

Particulars

Organisation Name	Johnson & Johnson
Corporate Website Address	
Primary Activity or Product	Manufacturer
Related Company(ies)	None
Country Operations	Australia, Argentina, Bangladesh, Belgium, Brazil, Cambodia, Canada, China - People's Republic of, Colombia, Croatia, Cyprus, Czech Republic, Denmark, Egypt, Finland, France, France - Metropolitan, Germany, Greece, Hong Kong, Hungary, Iceland, India, Indonesia, Ireland, Italy, Japan, Korea - Republic of, Latvia, Lithuania, Luxembourg, Malaysia, Mexico, Morocco, Netherlands, New Zealand, Nigeria, Norway, Pakistan, Peru, Philippines, Poland, Portugal, Puerto Rico, Romania, Russian Federation, Saudi Arabia, Singapore, Slovakia, Slovenia, South Africa, Spain, Sweden, Taiwan - Republic of China, Thailand, Tunisia, Turkey, Ukraine, United Arab Emirates, United Kingdom, USA, Venezuela, Vietnam, Yugoslavia
Membership Number	4-0030-06-000-00
Membership Type	Ordinary Members
Membership Category	Consumer Goods Manufacturers
Primary Contacts	Ms. Paulette Frank Address: J&J Consumer 199 Grandview Rd Skillman NJ Switzerland 08558
Person Reporting	Simon Perry

Related Information

Other information on palm oil:

Johnson & Johnson's Healthy Future 2015 goal: "Source all palm oil and palm oil derivatives from certified sustainable sources", Strategic Priority 3, "Partner with suppliers who embrace sustainability", Measurements Targets section [Click here to visit the URL](#)

In 2012, we included our responsible sourcing of palm oil on J&J's Our Responsibility website, [Click here to visit the URL](#)

In Johnson & Johnson's 2012 Annual Report an article titled "Small Farms, Big Steps" was included, this detailed Johnson & Johnson's efforts to support small holders by buying the first Independent Small Holder GreenPalm certificates, [Click here to visit the URL](#)

In Johnson & Johnson's 2011 Annual Report an article titled "Supporting Sustainable Sourcing" was included, this detailed Johnson & Johnson's efforts on sourcing sustainable palm oil, [Click here to visit the URL](#)

In 2011, we produced a video to help educate our employees and others on our efforts to improve the sustainability of palm oil, [Click here to visit the URL](#)

Reporting Period	01 July 2012 - 01 July 2013
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Consumer Goods Manufacturers

Operational Profile

1. Main activities within manufacturing

- End-product manufacturer
- Home & Personal Care Goods
- Biofuels

Operations and Certification Progress

2. Do you have a system for calculating how much palm oil and palm oil products you use?

Yes

Total volume of all palm oil products used in the year in your own brand products:

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3.1. Total volume of Crude Palm Oil used in the year:

300

3.2. Total volume of Palm Kernel Oil used in the year:

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3.3. Total volume of other Palm Oil Derivatives and Fractions used in the year:

77500

3.4. Total volume of all palm oil and palm oil derived products you used in the year:

77800

4. Volume of Crude Palm Oil used in the year in your own brand products that is RSPO-certified

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4.1. Book & Claim

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4.2. Mass Balance

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4.3. Segregated

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4.4. Identity Preserved

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4.5. Total volume of Crude Palm Oil used that is RSPO-certified:

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5. Volume of Palm Kernel Oil used in the year in your own brand products that is RSPO-certified:

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5.1. Book & Claim

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5.2. Mass Balance

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5.3. Segregated

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5.4. Identity Preserved

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5.5. Total volume of Palm Kernel Oil handled that is RSPO-certified:

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6. Volume of all other palm-based derivatives and fractions used in the year in your own brand products that is RSPO-certified:

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6.1. Book & Claim

77500

6.2. Mass Balance

300

6.3. Segregated

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6.4. Identity Preserved

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6.5. Total volume of palm-based derivatives and fractions used that is RSPO-certified:

77800

7. What type of products do you use CSPO for?

Personal care products, Soap Bars, Shampoo's, shower gels, moisturizers, lip balms, suncare, dental care products, baby wipes, OTC (over the counter medicines)

8. Do you ask your suppliers if the palm oil supplied comes from growers who disclose their GHG emissions within the RSPO P&C 5.6 & 7.8?

