

Particulars

About Your Organisation

1.1 Name of your organization

Johnson & Johnson

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

- Grower
 - Processor and/or Trader
 - Consumer Goods Manufacturer
 - Retailer and/or Wholesaler
 - Bank and/or Investor
 - Social and/or Development NGO
 - Environmental and/or Conservation NGO
 - Supply Chain Associate
 - Affiliate
-

1.3 Membership number

4-0030-06-000-00

1.4 Membership category

Consumer Goods Manufacturers

1.5 Membership sector

Ordinary

Consumer Goods Manufacturer

1. Operational Profile

1.1 Please state your main activity(ies) within the palm oil supply chain. Please select the option(s) that apply to you

- End-product manufacturer
- Food goods manufacturer
- Ingredient manufacturer
- Home & personal care goods manufacturer
- Own-brand manufacturer
- Manufacturing on behalf of other third-party brands
- Biofuels manufacturer
- Other

Other:

2. Palm Oil and Certified Sustainable Palm Oil Use

2.1 Please include details of all operations using palm oil, owned and/or managed by the member and/or all entities that belong to the group.

Certain entities among the Johnson & Johnson Family of Companies

2.1.1 In which markets do you manufacture goods with palm oil and oil palm products?

Applies globally

2.1.2 In the market(s)/country(ies) where you operate, do you calculate how much palm oil and oil palm product there is in the goods you manufacture?

Yes

2.2 Volumes of palm oil and oil palm products purchased

2.2.1 Total volume of crude and refined palm oil used in the year (tonnes)

0.00

2.2.2 Total volume of crude and refined palm kernel oil used in the year (tonnes)

0.00

2.2.3 Total volume of palm kernel expeller used in the year (tonnes)

0.00

2.2.4 Total volume of other palm-based derivatives and fractions used in the year (tonnes)

84,296.00

2.2.5 Total volume of all palm oil and oil palm products used in the year (tonnes)

84,296.00

2.3 Volume of palm oil and oil palm products used in the year in your own brand products that are RSPO-certified (in tonnes):

| Description | Crude and Refined Palm Oil | Crude and Refined Palm Kernel Oil | Palm Kernel Expeller | Other palm-based derivatives and fractions |
|---|----------------------------|-----------------------------------|----------------------|--|
| 2.3.1 Book and Claim from Mill / Crusher | - | - | - | 56700 |
| 2.3.2 Book and Claim from Independent Smallholder | - | - | - | 400 |
| 2.3.3 Mass Balance | - | - | - | 1546 |
| 2.3.4 Segregated | - | - | - | 9470 |
| 2.3.5 Identity Preserved | - | - | - | - |
| 2.3.6 Total volume | - | - | - | 68116 |

2.4 Volume of RSPO-certified palm oil and oil palm products sold to 3rd party RSPO certified companies (in tonnes)

| Description | Crude and Refined Palm Oil | Crude and Refined Palm Kernel Oil | Palm Kernel Expeller | Other palm-based derivatives and fractions |
|---|----------------------------|-----------------------------------|----------------------|--|
| 2.4.1 Book and Claim from Mill / Crusher | - | - | - | - |
| 2.4.2 Book and Claim from Independent Smallholder | - | - | - | - |
| 2.4.3 Mass Balance | - | - | - | - |
| 2.4.4 Segregated | - | - | - | - |
| 2.4.5 Identity Preserved | - | - | - | - |
| 2.4.6 Total volume | - | - | - | - |

2.5 According to the information you have provided in this questionnaire, your company has not reached 100% sustainable palm yet by using the four supply chain models (Book and Claim, MB, SG, IP). Do you have plans to immediately cover the gap by using RSPO Credits?

Yes

2.5.1 When do you plan to cover the gap by using RSPO Credits?

2020

2.5.2 Please explain why

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2.6 What is the percentage of RSPO Certified Sustainable Palm Oil in the total palm oil used by your company in the following regions:

2.6.1 Africa

0%

2.6.2 Oceania

0%

2.6.3 Europe

0%

2.6.4 North America

0%

2.6.5 Latin America

0%

2.6.6 Middle East

0%

2.6.7 China

0%

2.6.8 India

0%

2.6.9 Indonesia

0%

2.6.10 Malaysia

0%

2.6.11 Rest of Asia

0%

3. Time-Bound Plan

3.1 Year of first supply chain certification (planned or achieved)

2020

3.2 Year expected to/or started to use any RSPO-certified sustainable palm oil and oil palm products in your own brand products

2010

3.2.1 If target has not been met, please explain why.

-

3.3 Year expected to be using 100% RSPO-certified sustainable palm oil and oil palm products from any supply chain option in your own brand products.

