growers and have focused our engagement on players that hold a key position within the industry.

During the period we also played an important advisory role in supporting the development of the Zoological Society of London's "Transparency Toolkit", which was launched to help investors and other stakeholders assess oil palm growers.

GHG Emissions

5.1 Are you currently assessing the GHG emissions from your operations?

No

Please explain why:

We measure and off-set the Firm's GHG emissions on an annual basis but, due to the nature and size of our business, do not feel it appropriate to disclose this information publicly. We would make the information available to clients on request.

Do you publicly report the GHG emissions of your operations?

No

5.2 Does your bank ask its customers in the Palm Oil sector to disclose their GHG emissions?

No

Please explain why:

As discussed, we do not have customers with material exposure to the Palm Oil sector.

Actions for Next Reporting Period

6.1 Outline actions that will be taken in the coming year to promote CSPO along the supply chain:

Mark Mills will continue to participate and Chair the IWG. As well as engaging with purchasers of palm oil, the IWG will engage with growers, and in recruiting members who can strengthen this engagement.

Reasons for Non-Disclosure of Information

7.1 If you have not disclosed any of the above information please indicate the reasons why

Application of Principles & Criteria for all members sectors

8.1 Regarding your 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, such as:

8.2 What steps will your organization take to realize ethical conduct using business-applicable regulations and industry practices?

Generation is committed to conducting its business according to the regulations and practices relevant to the financial services business. We have set up a strong control and compliance environment, including an in-house legal counsel whose responsibility is to maintain the firm's compliance with changing regulatory requirements. In terms of monitoring our investee companies adhere to the regulations and industry practices relevant to their sector, our research team is continuously aiming to update our industry knowledge and understanding. By structuring research according to sector, analysts are able to specialise and know an industry/company well.

8.3 Do you provide financial or other incentives for companies that are RSPO member and have a time bound plan?

No

Please explain why:

Due to the nature of our business, there is no appropriate relationship where this may occur.

8.4 How does your organization benchmark the progress of its partners and/or clients in palm oil against its ESG criteria?

The IWG, which we consider our "palm oil partners", have regular calls and updates where we communicate engagement progress and discuss future engagement strategies. We also schedule "guest" speakers, e.g. companies, partnership organisations on certain calls.

Concession Map

9.1 This questions only applies for companies who would like to declare concession boundaries owned. (both RSPO Certified and uncertified)

Do you agree to share your concession maps with the RSPO?

No

Please explain why

Not applicable.

Challenges

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?

We believe the biggest challenge to broader adoption of sustainable practises is corruption and lack of transparency. We believe RSPO should encourage all growers to be transparent about their holdings and concessions so that satellite technology can play an important role in monitoring.

2 How would you qualify RSPO standards as compared to other parallel standards?

--

Cost Effective:

Yes

Robust:

Yes

Simpler to Comply to:

Yes

3 How has your organization supported the vision of RSPO to transform markets? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

As discussed, we are founding members of the IWG. During the last year, we have also participated in a roundtable organised by the Zoological Society of London to provide them with insights from the investor community as they structure their palm oil research to help companies and investors facilitate sustainable palm oil practices

4 Other information on palm oil (sustainability reports, policies, other public information)

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Particulars

About Your Organisation

Organisation Name

HSBC Holdings Plc

Corporate Website Address

<http://www.hsbc.com>

Primary Activity or Product

- Finance
-

Related Company(ies)

No

Membership

Membership Number	Membership Category	Membership Sector
5-0009-04-000-00	Ordinary	Banks and Investors

Banks and Investors

Operational Profile

1.1 Please state what your main activities are within finance*

- Corporate / Commercial
- Trade Finance
- Debt / Capital Markets
- Capital Market Advisory Service

Operations in Palm Oil

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

- Trade Solution
- Lending / Loans
- Treasury Products
- Cash Management Products

2.2 What geographic regions do you operate in for the palm oil business?

- Worldwide

Palm Oil Policy

3.1 Does your organization have a lending or investment policy on palm oil? If so please submit a copy as a pdf?

Yes

Uploaded files:

- [F-Lending-Policy.pdf](#)

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

- Traders
- Other:
Growers, refiners are also covered

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

Yes

3.3.1 Do you require your customers to be RSPO members?

Yes

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

Yes

3.4 What measures do you take if a client is not meeting the requirement of your policy on palm oil?

HSBC has a policy requirement for our existing clients to have a timebound plan to obtain RSPO certification for 1 operation by Dec2014 and of all their existing operations by DEC2018.

New clients with new operations are subject to similar criteria and must certify their first operation within 12 months and 100% of their operations within 4 years.

