

Sustainable palm oil statement

In line with our contribution to United Nations Sustainable Development Goal 15, Life on Land, 15.2, we promote the implementation of sustainable management of all types of forests and halt deforestation - we are committed to using Palm Oil (PO), Palm Kernel Oil (PKO) and their derivatives from sustainable sources.

Since 2011, we have taken a very proactive approach to fully support sustainable PO and PKO and continued to work with the industry in securing sustainable sources of derivatives. Fourteen of our manufacturing sites are Roundtable on Sustainable Palm Oil (RSPO) Supply Chain Certified to handle sustainable PO/PKO derivatives via physical supply chains, Mass Balance and Segregated. These certified sites handle more than 99% of our palm derivatives. In 2018 we further strengthened our commitment by working with a third party, independent organisation to confirm and verify transparency of our supply chains. This work involves collecting data from suppliers and identifying the mills associated with this volume, including location and GPS coordinates. Ongoing work using this data informs a risk assessment of the sourcing areas and ensuring progress towards fully sustainable and deforestation-free sourcing.

We shall require that suppliers comply with NDPE (no Deforestation, no Peat, no Exploitation) and provide us with confirmation of their compliance, based on the following:

- 1. A public policy of no deforestation
- 2. No fires and no plantation on peatlands regardless of depth
- 3. No planting on High Conservation Value areas (HCVs) and High Carbon Stock areas (HCS), have HCV management and monitoring plans at a landscape level.
- 4. Respect for workers' rights, of the legal and customary rights as well as the Free Prior and Informed Consent (FPIC) of indigenous communities, no forced labour, no slave labour, no child labour. In the absence of a Decent Living Wage in a given country, palm oil growers must engage with their workers to mutually agree terms.
- 5. Support for smallholders, growers to develop outreach programmes to support smallholders with sustainability and business skills
- 6. Have a management and monitoring plan that includes targeted reductions of GHG emissions.
- 7. Will support our transparency and traceability work.*

Phil Ruxton Chief Sustainability Officer November 2021

*Either directly or through a third party. We will continue to publish progress against our commitments through our annual Sustainability Report, on our website and within the RSPO's Annual Communication of Progress.