

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?

- 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

4-0030-06-000-00

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
- Home & Personal Care Goods

Operations and Certification Progress

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

- Applies Globally

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

Yes

2.1.3 Does this system only cover your own-brand or all the brands you manufacture?

all-brand

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

- Applies Globally

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

8

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

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

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

70,729

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

70,737

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 & Claim | - | - | - | 32,309.00 |
| 2.3.2 Mass Balance | 8.00 | - | - | 584.00 |
| 2.3.3 Segregated | - | - | - | 8,261.00 |
| 2.3.4 Identity Preserved | - | - | - | - |
| 2.3.5 Total volume | 8.00 | - | - | 41,154.00 |

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 & Claim | - | - | - | - |
| 2.4.2 Mass Balance | - | - | - | - |
| 2.4.3 Segregated | - | - | - | - |
| 2.4.4 Identity Preserved | - | - | - | - |
| 2.4.5 Total volume | - | - | - | - |

2.5 What is the percentage of RSPO certified sustainable palm oil and oil palm products in the total volume used by your company in the following regions:

| | |
|---------------------|----|
| 2.5.1 Africa | -- |
| 2.5.2 Australasia | -- |
| 2.5.3 China | -- |
| 2.5.4 Europe | -- |
| 2.5.5 India | -- |
| 2.5.6 North America | -- |
| 2.5.7 South America | -- |
| 2.5.8 Indonesia | -- |
| 2.5.9 Malaysia | -- |
| 2.5.10 Middle East | -- |
| 2.5.11 Rest of Asia | -- |

Time-Bound Plan

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

2020

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

2010

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

2020

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

2020

3.5 In which markets where you operate do these commitments cover?

Applies Globally

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

No

3.7 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 brands?

No

Trademark Related

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

No

Please explain why

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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. 2017 sees Johnson & Johnson supporting even more suppliers in transitioning their derivatives to Mass Balance certified, executing on plans drafted in 2016, with one strategic supplier supporting 100% RSPO Mass Balance derivatives by year-end. We will continue to grow our strategic relationship with suppliers who provide certified soap noodles.
2. We will continue working on implementation of our Responsible Palm Oil Sourcing Criteria – first by continuing to drive transparency in our supply chains to give us a better understanding of where our materials originate from. We will pilot three programs to help us understand our supply chain data and keep it updated and accurate.
3. We will continue our support of funding smallholder projects, including working with Wageningen University to improve smallholder farming practices as well as projects to encourage RSPO certification and small farm yield improvements and IDH on projects to improve farming practices.
4. Lastly we will support RSPO credits as they replace Greenpalm certificates – with a strong focus on supporting the independent smallholders we have worked with and whom we used to purchase Independent Smallholder certificates from.

Reasons for Non-Disclosure of Information**6.1 If you have not disclosed any of the above information, please indicate the reasons why**

Confidential

- 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 footprints
Uploaded file: --
Related link: www.jnj.com/about-jnj/policies-and-statements
- Land Use Rights
Uploaded file: --
Related link: www.jnj.com/about-jnj/policies-and-statements
- Ethical conduct and human rights
Uploaded file: --
Related link: www.jnj.com/about-jnj/policies-and-statements
- Labour rights
Uploaded file: --
Related link: www.jnj.com/about-jnj/policies-and-statements
- Stakeholder engagement
- 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?

Uploaded files: --

GHG Emissions

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

Yes

Related link: www.jnj.com/caring/citizenship-sustainability/greenhouse-gas-emissions

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

Yes

Related link: www.jnj.com/caring/citizenship-sustainability/greenhouse-gas-emissions

Support for Smallholders**9.1 Are you currently supporting any independent smallholder groups?**

Yes

We currently support independent smallholders both by sponsoring on-the-ground projects that improve conditions and target certification and by purchasing Independent Smallholder Certificates. In 2016 we purchased 9,685 Independent Smallholder Greenpalm Certificates.

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?

1. Inconsistent approaches to Sustainable Palm Oil and the challenges of creating scale. We fully support the work of the RSPO to create a robust, respected certification to ensure palm oil is produced to a standard that meets many stakeholder requirements. In 2016 we have seen the effect on supply chains from RSPO-suspension of non-conforming suppliers and that has proved to us that a robust certification scheme is the most effective way of ensuring our derivatives come from oils that meet certain criteria. An industry-wide certification scheme has significantly more leverage and power than any individual acting alone to trace, assess and enforce compliance across derivative supply chains. 2. The continued lacklustre transition of derivative supply chains to Mass Balance, especially in emerging economies. We face challenges in growing markets with regional suppliers and their support of RSPO. While a number are beginning their journey with regional certifications, it is not at the pace we require 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. 3. Through 2016 there have been continued unexpected effects of Greenpalm certificates on transition to physical CSPO. The transition from Greenpalm to mass balance for derivative supply chains has been much slower than expected. While this will hopefully change as we move to RSPO credits, its effect, on the PKO market especially, will still be felt in 2017.

2 How has your organization supported the vision of RSPO to transform markets? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

1. We've 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 most strategic suppliers are members of the RSPO). We are executing our 2020 Mass balance transition plans with these suppliers in a phased approach through the next 4 years. 2. We've deployed 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 aim of meeting RSPO standards and our Responsible Sourcing Criteria. We continue to support smallholders after certification by ensuring they receive the financial incentives of RSPO certification directly (in 2016 via Independent Smallholder Certificates). 3. We have three pilot projects working on transparency in our supply chains, to provide us with leading 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. 4. We are members of and support the Consumer Goods Forum's efforts to align industry expectations and accelerate progress.

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

- No files were uploaded

Link: www.jnj.com/about-jnj/company-statements/responsible-palm-oil-sourcing-criteria