2020

3.3.1 If target has not been met, please explain why.

-

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

2020

3.4.1 If target has not been met, please explain why.

-

3.4.2 Which markets do these commitments cover?

Applies globally

3.5 Does your company use RSPO-certified sustainable palm oil and oil palm products in goods you manufacture on behalf of other companies?

No

3.6 Does your company have a Time-Bound Plan to only use RSPO-certified sustainable palm oil and oil palm products in the goods you manufacture on behalf of other companies?

No

3.7 When do you expect all products you manufacture to only contain RSPO-certified sustainable palm oil and oil palm products?

2020

4. Trademark Use

4.1 Do you use or plan to use the RSPO Trademark on your own brand products?

No

4.2 Please select the countries where you use or intend to apply the Trademark.

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4.2.1 Please state the year that you started using the RSPO Trademark or the year you plan to start using the RSPO Trademark.

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4.3 Please explain why

- Challenging reputation of palm oil
- Confusion among end-consumers
- Costs of changing labels
- Difficulty of applying for RSPO Trademark
- Lack of customer demand
- Limited label space
- Low consumer awareness
- Low usage of palm oil
- Risk of supply disruption
- Others

Other:

4.4 Have you uploaded information and images of products using the RSPO Trademark to the RSPO mobile app?**5. Actions for Next Reporting Period****5.1 Outline actions that you will take in the coming year to promote the use of RSPO-certified sustainable palm oil and oil palm products along the supply chain.**

1. In 2019 Johnson & Johnson will enable more suppliers to transition their derivatives to Mass Balance certified on plans drafted in 2017 & 2018. We will continue to grow our strategic relationship with suppliers who provide certified soap noodles.
2. Johnson & Johnson will continue the work in driving the implementation of our Responsible Palm Oil Sourcing Criteria. We will continue to drive transparency in our supply chains to gain better understanding of the mills our materials originate from. We will also pilot a new program that will help us optimize the process of assessing the policy compliance of key suppliers and keep the data updated and accurate.
3. We will continue funding smallholder projects and driving on-the-ground transformation, which includes continuing our collaboration with Wageningen University to improve smallholder farming practices, and work with the Earthworm Foundation to encourage best agricultural practices and sustainable livelihoods.

6. Non-Disclosure of Information

6.1 Information in the sections above are mandatory declarations in your ACOP. For confidentiality purposes, members may choose not to display volume data in Section 2 publicly; however, RSPO reserves the right to utilise the member's data on an aggregate basis for sectoral and total analysis. Please check this box if the member chooses to have the data in Section 2 displayed publicly.

Yes - Display Publicly

7. Application of Principles & Criteria for all member sectors

7.1 Related to company's procurement or operations, do you have organisational policies that are in line with the RSPO P&C? Select all relevant options.

7.1.A Water, land, energy and carbon footprints

File: --

Link: <https://www.jnj.com/about-jnj/policies-and-statements>

7.1.B Land use rights

File: --

Link: <https://www.jnj.com/about-jnj/policies-and-statements>

7.1.C Ethical conduct and human rights

File: --

Link: <https://www.jnj.com/about-jnj/policies-and-statements>

7.1.D Labour rights

File: --

Link: <https://www.jnj.com/about-jnj/policies-and-statements>

7.1.E Stakeholder engagement

File: --

Link: --

7.1.F None of the above. Please explain why.-

7.2 What best practice guidelines or information has your organisation provided in the past year to facilitate the uptake of RSPO-certified sustainable palm oil and oil palm products? What languages are these guidelines available in?

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8. Greenhouse Gas (GHG) Footprint**8.1 Are you currently reporting any GHG footprint?**Yes

8.1.1 Please upload your publicly available GHG reportFile: --

8.1.1.1 OR please insert the URL to the GHG section of your corporate website.Link: <http://www.jnj.com/caring/citizenship-sustainability/greenhouse-gas-emissions>

8.2 Please explain and justify why you are not calculating your GHG footprint. Please include any future plans you may have to calculate your GHG footprint.

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8.3 What methodology are you using to calculate your GHG footprint?-

9. Support for Oil Palm Smallholders

9.1 Are you currently supporting any oil palm Independent Smallholder groups?

Yes

9.2 How are you supporting them?

We currently support independent smallholders both by sponsoring on-the-ground projects that improve conditions and target certification and by purchasing Independent Smallholder Certificates.

