

Particulars

About Your Organisation

Organisation NameArla Foods a.m.b.a

Corporate Website Addresswww.arla.com

Primary Activity or Product

- Manufacturer
-

Related Company(ies)No

Membership

| Membership Number | Membership Category | Membership Sector |
|-------------------|---------------------|------------------------------|
| 4-0314-12-000-00 | Ordinary | Consumer Goods Manufacturers |

Consumer Goods Manufacturers**Operational Profile****1.1 Please state what your main activity(ies) is/are within manufacturing**

- End-product manufacturer
- Ingredient manufacturer
- Food Goods
- Own-brand
- Manufacturing on behalf of other third party brands

Operations and Certification Progress**2.1 Do you have a system for calculating how much palm oil and palm oil products you purchased?**

Yes

2.2.1 Do you manufacture for:

Both Private Label and Own Brand

2.2.2 Total volume of Refined Palm Oil or Refined, bleached, and deodorized (RBD) Oil Palm sold in the year:

24327.00

2.2.3 Total volume of refined Palm Kernel Oil sold in the year:

743.00

2.2.4 Total volume of other Palm Oil Derivatives and Fractions sold in the year:

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2.2.5 Total volume of all oil palm products you sold in the year:

25070.00

2.3 Palm oil volume sold in the year in your own brands that is sourced through RSPO-certified physical supply chains:**In Your Own Brand**

| No | Description | Refined palm oil/Refined, bleached, and deodorized (RBD) oil palm (Tonnes) | Palm Kernel Oil (Tonnes) | Palm based derivatives or fractions (Tonnes) | Volume of Palm Kernel Expeller used / processed and/or traded in the year (Tonnes) |
|----|--|--|--------------------------|--|--|
| 1 | Book & Claim | | | | |
| 2 | Mass Balance | 580.00 | | | |
| 3 | Segregated | 21,847.00 | 40.00 | | |
| 4 | Identity Preserved | | | | |
| 5 | Total volume of oil palm products that is RSPO-certified | 22,427.00 | 40.00 | | |

In Your Private Label

| No | Description | Refined palm oil/Refined, bleached, and deodorized (RBD) oil palm (Tonnes) | Palm Kernel Oil (Tonnes) | Palm based derivatives or fractions (Tonnes) | Volume of Palm Kernel Expeller used / processed and/or traded in the year (Tonnes) |
|----|--|--|--------------------------|--|--|
| 1 | Book & Claim | | | | |
| 2 | Mass Balance | | | | |
| 3 | Segregated | | | | |
| 4 | Identity Preserved | | | | |
| 5 | Total volume of oil palm products that is RSPO-certified | | | | |

2.4.1 What type of products do you use CSPO for?

we use CSPO as much as possible - and always if available food products

2.5 What is the percentage of certified sustainable palm oil in the total oil palm products your company sells in:

Europe 90%
 India --%
 China --%
 South East Asia --%
 North America --%
 South America --%

2.6 What is the percentage of certified sustainable palm kernel oil in the total palm kernel oil your company sells in:

Europe 5%
India --%
China --%
South East Asia --%
North America --%
South America --%

Time-Bound Plan**3.1 Date expected to/or started to use any RSPO certified palm oil products - own brand**

2010

3.2 Date expected to be using 100% RSPO certified palm oil products from any supply chain option - own brand

2011

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

2017

Comment:

80% was achieved 2014, and we had hoped for 100% 2015, but due to lack of availability of certified segregated palm compound in a few complex products, we ended up achieving 90% segregated 2015, and strive to fulfill the commitment 100% as soon as possible, but know already now that we will need to buy a small amount non CSPO also 2016. All the years, starting from 2011, we have topped up with Green Palm certificate to achieve 100%

3.4 Do your (own brand) commitments cover your company's companies' global use of palm oil?

y

3.5 Does your company use CERTIFIED SUSTAINABLE PALM OIL products in goods you manufacture on behalf of other companies?

y

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

Argentina, Australia, Austria, Bangladesh, Belgium, Brazil, Canada, Cote d'Ivoire, Denmark, Dominican Republic, Egypt, Finland, France, Germany, Greece, Italy, Kuwait, Lebanon, Luxembourg, Mexico, Netherlands, Nigeria, Norway, Poland, Qatar, Russian Federation, Saudi Arabia, Senegal, Spain, Sweden, United Arab Emirates, United Kingdom, United States

