

Particulars

About Your Organisation

Organisation Name

Tesco Stores Ltd

Corporate Website Address

<http://www.tesco.com/>

Primary Activity or Product

- Wholesaler and/or Retailer
-

Related Company(ies)

No

Membership

Membership Number	Membership Category	Membership Sector
3-0012-06-000-00	Ordinary	Retailers

Retailers**Operational Profile****1.1 Please state what your main activities are within retailing**

- Own-brand

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

Yes

2.2.1 Total volume of Crude Palm Oil handled in the year: (Tonnes)

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2.2.2 Total volume of Palm Kernel Oil handled in the year: (Tonnes)

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2.2.3 Total volume of other Palm Oil Derivatives and Fractions handled in the year: (Tonnes)

32,503

2.2.4 Total volume of all palm oil and palm oil derived products you handled in the year: (Tonnes)

32,503

2.3 Palm Oil volume used in the year in your own brand products that is RSPO certified

No	Description	Crude Palm Oil (Tonnes)	Palm Kernel Oil (Tonnes)	All other palm-based derivatives and fractions (Tonnes)
2.3.1	Book & Claim	-	-	10,590.00
2.3.2	Mass Balance	-	-	6,922.00
2.3.3	Segregated	-	-	14,991.00
2.3.4	Identity Preserved	-	-	-
2.3.5	Total volume of palm oil used that is RSPO-certified:	-	-	32,503.00

2.4 Volume of all other palm-based derivatives and fractions covered by Book & Claim (Tonnes)

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2.5 Volume of Palm Kernel Expeller used/ handled? (Tonnes)

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Time-Bound Plan

3.1 Date expected to start (or year started) using RSPO-certified palm oil products - own brand

2007

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

2012

3.3 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

Comment:

End of 2015

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

No

3.5 Do your (own brand) commitments cover your companies global use of palm oil?

No

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

- United Kingdom

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

At the end of 2012 we reached our first major milestone, to use 100% RSPO certified oil palm from any supply chain route (Green Palm, Mass Balance or Segregated) in all our own brand products.

In the last 12 months we have intensified our efforts, including some 'deep dives' into areas we suspected would present specific challenges for our suppliers, such as within our health and beauty and household ranges where we believed there were difficulties in the development of certified sustainable supply chains for small volume complex derivatives.

As a result we have decided to amend our current 'segregated only' approach and allow for the use of mass balanced CSPO where segregated material is not available.

Our commitment remains to the same period, end of 2015.

3.8 Does your company have a Time-Bound Plan for the use of palm oil in the products you sell on behalf of other companies?

No

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

Yes

Please state for which product range(s) you intend to apply the Trademark and when you plan to start

A range of Tesco own brand soap products - further details can be supplied if necessary. These are on sale now.

Year

2015

Actions for Next Reporting Period

5.1 Outline actions that you will take in the coming year to promote CSPO use along the supply chain

During the remainder of 2015 we will be continuing to work directly with our suppliers to ensure we meet our commitment to 100% certified segregated/mass balance palm oil by the end of the year. This work includes 1:1 meetings with our direct product suppliers, palm oil ingredient suppliers and palm oil producers/refiners.

We remain active members of the European Retailers Group on palm oil who fund an executive member to the RSPO.

We are also active members of the Sustainability Group within the Consumer Goods Forum and have committed, alongside other members, to achieving zero net deforestation by 2020 through initiatives on a range of commodity products including palm oil.

We will also continue to support an additional working group alongside other leading UK/EU retailers looking at traceability and at the sustainability policies of the major global palm oil producers to better understand and critically evaluate their approach to sustainable palm oil and zero-deforestation pledges.

Reasons for Non-Disclosure of Information

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

Application of Principles & Criteria for all members sectors

7.1 Do you have (a) policy/ies, that are in line with RSPO P&C such as:

- Water, land, energy and carbon footprints
[R-Policies-to-PNC-waterland.pdf](#)
- Ethical conduct and human rights
[R-Policies-to-PNC-ethicalconducthr.pdf](#)
- Labour rights
[R-Policies-to-PNC-laborrights.pdf](#)
- Stakeholder engagement
[R-Policies-to-PNC-stakeholderengagement.pdf](#)

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

Please see our policies attached in our response to question 7.1 above

Commitments to CSPO uptake

8 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:

We have a commitment to 100% CSPO through physical supply chains (MB or SG) by the end of 2015.

8.1 Do you have plans to immediately cover the differences/gap using Book & Claim?

Yes

We are currently sourcing 100% of our palm oil volumes either through Book and Claim, Mass Balance or Segregated supply chains

Concession Map

Do you agree to share your concession maps with the RSPO?

No

Please explain why

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GHG Emissions

10.1 Are you currently assessing the GHG emissions from your operations?

Yes

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

Yes

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?

In 2009 we set ourselves the most stretching target, to achieve 100% of our palm oil from certified segregated sources by the end of 2015. This goes beyond our membership requirement to 100% CSPO through any physical supply chain routes (IP/SG/MB).

As our knowledge and that of our suppliers has deepened, we have recognised that a 'segregated only' route is not realistic nor necessarily desirable and have amended our commitment to allow for the use of certified palm oil from a mass balance supply chain where segregated sources are not available.

Notwithstanding this, challenges still remain in converting some of the smaller volumes of more complex derivatives used in our ingredients to a certified sustainable source. We continue to work with our suppliers and the palm oil industry on these challenges for these product applications.

Beyond this, our two key challenges are:

- 1) To develop a roadmap for sustainable palm for the remainder of the Tesco Group, recognising the challenge this may pose for some of our Asian businesses.
- 2) Supporting initiatives to strengthen the RSPO P's and C's particularly in relation to zero-deforestation.

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:

Yes

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)

Our key role, since 2006, has been to clearly signal our commitment, alongside other major UK retailers, to sustainable palm oil and the work of the RSPO. We believe the influence of UK retailers, with the support of our combined supply bases, has been a significant driver in changing purchasing behaviour and increasing the demand for sustainable palm oil.

In the last year we have worked with other leading UK/EU retailers looking at traceability and at the sustainability policies of the major global palm oil producers to better understand and critically evaluate their approach to sustainable palm oil and zero-deforestation pledges

As active members of the Sustainability Group within the Consumer Goods Forum we have committed, alongside other members, to achieving zero net deforestation by 2020 through initiatives on a range of commodity products including palm oil. The CGF membership includes other global retailers and brandowners such as Walmart, Unilever and P&G - we believe that acting together in this way we have been able to help begin the transformation of the palm oil market.

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

We have not been able to complete our normal full supplier survey in time for this submission because of the changes in our business this year and thus have re-submitted our figures from our 2014 ACOP. It is our intention to complete the full survey; in the interim we have carried out a partial survey of key suppliers that represent our biggest volume palm oil users - the results indicate that we have continued to make good progress in the last year towards our 'end of 2015' commitment. Our challenge remains those areas of the business where the product requirements are for complex palm oil derivatives that may not be available in mass balance or segregated form yet, though these are relatively small in volume terms. We will continue to work with our suppliers and the palm oil industry on these challenges for these product applications.
