

Particulars

About Your Organisation

1.1 Name of your organisation

ING Bank N.V.

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

- Palm Oil Grower
- Processor and/or Trader
- Consumer Goods Manufacturer
- Retailer
- Bank and/or Investor
- Social and/or Development NGO
- Environmental and/or Conservation NGO
- Affiliate

1.3 Membership number

5-0019-15-000-00

1.4 Membership category

Banks and Investors

1.5 Membership sector

Ordinary

Bank & Investors

1. Operational Profile

1.1 Please state your company's main activity(ies) within palm oil-related financing. Please select all applicable option(s).

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

Other

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2. Operations in Palm Oil

2.1 What types of financial services does your company provide to the palm oil industry?

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

Other

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2.2 For your company's palm oil-related activities, which geographic region(s) do you operate in?

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

3. Palm Oil Policy and Progress

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

Yes

3.2 Which supply chain sectors does your palm oil policy cover?

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

Others

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

Yes

3.4 Does your company have a policy that requires all your palm oil clients to be RSPO members?

Yes

3.5 Does your company require your clients to have a public Time Bound Plan for 100% RSPO certification or uptake?

Yes

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

2023

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

2030.0

3.8 Which regions do the above commitments cover?

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

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

ING applies its Environmental Social Risk (ESR) policy framework to its business engagements. One policy in the ESR framework is the Sector Policy for Forestry and Agrocommodities, which applies to all products and services offered by ING to entities in scope of our Framework that are operating in the forestry and agrocommodities sector, including palm oil. 1) Business engagements in the palm oil sector will require production companies owning, operating or managing plantations/crushing mills to either be an RSPO member or in the process of becoming a member, and to commit to certify their operations RSPO in a time-bound plan. If a company owns, operates or manages palm oil plantations/mills which do not comply with the RSPO certification, then ING engages the company on the reasons for such noncompliance. Afterwards, we require the company to have a time-bound plan to achieve RSPO certification for all the plantations under its operational control. We will then assess the client's commitment and progress towards full RSPO certification. In case our financing is in scope of the Equator Principles and directly supporting the development of palm oil plantations, ING requires compliance with the P&C of the RSPO certification and with the IFC environmental, health, and safety guidelines for vegetable oil production and processing. 2) Traders are required to be or become RSPO members as well within an agreed timeline, and to commit to increasing trading RSPO certified palm oil as much as possible. 3) ING promotes the use of best practices with its clients. ING also promotes RSPO certification with companies that buy or trade palm oil products, but do not own, operate or manage palm oil plantations. For such companies ING promotes RSPO membership, but we do not require it.

3.10 Do you proactively engage with your clients to support and join the RSPO?

Yes

3.11 Did members of your company participate in RSPO working groups and/or taskforces during the reporting period?

Yes

3.12 Does your company have any collaborations with public or private sector palm oil industry players to support them in their efforts to increase the production or consumption of certified sustainable palm oil (CSPO)?

Yes

3.13 What other activities have your company undertaken to promote RSPO-certified sustainable palm oil and oil palm products during the reporting period?

Client engagement ING risk and front office departments engage clients in the palm oil sector and discuss relevant topics, when necessary. We discuss how we can support clients in realizing their RSPO certification objectives and solve potential environmental or social issues affecting their operations. Financial Institution Task Force ING is a member of the Financial Institutions Task Force working group of the RSPO. Here Financial Institutions share sector knowledge and feedback. The Task Force also does outreach to local regional operating banks and hosts consultants that share advancements related to tools to manage and assess Environmental and Social risks in the palm oil supply chain.

4. Actions for Next Reporting Period

4.1 Please outline activities that your company will take in the coming year to promote the production or consumption of certified sustainable palm oil (CSPO)

ING will continue to support the objectives of the RSPO by promoting RSPO membership and certification amongst the palm oil actors in the supply chain, in line with the requirements included in our ESR Framework. ING has a restrictive policy on onboarding new palm oil clients.

5. Shared Responsibility

The Board of Governors of the Roundtable on Sustainable Palm Oil (RSPO) approved new Shared Responsibility rules on 31 October 2019, requiring all members to share sustainability requirements and obligations. Reporting of Shared Responsibility indicators will be done through several channels, including ACOP. As the implementation of Shared Responsibility reporting is still on-going and in development, the Shared Responsibility section in ACOP is not yet final and may change in future ACOP cycles. For more information on Shared Responsibility, please go to <https://rspo.org/news-and-events/news/what-are-the-new-shared-responsibility-rules> or email the ACOP team at acop@rspo.org

Labour & Labour Rights

5.1 Does your company have a publicly-available policy covering Labour & Labour Rights?

Yes

5.1.1 Does the policy cover:

- No discrimination
- Wage and working conditions
- Freedom of association
- No child labour
- No harassment
- No forced or trafficked labour

5.1.2 Has your company previously uploaded or linked its Labour & Labour Rights policy in previous ACOP reporting cycles?

