

Particulars

About Your Organisation

1.1 Name of your organization

Fonterra Co-operative Group Ltd

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

- Oil Palm Growers
 - Palm Oil Processors and/or Traders
 - Consumer Goods Manufacturers
 - Retailers
 - Banks and Investors
 - Social or Development Organisations (Non Governmental Organisations)
 - Environmental or Nature Conservation Organisations (Non Governmental Organisations)
 - Affiliate Members
 - Supply Chain Associate
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1.3 Membership number

4-0082-10-000-00

1.4 Membership category

Ordinary

1.5 Membership sector

Consumer Goods Manufacturers

Consumer Goods Manufacturers

Operational Profile

1.1 Please state what your main activity(ies) is/are within manufacturing

- End-product manufacturer
- Food Goods
- Own-brand-Manufacturer

Operations and Certification Progress

2.1 Please include details of all operations using palm oil, majority owned and/or managed by the member and/or related entities

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

- Australia
- Chile
- Indonesia
- New Zealand
- Philippines
- Saudi Arabia
- Thailand

2.1.2 In which markets where you operate, do you calculate how much palm oil and oil palm product there is in the goods you manufacture?

- Australia
- Chile
- Indonesia
- New Zealand
- Philippines
- Saudi Arabia
- Thailand

2.2 Volumes of palm oil and oil palm products (Tonnes)

2.2.1 Total volume of Crude and Refined Palm Oil used in the year (Tonnes)

7,070

2.2.2 Total volume of Crude and Refined Palm Kernel Oil used in the year (Tonnes)

722

2.2.3 Total volume of Palm Kernel Expeller used in the year (Tonnes)

500,000

2.2.4 Total volume of other palm-based Derivatives and Fractions used in the year (Tonnes)

8,055

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

515,847

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*	3,882.00	722.00	-	2,019.00
2.3.2 Book and Claim from Independent Smallholder*	-	-	-	-
2.3.3 Mass Balance	2,853.00	-	-	5,261.00
2.3.4 Segregated	335.00	-	-	775.00
2.3.5 Identity Preserved	-	-	-	-
2.3.6 Total volume	7,070.00	722.00	-	8,055.00

2.4 Volume of RSPO certified sustainable palm oil and oil palm products sold to other 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 What is the percentage of RSPO Certified Sustainable Palm Oil in the total palm oil used by your company in the following regions:

2.5.1 Africa	--
2.5.2 Australasia	100%
2.5.3 China	--
2.5.4 Europe (incl.Russia)	--
2.5.5 India	--
2.5.6 North America	--
2.5.7 South America	100%
2.5.8 Indonesia	100%
2.5.9 Malaysia	--
2.5.10 Middle East	100%
2.5.11 Rest of Asia	100%

Time-Bound Plan**3.1 Date of first supply chain certification (planned or achieved)**

2008

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

2008

3.2.1 Referring to 3.2, in which markets where you operate do these commitments cover?**3.3 Date expected to be using 100% RSPO certified sustainable palm oil and oil palm products from any supply chain option in your own brand products**

2015

3.4 Date 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

2019

If target has not been met, please explain why:

Target outlined in Fonterra Palm Product Standard was to achieve 100% segregated supply of palm oil purchases by the end of 2018. We have faced challenges to convert supply chains in such markets as Saudi, Thailand, Indonesia and Chile; and are currently working with suppliers to achieve the target.

We expect to achieve the following for direct palm oil purchases:

- 1) 100% Segregated supply by end of 2018 for Australia and New Zealand
- 2) 100% Mass Balance supply for all regions by end of 2019
- 3) 100% Segregated supply for all regions by end of 2020

We will continue to work with suppliers during this time and will transition supply as soon as possible

3.5 Referring to 3.3 and 3.4, In which markets where you operate do these commitments cover?

Australia, Chile, Indonesia, New Zealand, Philippines, Saudi Arabia, Thailand

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

Yes

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

Yes

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

2015

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

No

Please explain why

No current plans to use. Next step is Fonterra will move towards sourcing segregated supply palm oil from credible organisations with an aim of 100% segregated supply by end of 2020. We use RSPO Supply Chain Certification for products from Bayswater and Cobden sites in Australia to allow customers to make claims on our private label products

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**

In 2017 Fonterra became a member of The Forest Trust (TFT). Since this time we have been working with TFT to progress the commitments in the Fonterra Palm Product Standard. Over the coming year we will work with TFT to build on existing traceability work and engage with suppliers to improve visibility into our palm oil supply chain and progress towards our responsible sourcing goals.