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

Arla's time frame Arla will only use segregated certified palm oil-based products by the end of 2015. If Arla, depending on lack of availability, cannot fulfil this commitment, the company has decided to buy Green Palm certificates for all palm oil that is not delivered according to a physical certified supply chain. Arla request full compliance with additional criteria of no deforestation, not exploiting new peat land and with traceability from plantation / smallholder / mill level. The ambition is traceability from plantation / smallholder not later than 2017, and time bound plans are requested to be presented 2016. Suppliers of food additives and compounds which use palm oil as an ingredient, will be expected to use only certified segregated palm oil by no later than the end of 2016, and to comply with the additional demands no later than by the end of 2017. Our focus is where the palm oil is a major ingredient in the finished product. Arla's achievements so far 2011 and 2012: Green Palm certificates were purchased corresponding to the entire volume of palm oil and palm oil based products used in Arla's supply chain. 2013: approximately 20 % of the total volume used, for both Arla branded products and 3rd party production, was certified segregated. The remaining volume was covered by Green Palm certificates. In 2014, 80 % of the total volume of palm oil was certified segregated. The remaining volume will be covered by Green Palm certificates. In 2015, 90 % of the volume was certified segregated. We had to buy Green Palm certificates for the remaining 10% due to lack of the availability of certified segregated palm compound in a few complex products. Of the same reason we will need to buy a small number of certificates for 2016 as well. The continued progress we make in achieving our ambition will be shared publically in our annual Responsibility Report as well as in our annual code of progress report to RSPO. Next steps By no later than the end of 2017, all palm oil and palm oil products will come from 100 % RSPO certified growers, that have been independently verified as implementing the additional demands set out in Appendix 1. Full statement, see: <http://www.arla.com/globalassets/arla-global/company---overview/responsibility/pdf/sourcing/2016-arla-palm-oil-company-statement.pdf>

3.8 Date of first supply chain certification (planned or achieved)

2013

Comment:
Green Palm**Trademark Related****4.1 Do you use or plan to use the RSPO trademark on your own brand products?**

No

Please explain why

We state our commitment on the web, and not on individual packaging

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

Yes

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

Yes

Report file: [M-GHG-Emissions-Report.pdf](#)URL: <http://www.arla.com/company/responsibility/csr-reports/>**Actions for Next Reporting Period****6.1 Outline actions that will be taken in the coming year to promote sustainable palm oil.**

Besides continuing to buy CSPO and tell about this intention publically we have added a number of demands in our commitment - see

also: <http://www.arla.com/globalassets/arla-global/company---overview/responsibility/pdf/sourcing/2016-arla-palm-oil-company-statement.pdf> We

are engaged in development dialogues within RSPO as well as POIG (palm oil innovation group)

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

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- Others:

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Application of Principles & Criteria for all members sectors

8.1 Related to your sourcing, do you have (a) policy/ies, that are in line with the RSPO P&C such as:

- Water, land, energy and carbon footprints
Uploaded file: [M-Policies-to-PNC-waterland.pdf](#)
- Land Use Rights
Uploaded file: [M-Policies-to-PNC-landuseright.pdf](#)
- Ethical conduct and human rights
Uploaded file: [M-Policies-to-PNC-ethicalconducthr.pdf](#)
- Labour rights
Uploaded file: [M-Policies-to-PNC-laborrights.pdf](#)
- Stakeholder engagement
Uploaded file: [M-Policies-to-PNC-stakeholderengagement.pdf](#)
- None of the above

8.2 What steps will/has your organization taken to support these policies?

All colleagues are expected to adhere to Arla's Code of Conduct All suppliers are expected to adhere to Arla's code of conduct for suppliers

Commitments to CSPO uptake

As you don't source 100% CSPO through physical supply chains (IP/SG/MB), please answer the following questions: Do you have plans to?

Yes

Please specify

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9.1 Do you have plans to immediately cover the gap using Book & Claim?

Yes

How and when do you plan to immediately cover the gap using Book & Claim?

Since 2011 Arla's buys Green Palm certificates to cover the gap, and we have continued to do so through the years.

Concession Map

10.1 Does your company or any subsidiary of your company own or manage oil palm plantations?

No

Please explain why

We are a dairy company using among many other ingredients also palm oiled based ones, it's not in our ambition or scope to manage the palm oil plantations

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?

There is a lack of availability of certified segregated palm compound in some of the more complex products we use. We are doing our best to get our suppliers to fulfill our demands of these specific ingredients also as certified, segregated.

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? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

Using certified segregated material Putting demands on our suppliers Communicating about this publically included additional demands and commitments in our public statements engaged in POIG

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

The numbers reported above covers both own label and private label production. The % for Europe are the average numbers Arla's Code of Conduct, Responsibility reports (from 2007-2015) and sustainable sourcing statements and a number of other policies are publically available ar <http://www.arla.com/company/responsibility/>