If any customer is not meeting our policy, HSBC will engage with them to take actions to ensure they can achieve compliance within an agreed time period.

Failure to meet the agreed timebound plans to achieve certification and compliance with our policy will lead to HSBC exiting from a specific client relationship.

As at 31 DEC 2014 HSBC was financing approximately 176 clients with upstream palm oil operations and we have already commenced existing clients who are not compliant with our policy.

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

Yes

Time-Bound Plan**4.1 Do you have, or do you plan to develop a policy that calls for 100% of your palm oil customers to be RSPO members?**

Yes

4.2 When do you expect to require 100% certification for growers?

2018

Comment:

HSBC has adopted 31DEC2018 as the deadline for 100% certification for our customers with existing plantations.

4.3 When do you expect to require 100% certification for other sectors?

2018

Comment:

HSBC has adopted 31DEC2018 as the deadline for 100% certification for our existing customers in the supply chain businesses as covered by our policy (refiners & physical traders) .

4.4 Which countries that your institution operates in do the above commitments cover?

- Applies Globally

4.5 What other commitments & activities have you undertaken in the reporting year to promote CSPO?

HSBC engages in ongoing dialogue with our clients and at industry events and conferences promoting the benefits of RSPO certification and sustainable palm oil development .

HSBC currently provides discounted financing to clients purchasing or selling RSPO Certified Palm Oil (CSPO) through structured trade

facilities to incentivize increased trading and uptake of CSPO.

HSBC is taking a leading role in working with RSPO through their working groups and Board of Governors to improve standards, transparency and strengthen their processes to accelerate the transition to CSPO becoming the norm.

GHG Emissions

5.1 Are you currently assessing the GHG emissions from your operations?

Yes

Do you publicly report the GHG emissions of your operations?

Yes

Uploaded file:

[F-GHG-Public-Commitment.pdf](#)

Do you publicly report the GHG emissions of your operations?

Yes

5.2 Does your bank ask its customers in the Palm Oil sector to disclose their GHG emissions?

No

Please explain why:

HSBC supports RSPO certification and the adoption of the RSPO requirements on GHG emission disclosures as covered in the existing P&Cs.

HSBC encourages transparency and public declarations from our clients on the GHG reporting.

Actions for Next Reporting Period

6.1 Outline actions that will be taken in the coming year to promote CSPO along the supply chain:

HSBC continue to engage with new and existing palm oil sector businesses to promote and expand take up of CSPO through public support of the certification standard.

Continued promotion of the benefits of RSPO and CSPO to the wider Financial Community through RSPO based outreach programmes and at public conference events. .

Reasons for Non-Disclosure of Information

7.1 If you have not disclosed any of the above information please indicate the reasons why

Application of Principles & Criteria for all members sectors

8.1 Regarding your 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, such as:

- Water, land, energy and carbon footprints
- Land Use Rights
- Ethical conduct and human rights
- Labour rights
- Stakeholder engagement

8.2 What steps will your organization take to realize ethical conduct using business-applicable regulations and industry practices?

Financial organisations are not directly involved in the production, processing or trading of palm oil products. HSBC's policies are therefore directed to the role that banks play in providing financial services to their clients across the palm oil supply chain. HSBC is a founder member of the group of Banks that established and adopted the Equator Principles to manage the impact on local people and environments from large projects. HSBC has several public sustainability policies that cover sectors where we need to understand and manage the impact on society and the environment where HSBC are providing financial services to our customers.

In 2006 HSBC signed up to the UN Principles for Responsible Investment. We have also joined the UN Environment Programme Finance Initiative, and most recently in 2013 we signed up to the UN Principles of Sustainable Insurance.

8.3 Do you provide financial or other incentives for companies that are RSPO member and have a time bound plan?

Yes

8.4 How does your organization benchmark the progress of its partners and/or clients in palm oil against its ESG criteria?

HSBC Group employs a sustainability benchmark and assessment exercise on all customers where sustainability risks exist, including the palm oil sector. This is undertaken against the requirements contained within our sustainability policies, including the Agricultural Commodities policy and the Equator Principles. Benchmarking is undertaken at least annually.

Concession Map**9.1 This questions only applies for companies who would like to declare concession boundaries owned. (both RSPO Certified and uncertified)****Do you agree to share your concession maps with the RSPO?**

No

Please explain why

HSBC is not a palm oil grower and hence no concession maps are required

Challenges

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?