TFT and Fonterra have agreed on a number of activities to help Fonterra increase its transparency and contribute to industry transformation, and to improving the livelihoods of smallholders.

- * Engage with suppliers and stakeholders to increase the reach of the Palm Standard and address issues arising;
 - * Develop and implement the traceability process to effectively collect and publish data every 6 months;
 - * Contribute to tools to facilitate transformation
 - * Publish regular updates on progress and communicate directly with external stakeholders as necessary.
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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**

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- Others:

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Application of Principles & Criteria for all members sectors

7.1 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 footprintsUploaded file: [M-Policies-to-PNC-waterland.pdf](#)

For administration purpose, attachment files are renamed automatically

Related link:

www.fonterra.com/content/dam/fonterra-public-website/pdf/Fonterra_Group_Palm_Products_Standard_FINAL.pdf Land Use RightsUploaded file: [M-Policies-to-PNC-landuseright.pdf](#)

For administration purpose, attachment files are renamed automatically

Related link:

www.fonterra.com/content/dam/fonterra-public-website/pdf/Fonterra_Group_Palm_Products_Standard_FINAL.pdf Ethical conduct and human rightsUploaded file: [M-Policies-to-PNC-ethicalconducthr.pdf](#)

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Related link:

www.fonterra.com/content/dam/fonterra-public-website/pdf/Fonterra_Group_Palm_Products_Standard_FINAL.pdf Labour rightsUploaded file: [M-Policies-to-PNC-laborrights.pdf](#)

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Related link:

www.fonterra.com/content/dam/fonterra-public-website/pdf/Fonterra_Group_Palm_Products_Standard_FINAL.pdf Stakeholder engagementUploaded file: [M-Policies-to-PNC-stakeholderengagement.pdf](#)

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Related link:

www.fonterra.com/content/dam/fonterra-public-website/pdf/Fonterra_Group_Palm_Products_Standard_FINAL.pdf None of the above**7.2 What best practice guidelines or information has your organization 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?****Comment:**

Fonterra Palm Products Standard released in 2016 (link).

Fonterra Sustainability Report (link), page 45

Report file: [M-Practice-Guidelines.pdf](#)

Related link:

www.fonterra.com/content/dam/fonterra-public-website/pdf/Fonterra_Group_Palm_Products_Standard_FINAL.pdf**7.3 Your answers above indicate that you are not yet using 100% RSPO certified palm oil and oil palm products. Do you have plans to immediately cover the gap using Book & Claim?**

Yes

When do you plan to cover the gap using Book and Claim?

2018

GHG Footprint**8.1 Are you currently reporting any GHG footprint?**

Yes

Related link: <http://view.publitas.com/fonterra/sustainability-report-2017/page/54-55>**Support for Smallholders**

9.1 Are you currently supporting any independent smallholder groups?

Yes

Yes, Fonterra is working with The Forest Trust to engage with suppliers and stakeholders to increase the reach of the Palm Standard and to contribute to tools to facilitate transformation and support improving livelihoods of smallholders

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?

Challenge in securing segregated palm oil from suppliers. Fonterra is working with TFT to engage with suppliers to encourage adoption of certified segregated supply. We also face a challenge with achieving traceability to plantation for palm kernel expeller, due to supply chain complexity. We are working with TFT to improve traceability to mill (now at 94%), and traceability to plantation (now at 19%), as well as completing self-assessments and supporting tools for transformation to improve supply chain transparency and performance.

2 In addition to the actions already reported in this ACOP how has your organization supported the vision of RSPO to transform markets in other ways? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

Fonterra has joined The Forest Trust membership to increase engagement with our suppliers and support industry transformation. Fonterra has also engaged with other New Zealand palm kernel expeller importers on improving traceability and transparency.

3 File -Please attach or add links to any other information from your organisation on your policies and actions on palm oil (EG: sustainability reports, policies, other public information)

- No files were uploaded

Link: view.publitas.com/fonterra/fonterra-annual-review-2016/page/1
