

## Particulars

<b>Organisation Name</b>	Fonterra Co-operative Group Ltd
<b>Corporate Website Address</b>	<a href="http://www.fonterra.com">http://www.fonterra.com</a>
<b>Primary Activity or Product</b>	Manufacturer
<b>Related Company(ies)</b>	None
<b>Country Operations</b>	Australia, Chile, New Zealand, Saudi Arabia, South Africa
<b>Membership Number</b>	4-0082-10-000-00
<b>Membership Type</b>	Ordinary Members
<b>Membership Category</b>	Consumer Goods Manufacturers
<b>Primary Contacts</b>	Sasha Maher <b>Address:</b> Fonterra Centre, 9 Princes St, Auckland CBD, Auckland, New Zealand Auckland New Zealand 1010
<b>Person Reporting</b>	Sasha Maher

## Related Information

### Other information on palm oil:

Fonterra.com has positions on Palm Oil and PKE, and 2013 Annual Report with sustainability section.

<b>Reporting Period</b>	01 July 2012 - 30 June 2013
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## Consumer Goods Manufacturers

### Operational Profile

#### 1. Main activities within manufacturing

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

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### Operations and Certification Progress

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

Under Development

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#### 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:

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

17355

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

1210400

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

1227755

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#### 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**

12844

**5.2. Mass Balance**

2261

**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:**

15105

**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**

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**6.2. Mass Balance**

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**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:**

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

Spreads, infant formula, milk products, processed cheese, feta cheese

**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

2008

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

2015

#### 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

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#### 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?

Yes

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

2008

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

Australia, Chile, New Zealand, Saudi Arabia, South Africa

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

2013-2014: Continue to work with suppliers in Chile and Saudi Arabia to ensure they join RSPO and supply Fonterra with certified palm oil by 2015

### Actions for Next Reporting Period

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

2014 - Seek 100% compliance from our suppliers to Fonterra's 2015 palm oil position.  
 2014 - Set up auditable and centralised system for certification internally  
 2014 - Communicate our revised palm oil position and new PKE position

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

Yes

#### Public report of GHG emissions on operations

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

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## Reasons for Non-Disclosure of Information

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

Other

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- Other reason:

We are in the process of updating our Palm Oil and PKE position - and will start to communicate our volumes and milestones once this new position has been approved.

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## Trademark Related

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

No

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If yes, when will you start?

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

No

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## 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

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

For administration purpose, attachment files are renamed automatically

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- Land use rights policy

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- Ethical conduct and human rights policy

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

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- Labour rights policy

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

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- Stakeholder engagement policy

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

We will continue our path to sourcing only certified palm oil by 2015. As mentioned we are at the exploratory phase with defining our PKE sourcing options. We will continue to ask our suppliers to sign Fonterra's Supplier Sustainability Code of Practice (see below)

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

We ask that our suppliers sign a Supplier Sustainability Code of Conduct - we expect our suppliers to uphold human rights, fair working conditions and environmental protection.

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

No

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**26. Are you sourcing 100% physical CSPO?**

No

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**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 are currently reviewing (updating) our position on Palm Oil and PKE and have yet to confirm whether we will seek segregated (or mass balance) supplies.

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## Challenges

### 1. Significant economic, social or environmental obstacles

Fonterra is a major user of PKE - we use only 17,00 MT of Palm Oil. For this volume there is sufficient infrastructure and volumes to address our sustainability requirements. With PKE this is not the case. Neither is there infrastructure to support physical traceability nor volumes (not until at least 2020). The RSPO is focused on palm oil - but needs to consider the derivatives of palm oil, such as PKE.

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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:

Yes

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

We actively engage with stakeholders including community groups, government agencies and NGOs. We are active in the Sustainable Business Council (SBC), which is a member of the World Business Council of Sustainable Development.

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