1. Lower demand for CSPO from major buying markets (particularly China, India and SE Asia) where local consumption has no preference for CSPO.
 2. Current premium paid for Green Palm certificates is insufficient financial incentive for small growers to invest in certification.
 3. Low transparency in sales of CSPO sold as ISCC dual certified product but not reported in RSPO figures.
 4. Promotion of the benefits of CSPO and RSPO certification process needs further development in the major buying markets to drive demand.
-

2 How would you qualify RSPO standards as compared to other parallel standards?

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Cost Effective:

Yes

Robust:

Yes

Simpler to Comply to:

Yes

3 How has your organization supported the vision of RSPO to transform markets? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

HSBC currently provides discounted financing to clients purchasing or selling RSPO Certified Palm Oil (CSPO) through our structured trade facilities, to incentivize trade in sustainable palm oil and encourage more clients to achieve RSPO certification. HSBC reference our support of credible certification scheme, such as RSPO, at external events and conferences to promote sustainable business and certification uptake. HSBC is working with several customers to promote outreach to FFB suppliers and how to increase certification uptake in this area

4 Other information on palm oil (sustainability reports, policies, other public information)

HSBC position on Palm Oil and sustainability policies can all be found online at the following website

<http://www.hsbc.com/citizenship/sustainability/sustainability-risk>

Particulars

About Your Organisation

Organisation Name

International Finance Corporation (IFC)

Corporate Website Address

<http://www.ifc.org/>

Primary Activity or Product

- Finance
-

Related Company(ies)

No

Membership

Membership Number	Membership Category	Membership Sector
5-0002-05-000-00	Ordinary	Banks and Investors

Banks and Investors

Operational Profile

1.1 Please state what your main activities are within finance*

- Corporate / Commercial
- Trade Finance
- Investment / Equity
- Capital Market Advisory Service

Operations in Palm Oil

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

- Trade Solution
- Lending / Loans

2.2 What geographic regions do you operate in for the palm oil business?

- Asia
- Africa
- Australasia
- China
- India
- South America

Palm Oil Policy

3.1 Does your organization have a lending or investment policy on palm oil? If so please submit a copy as a pdf?

Yes

Uploaded files:

- [F-Lending-Policy.pdf](#)

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

- Traders
- Processors

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

Yes

3.3.1 Do you require your customers to be RSPO members?

Yes

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

Yes

3.4 What measures do you take if a client is not meeting the requirement of your policy on palm oil?

IFC is trying to reestablish itself in the palm oil sector and we use the WBG framework as our guidance for selecting clients. Part of this is that we ask clients to become RSPO members (if not already) and fulfill their commitments to certify their plantations. If they do not agree to do this then we do not proceed to do business with them.

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

Yes

Time-Bound Plan**4.1 Do you have, or do you plan to develop a policy that calls for 100% of your palm oil customers to be RSPO members?**

Yes

4.2 When do you expect to require 100% certification for growers?

2011

Comment:

All current clients have RSPO certification. As per our 2011 Strategic Framework any New clients and their subsidiaries will be given a time-bound plan that links to the length of their loan or what our client's capacity to implement is. Reference to RSPO's three-year period is used when negotiating these plans with clients.

4.3 When do you expect to require 100% certification for other sectors?

2020

Comment:

This depends for example clients using in the wood sector we would request that if they don't already have FSC or a suitably recognized certification to do this as soon as possible. In other sectors e.g. soy there is more flexibility as the standards are still in scale up mode.

4.4 Which countries that your institution operates in do the above commitments cover?

- Applies Globally

4.5 What other commitments & activities have you undertaken in the reporting year to promote CSPO?

We have developed a sustainable shipment LLC for RSPO-certified oil, see details here

http://www.ifc.org/wps/wcm/connect/industry_ext_content/ifc_external_corporate_site/industries/financial+markets/trade+and+supply+chain/gtfp/gfm-tsc-gtfp-sustainablelc

We have begun working with independent smallholders on an advisory project in Indonesia to work on their productivity improvement, traceability and ultimately RSPO certification.

We have begun to design a large program with WWF, Conservation International, UNDP, UNEP-FI on reducing deforestation in commodity supply chains that will work in Liberia and Indonesia on palm oil.

GHG Emissions**5.1 Are you currently assessing the GHG emissions from your operations?**

Yes

Do you publicly report the GHG emissions of your operations?

Yes

Uploaded file:

[F-GHG-Public-Commitment.pdf](#)

Do you publicly report the GHG emissions of your operations?

Yes

5.2 Does your bank ask its customers in the Palm Oil sector to disclose their GHG emissions?

No

Please explain why:

We presume that clients whom are RSPO members are doing this. We do ask clients to measure their GHG emissions and to reduce this over time as part of their energy efficiency efforts, this however is up to the client to disclose and is not a requirement for disclosure.

Actions for Next Reporting Period**6.1 Outline actions that will be taken in the coming year to promote CSPO along the supply chain:**

Finalize the design of the GEF project that will support CSPO adoption in certain regions (Indonesia and Liberia)

Continue to work at attracting new clients in this sector and work with them on sustainability efforts such as RSPO.

