

## Particulars

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|------------------------------------|---|
| <b>Organisation Name</b>           | Metcash Trading Ltd   |
| <b>Corporate Website Address</b>   | <a href="http://www.metcash.com/">http://www.metcash.com/</a> |
| <b>Primary Activity or Product</b> | Wholesaler and/or Retailer                                    |
| <b>Related Company(ies)</b>        | None  |
| <b>Country Operations</b>          | Australia, New Zealand  |
| <b>Membership Number</b>           | 3-0048-10-000-00  |
| <b>Membership Type</b>             | Ordinary Members  |
| <b>Membership Category</b>         | Retailers   |

## Retailers

### Operational Profile

#### 1.1 Please state what your main activities are within retailing

- Own-brand

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- Food goods

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- Home and personal care goods

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- Other:

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### Operations and Certification Progress

#### 2.1 Do you have a system for calculating how much palm oil and palm oil products you use?

Yes

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#### 2.2.1 Total volume of Crude Palm Oil handled in the year:

137.17

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#### 2.2.2 Total volume of Palm Kernel Oil handled in the year:

42.02

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#### 2.2.3 Total volume of other Palm Oil Derivatives and Fractions handled in the year:

1.90

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

181.09

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

| No    | Description   | Crude Palm Oil<br>(Tonnes) | Palm Kernel Oil<br>(Tonnes) | All other<br>palm-based<br>derivatives and<br>fractions<br>(Tonnes) |
|-------|---|----------------------------|-----------------------------|---|
| 2.3.1 | Book & Claim  |                            |                             |   |
| 2.3.2 | Mass Balance  | 82.18                      | 0.31                        | 0.95  |
| 2.3.3 | Segregated  | 11.88                      | 18.55                       | 0.53  |
| 2.3.4 | Identity Preserved                                    |                            |                             |   |
| 2.3.5 | Total volume of palm oil used that is RSPO-certified: | 94.06                      | 18.86                       | 1.48  |

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

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**2.5 Volume of Palm Kernel Expeller used/ handled?**

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**2.6 Do you plan to 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?**

No

**- Report file:**

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**- URL: Add link to website**

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

2011

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

2015

**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**

2021

**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?**

Yes

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

Australia, New Zealand

**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**

Our Action Plan 2011-2015 does not have interim milestones for progressive CSPO%. Our Action Plan just requires our suppliers to provide 100% CSPO by 2015 for own-brand products and 100% CSPO from physical supply chains for own-brand products by 2021.

Currently 63% of palm oil used in our own-brand products is CSPO. (all palm oil 181.09 tonnes, CSPO 114.4 tonnes)

100% of palm oil used in our own-brand products is CSPO from physical supply chains\*.

\*Note – as not all Metcash suppliers are themselves certified by RSPO for Supply Chain, and as Metcash itself is not RSPO certified for Supply Chain, we have not reported at 2.3.1 in our ACOP 2014 the tonnages of Book & Claim CSPO that our suppliers claim to have used in Metcash branded products. We have included them in the total palm oil figures (2.2.1-2.2.4) only.

**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?**

Yes

## Trademark Related

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

Yes

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

Labelling of our own-brand products with RSPO Trademark is intended only to be applied where our supplier has achieved appropriate Certification, where Metcash has achieved appropriate Certification, and where it aligns with marketing requirements for product artwork. It would most likely be on the IGA Signature product range.

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#### - Year

2016

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## 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

Metcash communicates with suppliers of our own brand products each year to request they update us on their progress toward achieving 100% CSPO from physical supply chains.

Metcash supports suppliers of our own brand products by providing them with details of companies that can assist and guide them through the process of certification. Metcash understands that some of our suppliers do not have adequate understanding on the certification process therefore aims to provide information on a regular basis.

Metcash promotes sustainable palm oil use via the IGA consumer website sustainability page, which has a target audience of Australian consumers.

Metcash will promote sustainable palm oil use to all potential own brand suppliers via the Approved Supplier Program, currently under development. Under this program, all potential suppliers would undergo pre-screening that includes the issue of advice and recommendations, regardless of whether they become Metcash suppliers or not.

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## Reasons for Non-Disclosure of Information

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

Other

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#### - Others:

Currently, not all own brand product suppliers have been audited and certified under the RSPO chain of custody program. Metcash have also not yet been audited and certified under the RSPO chain of custody program. As a result, we do not currently report in our ACOP the amounts of Book & Claim palm oil in our own brand products. We have however calculated these amounts and can provide them on request.

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## 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
  - Ethical conduct and human rights
  - Labour rights
  - Stakeholder engagement
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- Please specify if/when you intend to develop one

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- Water, land, energy and carbon footprints

[R-Policies-to-PNC-waterland.pdf](#)

For administration purpose, attachment files are renamed automatically

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- Ethical conduct and human rights

[R-Policies-to-PNC-ethicalconducthr.pdf](#)

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- Labour rights

[R-Policies-to-PNC-laborrights.pdf](#)

For administration purpose, attachment files are renamed automatically

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- Stakeholder engagement

[R-Policies-to-PNC-stakeholderengagement.pdf](#)

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

Metcash conducts itself ethically in all business practices and has stringent policies in place to govern this.

In addition, Metcash is introducing an Approved Supplier Program which stipulates the minimum standards of behavior expected of all suppliers to meet Metcash's social and environmental commitments. One of these commitments is 100% CSPO by 2015.

Metcash is a member of the industry group the Consumer Goods Forum, which has made a commitment to have all members contribute zero towards deforestation by 2020, which includes palm oil use.

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## 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

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**Please specify:**

Our current Action Plan, written in 2011, requires our suppliers to source 100% CSPO, and 100% physically separated CSPO by 2021. Our suppliers determine the best mix for them between Mass Balance, Segregated or Identity Preserved.

As reported in this ACOP, our suppliers are already transitioning to physically separated CSPO, with a mixture of Mass Balance, Segregated and Identity Preserved.

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

No

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**Please explain why**

Our suppliers determine the best mix for them between Mass Balance, Segregated or Identity Preserved.

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## 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?

The tightly held Australian Grocery market in which Metcash operates is an obstacle. Supplier resistance, including sharing information about amount and nature of palm oil content due to recipe protection is an obstacle.

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### 2 How would you qualify RSPO standards as compared to other parallel standards?

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#### Cost Effective:

Yes

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#### Robust:

Yes

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#### Simpler to Comply to:

similar

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### 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)

As described above, Metcash urges suppliers to transition to 100% CSPO by 2015 and 100% physically separated CSPO by 2021. We also have publically available information about our RSPO membership on our IGA website which targets consumers and our independent retailer customers.

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

We disclose information about our RSPO membership in our annual Dow Jones Sustainability Index Report.

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