



Press Release

For Immediate Release

## Citi Report Underlines Opportunities for Asia to Play Leading Role in Building a More Sustainable Future

### Highlights

More Asian institutional clients pursuing ESG strategies, COVID-19 a catalyst

Record environmental financing from issuers in the region

Investor demand speeding up transition strategies among issuers

**Jakarta, 13 July 2021** -- A new [report from Citi](#) revealed that more clients are embracing different areas of finance to meet their Environmental, Social and Governance (ESG) goals. The report included views from BlackRock and Manulife Investment Management in Asia, and a survey of the bank's key issuer clients in the region.

In the first quarter of this year, Citi conducted a survey among 259 institutional clients in 14 markets across Asia Pacific to better understand how they are embracing the ESG agenda. Of these respondents, majority hold senior level positions in their firms—16% are Chairmen, Presidents or CEOs, 24% are other C-Suite Executives, 26% are Managing Directors and Directors, and 28% are Senior Vice Presidents and Presidents.

The results of the survey revealed that 54% of the respondents already have ESG policies and practices integrated in their organizations' corporate strategy while close to 90% of the remaining respondents intend to roll out ESG policies and practices within five years.

Evidently, sustainability is coming of age in this region. With COVID-19 presenting new challenges, ESG issues that were previously on the periphery are now in the forefront for many companies. Over two-thirds of the respondents attributed COVID-19 as a driving force of ESG policies and practices in their firms.

The main drivers behind the adoption of overall ESG standards among those who responded to the survey include: alignment to overall corporate sustainability strategy (65%); positive impact on relationship with customers and stakeholders (57%); social and environmental factors (48%); regulatory obligations and pre-empting broader policy and regulatory changes (42%); access to funding dedicated to ESG projects (28%); and demand and pricing impact on ESG products (22%).

"As a global, value-driven firm, we are dedicated to supporting the transition to a low-carbon economy. We view sustainable financing both as a mandate and as an opportunity to partner

with our clients across geographies—to help them decarbonize their operations and achieve their enterprise sustainability goals,” said Peter Babej, Citi Asia Pacific CEO.

The survey also asked respondents to rank the top three stakeholders who are most vocal in advocating ESG policies and practices in their organizations; 33% ranked governments/regulators in the top position, followed by investors (21%) and customers (20%).

When asked to rank the top three sustainable and green finance instruments that they were most interested in or exploring, green bonds came on top at 22% while most respondents (42%) chose ESG-linked working capital financing as one of their top three choices.

The report highlighted the growth in environmental finance in the region. As part of Citi’s broader sustainable finance commitment, the bank has raised over US\$25 billion for clients in Asia Pacific in the first half of 2021, an increase of some 400% versus the same period in 2020.

Citi is intensifying the support it provides issuer clients not just by offering green finance but also helping them accelerate the transition to a more sustainable and equitable future, areas that were highlighted in the report. At the same time, the bank is helping buy-side clients identify opportunities to transition their portfolios to cleaner companies.

“The scope of our sustainable financing efforts is growing continuously and covers all client segments—from investors repositioning their portfolios toward greener industries, to corporates realigning their business models through acquisitions and divestitures. Our institutional commitment to building a greener future cuts across all these activities,” added Babej.

In many cases, Citi is now co-developing solutions together with its buy-side clients to ensure that their key requirements are addressed. A case in point is the recent launch of an equity benchmark index family, the **Citi ESG World Indices**, which is Citi’s first proprietary indices to offer a benchmark for the best-in-class ESG performers from across global markets as it helps buy-side clients transition their portfolios towards ESG.

The report also underlined what Citi has been doing across its own operations to ensure a more sustainable future. In the last 12 months, Citi has achieved its environmental impact goal of sourcing 100% renewable electricity for all its facilities across the region.

#### **Notes to Editors:**

In 2019, we met our US\$100 billion environmental finance goal four years early. The goal was to finance and facilitate US\$100 billion within 10 years to support environmental solutions and accelerate the global transition to a low-carbon economy.

In April 2021, we committed US\$1 trillion to sustainable finance by 2030. This US\$1 trillion commitment includes extending its environmental finance target from US\$250 billion by 2025 to US\$500 billion by 2030, further accelerating the transition to a sustainable, low-carbon economy. Our commitment also includes an additional US\$500 billion to invest in other activities that advance the United Nations’ Sustainable Development Goals (SDGs), such as education, affordable housing, health care, economic inclusion, community finance, international development finance, racial diversity and gender equality.

In order for a transaction to be counted toward the new US\$500 billion environmental finance goal, it must meet one or more established criteria: renewable energy, clean technology, water quality and conservation, sustainable transportation, green buildings, energy efficiency, circular economy, and sustainable agriculture and land use.

Circular economy and sustainable agriculture and land use are new criteria for the US\$500 billion environmental finance goal. We believe the production materials and the management of food production and land use reflect major sources of emissions and related solutions are key to climate change mitigation.

Since 2001, we have worked to measure, manage and reduce the direct environmental impacts of our operations by tracking energy use, greenhouse gas emissions, water use, waste and green building initiatives. We remain committed to reducing the environmental footprint of our 7,000 facilities in close to 100 markets. Much of this focus is on ensuring our property portfolio is greener with clear and responsible targets.

In 2020, our Leadership in Energy and Environmental Design (LEED)\* certified footprint increased 10% and we further reduced our energy consumption and waste consumption across the region. In all, Citi occupies 9.7 million square feet of office space in Asia Pacific.

We are also working to cultivate a broader culture of sustainability among our 200,000 global employees. Our Global Sustainability Network, comprising over 150 internal partners, functions as an information-sharing network among different teams and individuals on various aspects of sustainability.

\*Green building certification program

###

For further information, please contact:

**Puni A. Anjungsari**

Country Head of Corporate Affairs  
Citi Indonesia (Citibank N.A., Indonesia)  
Email : puni.anjungsari@citi.com  
Phone: +62 818 877 016

**About Citi Indonesia**

Citibank, N.A., Indonesia (Citi Indonesia) is a branch of Citibank, N.A, New York, USA. Citibank, N.A., Indonesia has been in Indonesia since 1968 and is one of the country's largest foreign banks. Citibank operates 10 branches in six major cities in Indonesia - Jakarta, Bandung, Surabaya, Semarang, Medan and Denpasar. Citibank has consumer transaction networks of around 33,000 payment points and corporate distribution networks of around 6,000 locations in 34 provinces. Citibank, N.A., Indonesia is connected to ATM Bersama networks with more than 70,000 ATM terminals throughout Indonesia.

In 2020, Citibank Indonesia received a prestigious award as Best International Bank in Indonesia from Finance Asia, while in 2019 the bank was named as **Best International Bank in Indonesia** from Asiamoney, **Best Corporate/Institutional Digital Bank in Indonesia** from Global Finance and **Wealth Management Platform of the Year in Indonesia** from Asian Banking and Finance.

Further information can be obtained at Website: [www.citigroup.com](http://www.citigroup.com) | Twitter: @citi | YouTube: [www.youtube.com/citi](http://www.youtube.com/citi) | Blog: <http://blog.citigroup.com> | Facebook:

[www.facebook.com/citiindonesia](https://www.facebook.com/citiindonesia) | LinkedIn: [www.linkedin.com/company/citi](https://www.linkedin.com/company/citi) . To enjoy a digital banking experience, please visit [www.citibank.co.id](https://www.citibank.co.id) .

Citibank N.A., Indonesia is a bank that is licensed, registered and supervised by the Indonesia Financial Services Authority (OJK).

Citibank N.A., Indonesia an insured member of Deposit Insurance Corporation.