Continue to promote the Sustainable Shipment LLC for RSPO certified oil.

Reasons for Non-Disclosure of Information**7.1 If you have not disclosed any of the above information please indicate the reasons why****Application of Principles & Criteria for all members sectors****8.1 Regarding your 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, such as:**

- Water, land, energy and carbon footprints
[F-Policies-to-PNC-waterland.pdf](#)
- Land Use Rights
[F-Policies-to-PNC-landuseright.pdf](#)
- Ethical conduct and human rights
[F-Policies-to-PNC-ethicalconducthr.pdf](#)
- Labour rights
[F-Policies-to-PNC-laborrights.pdf](#)
- Stakeholder engagement
[F-Policies-to-PNC-stakeholderengagement.pdf](#)

8.2 What steps will your organization take to realize ethical conduct using business-applicable regulations and industry practices?

IFC is held accountable via our Ombudsman office and area held accountable under that mechanism.

8.3 Do you provide financial or other incentives for companies that are RSPO member and have a time bound plan?

No

Please explain why:

We do have a discount applicable for trade finance of RSPO certified oil but have not yet had a new investment in the plantation side to consider whether discounting would apply.

8.4 How does your organization benchmark the progress of its partners and/or clients in palm oil against its ESG criteria?

Via our performance standard framework and annual monitoring of the clients ESAP (Environment Social Action Plan) that is monitoring each year (or sooner) depending on the categorization of the project through the lifetime of the loan.

Concession Map

9.1 This questions only applies for companies who would like to declare concession boundaries owned. (both RSPO Certified and uncertified)

Do you agree to share your concession maps with the RSPO?

No

Please explain why

We don't own concessions, our clients do. Those that are RSPO members we would leave it to them to disclose these but it is not a requirement of IFC financing.

Challenges

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?

the business case for supallholders, processors and traders needs to be updated, this would help to convince companies and their supply bases.

2 How would you qualify RSPO standards as compared to other parallel standards?

--

Cost Effective:

Yes

Robust:

Yes

Simpler to Comply to:

No

3 How has your organization supported the vision of RSPO to transform markets? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

We have been supportive through our advisory services work including the BACP program, supporting National Interpretations in African countries and our Indonesia independent smallholder program. IFC staff sit in various working groups (Smallholders, Compensation and Financial Institutions) as part of our membership commitment.

4 Other information on palm oil (sustainability reports, policies, other public information)

We did a case study of the Indonesian palm sector and voluntary standard systems in general. This can be found on www.markettransformation.com

Particulars

About Your Organisation

Organisation NameRabobank International

Corporate Website Address<http://www.rabobank.com>

Primary Activity or Product

- Finance
-

Related Company(ies)No

Membership

Membership Number	Membership Category	Membership Sector
5-0001-04-000-00	Ordinary	Banks and Investors

Banks and Investors

Operational Profile

1.1 Please state what your main activities are within finance*

- Corporate / Commercial
 - Trade Finance
 - Retail / Private Banking
 - Investment / Equity
 - Debt / Capital Markets
 - Capital Market Advisory Service
-

Operations in Palm Oil

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

- Trade Solution
 - Lending / Loans
 - Treasury Products
 - Cash Management Products
 - Investment
-

2.2 What geographic regions do you operate in for the palm oil business?

- Worldwide
-

Palm Oil Policy

3.1 Does your organization have a lending or investment policy on palm oil? If so please submit a copy as a pdf?

Yes

Uploaded files:

- --
-

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

- Traders
 - Processors
 - CGMs
 - Retailers
-

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

Yes

3.3.1 Do you require your customers to be RSPO members?

No

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

Yes

3.4 What measures do you take if a client is not meeting the requirement of your policy on palm oil?

Membership is not the key criteria. Commitment to the principles and criteria of the RSPO is relevant. Whether you are a member or not you need to show and prove (audited by accredited RSPO auditor) you operate in line with these P&C. We however promote and urge clients to be a member and in practice all clients are member of the RSPO.

Our review process amongst others requires assessing client's latest ACOP submission. Of which we will assess the client's commitment and progress towards full certification. In the event a client do not meet the requirements, we will engage with the client and find out the reasons for not complying. Our risk chain will assess the response and appropriate action will be taken to exit the relationship if we do not find the client willing to work towards a sustainable path.

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

Yes

Time-Bound Plan**4.1 Do you have, or do you plan to develop a policy that calls for 100% of your palm oil customers to be RSPO members?**

Yes

4.2 When do you expect to require 100% certification for growers?

2020

Comment:

ad 4.1.