Yes

Suppliers report that palm oil supplied comes from growers who disclose their GHG emissions within the RSPO P&C 5.6 & 7.8

[M-GHG-Grower-Emissions-Report.pdf](#)

For administration purpose, attachment files are renamed automatically

Time-Bound Plan

9. Date expected to/or started to use any RSPO certified oil palm products – own brand

2010

10. Date expected to be using 100% RSPO certified oil palm products from any supply chain option– own brand

2010

11. Date expected to be using 100% RSPO certified oil palm from physical supply chains (Identity Preserved, Segregated and/or Mass Balance) - own brand products

2015

12. Do your (own brand) commitments cover your companies' global use of palm oil?

Yes

13. Does your company use palm oil in products you manufacture on behalf of other companies?

No

14. Date expected to actively communicate to promote the use of certified sustainable palm oil in other manufacturers' brands that you sell.

2015

15. Which countries that your organization operates in do the above commitments cover?

16. What are your interim milestones towards achieving RSPO certification commitment to your own-brands (year and progressive CSPO%) - please state annual targets/strategies.

As of 2010, Johnson & Johnson source all palm oil and its derivatives through Book & Claim. We realize that Book and Claim is a transitional SC mechanism and we're continuously evaluating options to move to Mass Balance and Segregated derivatives as and when they become commercially viable and we can assure business continuity. Given the current CSPO derivatives market we anticipate a step wise change of up to 6% for Mass Balance / Identity Preserved and the balance of 94% Book and Claim by 2015.

In order to do this Johnson & Johnson will execute its palm oil strategy. There are 4 pillars to the strategy;

1. Support RSPO sustainable palm oil mechanisms starting with Greenplam certificates and progressing to mass balance and physical CSPO (segregated and identity preserved).
2. Engage with relevant external organizations like RSPO and the Consumer Goods Forum to accelerate and promote the growth of sustainable palm oil.
3. Work with Oleo-Chemical value chain to implement and reformulate for a Segregated & Traceable supply chain for sustainable Palm Oil; 2010 / 2011 we have completed a Global Portfolio Review to assess opportunities and prepare our Skincare portfolio. Through phased engagement with our suppliers, we will continue to build capacity across the value chain. We have identified and prioritized opportunities to introduce physical CSPO as and when it has become available (assuming it is financially viable and business continuity assured). We continue to engage with our suppliers, requesting them to become members of the RSPO and join the relevant forums, coalitions or working groups
4. Fund specific yield & land usage projects through J&J Palm Fund; Johnson & Johnson fund was established to build capacity of sustainable palm oil on the ground. To date we have supported numerous projects, across 3 continents, through a number of NGO's, to increase smallholder yields, maximise land use or increase the global awareness of CSPO.

Actions for Next Reporting Period

17. Outline actions that will be taken in the coming year to promote sustainable palm oil.

For the 2013 / 2014 reporting period, we will launch our Responsible Sourcing Guiding Principles, and our Palm Standards. These standards will set out our minimum supplier expectations for sourcing soap chips & oleo-chemicals derived from palm oil. These standards will be shared with all relevant palm derivative suppliers. In addition, and through a phased engagement all Supplier Relationship Management meetings will review progress against towards our CSPO 2015 goal.

We will continue to prioritize and assess all opportunities to procure SG CSPO. We will consider Mass Balance where it's a viable option and recognize this as an interim solution to sourcing SG CSPO.

Where appropriate we will utilize claims, on pack, to raise the global awareness of CSPO.

Until such a time as we can reliably purchase CSPO (MB, or SG) we will continue to purchase GreenPalm certificates in sufficient quantities to demonstrate our commitment as an end user and stimulate market growth. We will further evaluate opportunities and fund NGO led projects to increase capacity at farm level.

18. Do you publicly report the GHG emissions of your operations?

Yes

Public report of GHG emissions on operations

[M-GHG-Emissions-Report.pdf](#)

For administration purpose, attachment files are renamed automatically

Reasons for Non-Disclosure of Information

19. If you have not disclosed any of the above information, please indicate the reasons why

Other

- Other reason:

Difficult to upload file for Q18, please follow the link: [Click here to visit the URL](#) for Johnson & Johnson's GHG emissions policy

Trademark Related**20. Do you use or plan to use the RSPO trademark on any of your products?**

Yes

If yes, when will you start?

2014

21. Do you undertake or support any other projects related to sustainable palm oil that have not been captured in this report?

Yes

Application of Principles & Criteria for all members sectors**22. Related to your sourcing, do you have (a) policy/ies, that are in line with the RSPO P&C?**

- Water, land, energy and carbon footprints
 - Ethical conduct and human rights
 - Labour rights
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- Water, land, energy and carbon footprints policy

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- Land use rights policy

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- Ethical conduct and human rights policy

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- Labour rights policy

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- Stakeholder engagement policy

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23. What steps will your organization take to minimize its resource footprints?