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

9.2.2 When do you plan to start your support for oil palm Independent Smallholders?

10. Challenges**10.1 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?**

- 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
- Others

Other:

1. Industry definitions and approaches on Sustainable Palm Oil remain inconsistent, which exacerbates the challenges of creating scale, particularly in derivative markets. We support the work of the RSPO to create a robust and respected certification to ensure palm oil is produced to a standard that meets many stakeholder requirements. An industry-wide certification structure has significantly more leverage and power than any single entity acting alone to trace, assess, and enforce compliance across derivative supply chains. We support the updated P&Cs that were adopted by the RSPO in 2018 to further strengthen standards and drive consistent understanding and methodologies wherever possible.

2. We have made progress in 2018 on our transition to Mass Balance but still face a lack of momentum, especially in emerging economies. We face challenges in growing markets with regional suppliers and their support of RSPO. While a number of suppliers are beginning their journey with regional certifications, it is not at the pace necessary to make changes across our global supply chains. The challenges of PKO availability, and pricing, present derivative manufacturers with a challenge to both ensure supply and remain competitive.

10.2 In addition to the actions already reported in this ACOP, how has your organisation supported the vision of RSPO to transform the market for sustainable palm oil in other ways?

- Engagement with business partners or consumers on the use of CSPO
- Engagement with government agencies
- Promotion of CSPO outside of RSPO venues eg trade workshops industry associations
- Promotion of physical CSPO
- Providing funding or support for CSPO development efforts
- Research & Development support
- Stakeholder engagement
- Others

Other:

1. We,Äöve written RSPO targets into business plans with our most strategic derivative suppliers and have been a strong proponent with all our oleo chemical suppliers on the importance of RSPO membership (100% of our strategic suppliers are members of the RSPO). We are executing our 2020 Mass Balance transition plans with these suppliers.
2. We,Äöve partnered with The Earthworm Foundation to break new ground on mapping derivatives supply chains for our top suppliers (accounting for 85% of our total volume). We,Äöve also assessed their No Deforestation, No Peat, No Exploitation (NDPE) policy compliance and alignment with our own policy and monitor their implementation plans.
3. We,Äöve invested financial resources to improve environmental and social conditions on the ground, including funding smallholder certification. We have supported projects with NGOs and smallholders that directly improve farming practices, increase yields and improve labor rights with the objective of meeting RSPO standards and our Responsible Sourcing Criteria.
4. We have two projects working on transparency in our supply chains that will help provide us with increased visibility into the complex derivative supply and to ensure we are working with accurate and up-to-date information. We continue to host sessions with suppliers on the importance of high standards in palm and palm kernel production and how to best implement responsible sourcing in their supply chains, all the way back to mills.
5. We are members of and support the Consumer Goods Forum,Äös efforts to align industry expectations and accelerate progress.
6. We,Äöve published our aggregated mill list as a concrete step towards increased supply chain transparency.
7. We,Äöve updated our non-conformance process to detail the specific actions we take when an actor, in any tier of our supply chains, fails to uphold our criteria. This process is strengthened by our support of The Earthworm Foundation,Äös High Impact Supplier Program which fosters an environment of collaboration with producers to ensure non-conformances are addressed.

10.3 Please attach or add links to any other information from your organisation on your palm oil policies and activities (e.g.: sustainability reports, policies, other public information)

1. We increasingly source RSPO certified materials as they become available and feasible (with RSPO credits from responsible sources, preferably Independent Smallholders, for palm oil derivatives on an interim basis) and ask our strategic suppliers to have Mass Balance transition plans for 2020. We work with our most progressive suppliers on incorporating RSPO certified materials into our joint business plans.
 2. We are implementing our Responsible Palm Oil Sourcing Criteria and continue to gain transparency into our Supply Chains through innovative projects. We partner with The Earthworm Foundation to deploy and scale this essential work. We report publicly on our related progress at: <http://www.tft-transparency.org/member/johnson-johnson/>
 3. We established a Palm Oil Fund to support projects on-the-ground that improve and promote more sustainable practices with smallholders, as well as conserve landscapes and improve transparency. 4. We partner with NGOs and institutions such as IDH (The Sustainable Trade Initiative) and Wageningen University to enable implementation of best agricultural practices and drive sustainable livelihoods for smallholders.
- We engage with NGOs, RSPO, and the Consumer Goods Forum to accelerate change in sustainable derivatives at scale.