100% of our palm oil customers (with plantations) are RSPO member. This is already the case. They are in a process getting certified.

ad 4.2.

We striving to work towards a plan in which we require clients to have all their plantations certified 2020. We also have committed this in the Banking Environment Initiative of commodities compact.

4.3 When do you expect to require 100% certification for other sectors?

2025

Comment:

ad 4.3

Rabobank has not specified a date for 100% certification in other sectors. The date of 2025 mentioned under 4.3. is therefore not correct. Rabobank's policy for non growers or mills (ie. traders, processors, manufacturers, wholesalers or retailers) in the palm oil supply chain will be assessed on how the players take their responsibilities in the supply chain. We believe that the extent these downstream companies can exercise influence on sustainability issues depend among other things on their role and impact in the supply chain.

4.4 Which countries that your institution operates in do the above commitments cover?

- Applies Globally

4.5 What other commitments & activities have you undertaken in the reporting year to promote CSPO?**Engagement**

Appointed an engagement manager to further discuss with clients topics covered in the media and how we can support them in realising their objectives.

Successfully stimulated clients to become a member of the RSPO

BoG

Rabobank is representing the FI sector in the Board of governors of the RSPO

WWF partnership

through our global partnership with WWF we have organised technical workshops for a client on the RSPO requirements (with RILO office) and the steps they need to take to get their estates certified.

FI Task Force

member of the FI task force under the RSPO in which knowledge is exchanged, feedback is provided on board discussions and outreach to local regional operating banks is organised

BEI

Adopter of the banking environment initiative with 7 other banks, promoting sustainability in beef, palm oil, soy and forestry. Working with the consumer goods forum on steps to transform the market.

BoG NL

Quarterly meetings with Dutch board members, working on supporting sustainable palm oil in EU (100% in 2020).

Farmer support program

member of steering committee farmer support program stimulating sustainable production under smallholders for different commodities under which palm oil.

Taskforces

Member certifications & claims committee, Financial standing committee, RSPO Human rights TF.

Presentations

Representing/presenting the RSPO at numerous internal events and conferences (i.e. RT12, ISEAL)

... not a complete list.

GHG Emissions**5.1 Are you currently assessing the GHG emissions from your operations?**

Yes

Do you publicly report the GHG emissions of your operations?

Yes

Uploaded file:

[F-GHG-Public-Commitment.pdf](#)

report can be accessed by following link: <https://www.rabobank.com/en/images/annual-report-2014-rabobank-group.pdf>

Do you publicly report the GHG emissions of your operations?

Yes

5.2 Does your bank ask its customers in the Palm Oil sector to disclose their GHG emissions?

Yes

Do you publicly report the GHG emissions of your operations?

Yes

Actions for Next Reporting Period

6.1 Outline actions that will be taken in the coming year to promote CSPO along the supply chain:

Rabobank will continue to support the objectives of the RSPO and will continue to invest to make sustainability in palm oil the norm. updating our policy and promoting membership amongst the FI sector, especially local players is a key focus area.

Reasons for Non-Disclosure of Information**7.1 If you have not disclosed any of the above information please indicate the reasons why****Application of Principles & Criteria for all members sectors****8.1 Regarding your 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, such as:**

- Water, land, energy and carbon footprints
- Land Use Rights
- Ethical conduct and human rights
- Labour rights

8.2 What steps will your organization take to realize ethical conduct using business-applicable regulations and industry practices?

For a full overview we refer to our sustainability report which is integrated in the annual report.

comment:

The question states that the resolution prescribes that "RSPO members must commit to the requirements of the P&Cs and also the uptake of CSPO. This requires members to commit to 100% physical CSPO uptake with an immediate commitment to support RSPO CSPO through GreenPalm." This is not the correct translation of the resolution to our understanding. Given the fact that the FI is not a user of palm oil we are not able to commit to this and report on this.

8.3 Do you provide financial or other incentives for companies that are RSPO member and have a time bound plan?

No

Please explain why:

All clients need to commit to P&C, present an ACOP and timebound plan. Within this group we (currently) do not provide further incentives.

8.4 How does your organization benchmark the progress of its partners and/or clients in palm oil against its ESG criteria?

through client interaction and public available information

Concession Map**9.1 This questions only applies for companies who would like to declare concession boundaries owned. (both RSPO Certified and uncertified)****Do you agree to share your concession maps with the RSPO?**

No

Please explain why

--

Challenges

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?

amongst others... uptake in EU, China, India.