All the information related to Q22 can be found under the following link: [Click here to visit the URL](#)

More than 20 years ago, we established our first environmental goal aimed at reducing toxic emissions. Since then, we have set a series of long-term goals across a range of environmental impacts. In January 2011, we launched Healthy Future 2015, which defines our priorities and goals for the next five years.

Healthy Future 2015 is both an extension of and departure from our past goals. It builds on our previous environmental goal setting and performance, while also incorporating social- and transparency-related priorities that our stakeholders expect of us. These range from environmental sustainability and enhanced supply chain stewardship, to greater transparency and commitments to address diseases in the developing world – areas in which we believe we can make a meaningful contribution to society. These are not new priorities for Johnson & Johnson, yet it's the first time we've established social goals and targets as part of our overall sustainability strategy.

Healthy Future 2015 consists of seven strategic priorities, supported by 15 goals and corresponding targets to measure and drive performance.

[Click here to visit the URL](#)

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

To help ensure that we conduct business according to the values embodied in Our Credo, we have policies that define what we expect of the people within the Johnson & Johnson Family of Companies throughout the world.

[Click here to visit the URL](#)

25. Has your company supported any community programmes on its own or through partnerships? How do you benchmark the impacts of these programmes?

Johnson & Johnson has a dedicated palm oil fund specifically targeted to increase the yields of FFB from small holders, maximize land use and increase global awareness. To date we have supported multiple projects across 3 different continents to increase capacity of CSPO at farm level and support the improvement in the quality of life of small holders. Johnson & Johnson partner with multiple NGO's to support the RSPO certification of farmers.

The impact of the programmes are measured annually through project reviews. Metrics may include the increase in the number of small holders becoming RSPO certified, improvement in FFB yields, plus other additional benefits such as improving finance & business skills for the farmers.

To find out more about our projects please visit; [Click here to visit the URL](#)

26. Are you sourcing 100% physical CSPO?

No

26.1. Please details your organization's plan to cover sourced palm oil and palm kernel oil, which is not yet segregated or identity preserved, through Mass Balance. If you have not committed to sourcing 100% of palm products under the Mass Balance supply chain system until the goal of 100% segregated or identity preserved CSPO can be achieved, please explain why.

We have a goal to move to Segregated (SG) CSPO in our supply chain as soon as SG CSPO derivatives become commercially viable and we can assure business continuity of sources. Until that point in time we will execute Johnson & Johnson's palm oil strategy and demonstrate our continued commitment through Book and Claim and Mass Balance supply chain options as they evolve. We realize both options play an important role in promoting and accelerating the growth of physical CSPO supply chain options.

Challenges

1. Significant economic, social or environmental obstacles

There are significant supply chain challenges still in the procurement of Mass Balance or Segregated CSPO oleo-chemicals, and soap chips (via the traditional soap production route). Johnson & Johnson are continually evaluating all available options to source Mass Balance, Segregated or Identity Preserved PO derivatives. Options under consideration may require reformulations, or switching to alternative feedstock materials; such as Coconut oil. This may result in extra costs in addition to the premiums Johnson & Johnson will be paying for those materials we're able to source via the MB, SG, IP SCCS.

The volumes of CPO and importantly CPKO feedstock required to create an economically viable physical CSPO derivatives supply chain remain sporadic and limited. For the end user this makes the incremental cost too high for today's business and economic climate. In order to make any claims Johnson & Johnson must be able to ensure business continuity through alternative sources of like for like materials. Currently this is difficult to achieve. We will continue to build capacity across all our strategic suppliers, prioritizing categories and regions. We will work with other like minded organizations to collaborate and create scale and momentum in the supply chains whilst respecting and adhering to all anti-trust legislation.

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:

No

3. How has your organization supported the vision of RSPO to transform markets?

Johnson & Johnson continue to promote and accelerate the growth of CSPO through the implementation of our 5 year palm oil strategy. Since 2010 we have purchased 100% of our derivatives equivalent through GreenPalm program. We have included GreenPalm logo on pack in two different regions and on two different products and we continue to evaluate opportunities with our brand teams to promote RSPO and raise awareness of certified sustainable palm oil.

Through our dedicated palm oil fund we support projects to grow capacity at farm level, working with multiple NGO's to train and RSPO certify small holder plantations. We continue to financially support the development of on-line forest cover analyzer tools to ensure any further deforestation is minimized and monitored.

We will continue to work with our suppliers and other value chain members to map out supply chains, determine a level of traceability and look for opportunities to achieve scale and pull physical oil through our supply chains.