Yes

Ethical Conduct & Human Rights

5.2 Does your company have a publicly-available Policy covering Ethical Conduct & Human Rights?

Yes

5.2.1 Does the policy cover:

- Recruitment
- Contractors
- Sub-Contractors & Third-Party Contractors

5.2.2 Has your company previously uploaded or linked its Ethical Conduct & Human Rights policy in previous ACOP reporting cycles?

Yes

Land Use

5.3 Does your company have a publicly-available Policy covering Land Use?

No

Occupational Health & Safety**5.4 Does your company have a publicly-available Policy covering Occupational Health & Safety?**

Yes

5.4.1 Has your company previously uploaded or linked its Occupational Health & Safety policy in previous ACOP reporting cycles?

Yes

Climate Change & Greenhouse Gas (GHG)**5.5 Does your company have a publicly-available policy covering Climate Change & Greenhouse Gas (GHG)?**

Yes

5.5.1 Does the policy cover:

- Identification and assessment of GHG
- Public reporting of GHG footprint
- Monitored implementation plan to reduce or minimise GHG emissions

5.5.2 Has your company previously uploaded or linked its Climate Change & Greenhouse Gas policy or report in previous ACOP reporting cycles?

Yes

Complaints & Grievances**5.6 Does your company have a Complaints & Grievances Mechanism?**

Yes

5.6.1 Is your Complaints & Grievances mechanism in line with the RSPO's grievance mechanism? For details of the RSPO's grievance mechanism, please go to <https://askrspo.force.com/Complaint/s/>

No

Smallholders**5.7 Does your company support oil palm independent smallholder groups?**

No

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

No

5.7.4 Please explain why you are not planning to support oil palm independent smallholders

ING engages with its Wholesale Banking clients within the palm oil sector to continuously learn and improve in line with RSPO. ING does not have a customer base on the independent small holder level nor intention to grow a customer base there. Our Asia and Africa business only offers corporate banking services, we have no local Retail branche (where smallholder finance could be). We aim to use our expertise, network and leverage with our existing large client base, for example by proactively asking our clients to develop or improve supply chain or sourcing policies. In this way aiming to contribute to fair and sustainable palm oil production at all levels of the supply chain.

6. Challenges

6.1 What significant obstacles or challenges has your company encountered in the promotion of certified sustainable palm oil (CSPO)? What efforts has your company taken to address these obstacles or challenges?

- Awareness of RSPO in the market
- Difficulties in the certification process
- Certification of smallholders
- Competition with non-RSPO members
- High costs in achieving or adhering to certification
- Human rights issues
- Insufficient demand for RSPO-certified palm oil
- Low usage of palm oil
- Reputation of palm oil in the market
- Reputation of RSPO in the market
- Supply issues
- Traceability issues
- No challenges faced
- Others

Others

To manage the perception of a large number of ING's stakeholders that little global progress is observed in terms of RSPO certification of plantations/operations whilst we continue to support our own clients which certification progress ING actively monitors. Insufficient demand for RSPO-certified oil is clearly a challenge for all involved parties.

6.2 In addition to the actions already reported in this ACOP report, what other ways has your company supported the vision of the RSPO to transform markets to make sustainable palm oil the norm?

- Engagement with business partners or consumers on the use of CSPO
- Engagement with government agencies
- Promotion of CSPO outside of RSPO venues such as trade workshops or industry associations
- Promotion of physical CSPO
- Providing funding or support for CSPO development efforts
- Research & Development support
- Stakeholder engagement
- No actions taken
- Others

Others

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6.3 If your company has any other publicly-available reports or information regarding its palm oil-related policies and activities, please provide the links here

<https://www.ing.com/Sustainability/Our-Stance/Palm-oil.htm> <https://www.ing.com/Newsroom/News/Five-things-about-palm-oil.htm> <https://www.ing.com/Sustainability/Sustainable-business/Human-Rights.htm>
<https://www.imvoconvenanten.nl/en/banking/news/afronding-analyse-palmolieketen>