- working with dutch government on 100% CSPO in 2020

- participated in BEI meeting in HK, exchange knowledge ideas on increasing awareness and uptake/

2 How would you qualify RSPO standards as compared to other parallel standards?

--

Cost Effective:

Yes

Robust:

Yes

Simpler to Comply to:

Yes

3 How has your organization supported the vision of RSPO to transform markets? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

see question 4.5. in banks and investor section

4 Other information on palm oil (sustainability reports, policies, other public information)

Nil

Particulars

About Your Organisation

Organisation NameStandard Chartered Bank

Corporate Website Address<http://www.standardchartered.com/global/index.html>

Primary Activity or Product

- Finance
-

Related Company(ies)No

Membership

Membership Number	Membership Category	Membership Sector
5-0004-06-000-00	Ordinary	Banks and Investors

Banks and Investors**Operational Profile****1.1 Please state what your main activities are within finance***

- Corporate / Commercial
- Trade Finance
- Retail / Private Banking
- Investment / Equity
- Debt / Capital Markets
- Capital Market Advisory Service
- Other:
FX/ Commodity Risk Hedging solutions

Operations in Palm Oil**2.1 What are the various types of financial services to the palm oil sector provided by your organization?**

- Trade Solution
- Lending / Loans

2.2 What geographic regions do you operate in for the palm oil business?

- Worldwide

Palm Oil Policy**3.1 Does your organization have a lending or investment policy on palm oil? If so please submit a copy as a pdf?**

Yes

Uploaded files:

- --

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

- Traders
- Processors

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

Yes

3.3.1 Do you require your customers to be RSPO members?

No

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

No

3.4 What measures do you take if a client is not meeting the requirement of your policy on palm oil?

As part of Standard Chartered's commitment to help our clients towards higher standards of sustainable development, our Relationship Managers (supported by independent environmental and social specialists as required) will work closely with clients who do not currently meet the standards set out in our Palm Oil Position Statement, to develop a time-bound action plan for compliance and to monitor the client's progress against that plan. In cases where clients are unable or unwilling to comply with our requirements or agree to an action plan to address gaps with our requirements, we will terminate the relationship.

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

Yes

Time-Bound Plan**4.1 Do you have, or do you plan to develop a policy that calls for 100% of your palm oil customers to be RSPO members?**

Yes

4.2 When do you expect to require 100% certification for growers?

2025

Comment:

Based on our internal review, 2025 should give all our grower clients sufficient time to fully certify their current operations.

4.3 When do you expect to require 100% certification for other sectors?

2025

Comment:

Based on our internal review, 2025 should give all our other sector clients sufficient time to fully certify their current operations.

4.4 Which countries that your institution operates in do the above commitments cover?

- Applies Globally

4.5 What other commitments & activities have you undertaken in the reporting year to promote CSPO?

We continue to be actively involved in the Financial Institutions Taskforce, which meets regularly and supports initiatives to promote the awareness of RSPO. We have also signed up to the Soft Commodities Compact developed by the Banking Environment Initiative, convened by the Chief Executives of a group of international banks members to identify ways to collectively direct capital towards environmentally and socially sustainable economic development. The Compact aims to achieve zero net deforestation by 2020 through financing operations that produce palm oil, timber products, soy or beef without contributing to deforestation, as verified by internationally-recognised benchmarks.

GHG Emissions**5.1 Are you currently assessing the GHG emissions from your operations?**

Yes

Do you publicly report the GHG emissions of your operations?

Yes

Uploaded file:

[F-GHG-Public-Commitment.pdf](#)

Do you publicly report the GHG emissions of your operations?

Yes

5.2 Does your bank ask its customers in the Palm Oil sector to disclose their GHG emissions?

No

Please explain why:

We engage our palm oil clients to understand their plan and strategy for reducing GHG emissions, but do not require them to publicly disclose details. Further, this requirement is covered by the RSPO P&C, with a plan to work towards public disclosure, which applies to the Growers, who have the largest GHG emissions.

Actions for Next Reporting Period**6.1 Outline actions that will be taken in the coming year to promote CSPO along the supply chain:**

We will continue to apply the Bank's policies and procedures for all our palm oil industry clients. We will also participate actively in the development of the Soft Commodities Compact alongside the other member-banks of the Banking Environment Initiative.

Reasons for Non-Disclosure of Information**7.1 If you have not disclosed any of the above information please indicate the reasons why****Application of Principles & Criteria for all members sectors****8.1 Regarding your 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, such as:**

- Water, land, energy and carbon footprints
[F-Policies-to-PNC-waterland.pdf](#)
- Land Use Rights
[F-Policies-to-PNC-landuseright.pdf](#)
- Ethical conduct and human rights
[F-Policies-to-PNC-ethicalconducthr.pdf](#)
- Labour rights
[F-Policies-to-PNC-laborrights.pdf](#)
- Stakeholder engagement
[F-Policies-to-PNC-stakeholderengagement.pdf](#)

8.2 What steps will your organization take to realize ethical conduct using business-applicable regulations and industry practices?

As set out in our Human Rights Policy, we respect human rights in our operations and adhere to relevant international and local legal obligations in the countries where we operate. Human rights are taken into account in our procurement decisions, as set out in our Supplier Charter.

We also consider human rights in our financing decisions guided by our Position Statements, which address the rights of workers and communities in relation to sectors with specific risks, as well as specifically covering Children's Rights.

We are working through the Thun Group of Banks and the UNEP FI network to achieve consensus and promote best practice on human rights due diligence within the financial services industry.

8.3 Do you provide financial or other incentives for companies that are RSPO member and have a time bound plan?

No

Please explain why:

We have joined the Banking Environment Initiative which is working to develop incentives to promote the growth of sustainably produced commodities, including for palm oil.

8.4 How does your organization benchmark the progress of its partners and/or clients in palm oil against its ESG criteria?

We have developed sector-specific environmental and social risk assessment (ESRA) tools (including palm oil), which include a series of questions regarding a client's operations and ability to manage environmental & social risks. ESRA's help us assess a client's performance against industry peers, build a long-term view of their ability and capacity to manage E&S risks and associated challenges, and compliance with our position statement. It includes consideration of our clients' track record in complying with relevant laws and regulations along with their E&S management systems, and their plan and strategy for reducing greenhouse gas emissions and water conservation and pollution.

In cases where we are not satisfied with the information that was provided, we will on an ad hoc basis request for an audit by an independent assessor.

Concession Map**9.1 This questions only applies for companies who would like to declare concession boundaries owned. (both RSPO Certified and uncertified)**

Do you agree to share your concession maps with the RSPO?

No

Please explain why

--

Challenges

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?

We have been engaging with a number of our clients in the Palm Oil industry located in East Malaysia whose practices were found to be misaligned to our guidelines and position statements. These clients were exited as they are unwilling or unable to adopt RSPO.

2 How would you qualify RSPO standards as compared to other parallel standards?

--

Cost Effective:

Yes

Robust:

Yes

Simpler to Comply to:

No

3 How has your organization supported the vision of RSPO to transform markets? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

Standard Chartered is a member of the RSPO Financial Institutions Taskforce (FITF). Through knowledge sharing and exchange, we aim to encourage other financial institutions, especially the local banks, to join the RSPO.

4 Other information on palm oil (sustainability reports, policies, other public information)

1. We have a Palm Oil Position Statement which can be accessed at:

(https://www.sc.com/en/resources/global-en/pdf/sustainability/Palm_Oil_Position_Statement.pdf)

2. Integrated Annual Report 2014

(https://www.sc.com/annual-report/2014/documents/SCB_ARA_2014_full_report.pdf)

3. Sustainability Summary 2014

https://www.sc.com/en/resources/global-en/pdf/annual_reports/2014-Sustainability-Summary.pdf

Particulars

About Your Organisation

Organisation NameUBS AG

Corporate Website Address--

Primary Activity or Product

- Finance
-

Related Company(ies)No

Membership

Membership Number	Membership Category	Membership Sector
5-0014-11-000-00	Ordinary	Banks and Investors

Banks and Investors

Operational Profile

1.1 Please state what your main activities are within finance*

- Corporate / Commercial
- Trade Finance
- Retail / Private Banking
- Investment / Equity
- Debt / Capital Markets
- Capital Market Advisory Service

Operations in Palm Oil

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

- Trade Solution
- Investment
- Other:
finance, merger & acquisitions, IPOs
Note: trade solutions are provided to traders. UBS is not trading palm oil.

2.2 What geographic regions do you operate in for the palm oil business?

- Worldwide

Palm Oil Policy

3.1 Does your organization have a lending or investment policy on palm oil? If so please submit a copy as a pdf?

Yes

Uploaded files:

- [F-Lending-Policy.pdf](#)

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

- Processors

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

Yes

3.3.1 Do you require your customers to be RSPO members?

Yes

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

Yes

3.4 What measures do you take if a client is not meeting the requirement of your policy on palm oil?

If detected w/in regular review process, engage or decline relationship.

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

Yes

Time-Bound Plan**4.1 Do you have, or do you plan to develop a policy that calls for 100% of your palm oil customers to be RSPO members?**

Yes

4.2 When do you expect to require 100% certification for growers?

2020

4.3 When do you expect to require 100% certification for other sectors?

2020

4.4 Which countries that your institution operates in do the above commitments cover?

- Applies Globally
-

4.5 What other commitments & activities have you undertaken in the reporting year to promote CSPO?

- Led effort within RSPO's Financial Institutions Task Force to increase engagement with financial institutions (non-members) & attract more members from the Financial Institutions community
 - Work as a member of the RSPO's Complaints Panel
 - Stakeholder meetings with NGOs to discuss specific palm oil companies
 - Continuous work with and on the Banking Environment Initiative's and the Consumer Goods Forum's 'Soft Commodities' Compact. The Compact clearly references the RSPO as the relevant certification scheme in the palm oil industry to support the goal of 'zero net deforestation'.
-

GHG Emissions**5.1 Are you currently assessing the GHG emissions from your operations?**

Yes

Do you publicly report the GHG emissions of your operations?

Yes

Uploaded file:

[F-GHG-Public-Commitment.pdf](#)

Do you publicly report the GHG emissions of your operations?

Yes

5.2 Does your bank ask its customers in the Palm Oil sector to disclose their GHG emissions?

No

Please explain why:

Needs to be assessed whether it's viable.

Actions for Next Reporting Period

6.1 Outline actions that will be taken in the coming year to promote CSPO along the supply chain:

Encourage regional banks in palm oil producing countries to join RSPO;

Further strengthen our engagement with RSPO and peers;

Foster exchange with other Financial Institutions and corporations on palm oil topic;

Reasons for Non-Disclosure of Information**7.1 If you have not disclosed any of the above information please indicate the reasons why****Application of Principles & Criteria for all members sectors****8.1 Regarding your 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, such as:**

- Water, land, energy and carbon footprints
[F-Policies-to-PNC-waterland.pdf](#)
 - Land Use Rights
[F-Policies-to-PNC-landuseright.pdf](#)
 - Ethical conduct and human rights
[F-Policies-to-PNC-ethicalconducthr.pdf](#)
 - Labour rights
[F-Policies-to-PNC-laborrights.pdf](#)
 - Stakeholder engagement
[F-Policies-to-PNC-stakeholderengagement.pdf](#)
-

8.2 What steps will your organization take to realize ethical conduct using business-applicable regulations and industry practices?

UBS will continue to apply an environmental & social risk framework to all transactions, products, services and activities in order to identify and assess potential environmental and social issues and to manage any identified risks. As part of this process, UBS will engage with clients and suppliers in order to understand their processes and policies and to explore how environmental and social risks may be mitigated. UBS avoids transactions, products, services, activities or suppliers if there are material environmental or social risks that cannot be properly assessed or where, in the judgment of UBS, the counterparty/ issuer is not addressing environmental or social issues in an appropriate and responsible manner.

8.3 Do you provide financial or other incentives for companies that are RSPO member and have a time bound plan?

No

Please explain why:

We only provide financial services to growers / processors that are RSPO members and have a publicly available/accessible time bound plan.

8.4 How does your organization benchmark the progress of its partners and/or clients in palm oil against its ESG criteria?

Integration of environmental and social risk criteria with specific palm oil guidance in all onboarding, KYC and transaction due diligence globally. ? Monitoring and quarterly reporting to senior management in regards to developments in the palm oil industry from an environmental and social risk perspective. Clients as well as peer activities are part of the monitoring and reporting.

Concession Map

9.1 This questions only applies for companies who would like to declare concession boundaries owned. (both RSPO Certified and uncertified)

Do you agree to share your concession maps with the RSPO?

No

Please explain why

As a bank we don't have any concessions.

Challenges

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?

UBS may be losing business to banks that don't have similarly stringent RSPO requirements

Availability of reliable data on companies' overall sustainability performance or compliance with RSPO

Efforts to mitigate: continuous exchange with data providers, engagement with peer banks and RSPO to approach issues from an industry perspective

2 How would you qualify RSPO standards as compared to other parallel standards?

--

Cost Effective:

Yes

Robust:

Yes

Simpler to Comply to:

No

3 How has your organization supported the vision of RSPO to transform markets? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

As outlined above UBS will continue to apply an environmental & social risk framework to all transactions, products, services and activities in order to identify and assess potential environmental and social issues and to manage any identified risks. As part of this process, UBS will engage with clients and suppliers in order to understand their processes and policies and to explore how environmental and social risks may be mitigated.

UBS will further work on the implementation of the BEI/CGF 'Soft Commodities Compact', together with other banks and its clients. UBS avoids transactions, products, services, activities or suppliers if there are material environmental or social risks that cannot be properly assessed or where, in the judgment of UBS, the counter party/ issuer is not addressing environmental or social issues in an appropriate and responsible manner. Additionally we will continue to engage with our peers and other FIs to spread the RSPO message further.

4 Other information on palm oil (sustainability reports, policies, other public information)

n/a
