

Particulars

About Your Organisation

1.1 Name of your organization

Compass Group PLC

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
-

1.3 Membership number

3-0033-10-000-00

1.4 Membership category

Ordinary

1.5 Membership sector

Retailers

Retailers**Operational Profile**

1.1 Please state your main activities within the palm oil supply chain. Tick all that apply:

- Wholesaler
 Retail
 Food service providers
 Own-brand
 Third party brands
 Biofuels

 Other:

Compass Group is a world leading food and support services company. It is important to note that we do not manufacture any products or have any own label products, and do not purchase palm oil directly. This means that whilst we can help to influence the product specifications that we purchase from suppliers, we do not have direct control of their composition/ingredients sourcing. That said, we recognise that we have a responsibility to work with our suppliers to ensure that the palm oil used in our kitchens and in the manufacturing of the products we buy is Certified Sustainable Palm Oil (CSPO).

Palm oil used back of house in our kitchens:

The main products that we use containing palm oil (cooking (frying) oil and margarine/vegetable oil based spreads) are used to prepare food in our kitchens. Although not Compass Group 'own brand', for the purposes of our palm oil strategy, all palm oil, and palm oil based products used back of house (i.e. in our kitchens to prepare food) will be captured and reported under our 'own brand' commitments.

Palm oil in other manufacturers' brands that we source:

Many of the products that Compass Group source from other manufacturers either directly contain palm oil, or palm oil products were used in the manufacturing process. These products will be captured and reported under our commitments for 'third party brands'.

Operations and Certification Progress

2.1 In which markets where you operate do you sell goods containing palm oil and oil palm products?

Applies Globally

2.5 Total volume of all palm oil and oil palm products in the goods sold in the year:

2.2.1 Total volume of Refined /Crude Palm Oil in the goods sold in the year

2,972.00 Tonnes

2.2.2 Total volume of Crude and Refined Palm Kernel Oil in the goods sold in the year

0.00 Tonnes

2.2.3 Total volume of Palm Kernel Expeller sold in the year

0.00 Tonnes

2.2.4 Total volume of other Palm-based Derivatives and Fractions used in the year

0.00 Tonnes

2.2.5 Total volume of all palm oil and oil palm products in the goods sold in the year

2,972.00 Tonnes

2.3 Volume of palm oil and oil palm products used in the year, in your own brand of products, that are RSPO-certified

No	Description	Crude and Refined Palm Oil (Tonnes)	Crude and Refined Palm Kernel Oil (Tonnes)	Palm Kernel Expeller (Tonnes)	Other palm-based derivatives and fractions (Tonnes)
2.3.1	Book and Claim from Mill / Crusher	2185.00			
2.3.2	Book and Claim from Independent Smallholder				
2.3.3	Mass Balance	385.00			
2.3.4	Segregated	382.00			
2.3.5	Identity Preserved	20.00			
2.3.6	Total volume	2972.00			

2.4 Volume of RSPO certified sustainable palm oil and oil palm products purchased from other RSPO certified companies (tonnes)

No	Description	Crude and Refined Palm Oil (Tonnes)	Crude and Refined Palm Kernel Oil (Tonnes)	Palm Kernel Expeller (Tonnes)	Other palm-based derivatives and fractions (Tonnes)
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 and oil palm products in the total volume handled by your company in the following regions:

- 2.5.1 Africa --%
- 2.5.2 Australasia 7%
- 2.5.3 Europe (incl. Russia) 60%
- 2.5.4 North America 9%
- 2.5.5 South America --%
- 2.5.6 Middle East 24%
- 2.5.7 China --%
- 2.5.8 India --%
- 2.5.9 Indonesia --%
- 2.5.10 Malaysia --%
- 2.5.11 Rest of Asia --%

Time-Bound Plan

3.1 Year expected to start (or year started) using RSPO certified sustainable palm oil and oil palm products, in your own brand of products2017

3.1.1 Referring to 3.1, in which markets you operate do these commitments cover?

3.2 Year expected to be (or already) using 100% RSPO certified sustainable palm oil and oil palm products from any supply chain option in your own brand products

2017

Comment:

This year, we took the landmark step of purchasing PalmTrace credits to cover the uncertified volume of palm oil (within cooking (frying) oil and margarine/vegetable oil based spreads) being used back of house (ie. in our kitchens).

This equates to 2185 metric tonnes of palm oil.

We collated palm oil volume data from markets that contribute in excess of 93% of our annual group revenue. In order to better represent a global value, this volume was scaled up to represent 100% of annual group revenue.

3.3 Year 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

2022

Comment:

Compass Group have committed to 100% sustainable palm oil from physical supply chains (Identity Preserved, Segregated, and/or Mass Balance) by 2022 for all palm oil that is used in our kitchens to prepare food (ie. treated as own brand).

3.4 Referring to 3.2 and 3.3, in which markets where you operate, do these commitments cover?Applies Globally

3.5 Does your company have a Time-Bound Plan to require the use of RSPO certified palm oil and oil palm products in the products you sell 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 products?**No

4.2 Please explain why

Compass Group does not source any 'own brand' 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, we successfully implemented a data capture system to measure the volume of palm oil used across markets that contribute in excess of 93% of our annual group revenue. This system also captures the volume that comes from RSPO member companies, that is RSPO certified. In 2018 this system will be implemented in the remaining markets to provide more accurate globally representative values. We recognise that some of the products we source (margarine/vegetable oil based spreads, for example) may contain a small volume of other palm oil derivatives such as palm kernel oil. Although our data capture system does not currently capture this volume separately to the crude and refined palm oil, we are exploring options in terms of how we might split this volume out in future.

Compass Group will continue to promote the use of certified sustainable palm oil in other manufacturers' brands. Compass Group has several KPIs in place to promote CSPO use along its supply chain and continues to make steady progress towards achieving our commitments surrounding the sustainable procurement of palm oil.

- In 2018 we will continue to roll out our Compass Palm Oil Supplier Questionnaire across our key suppliers, however our complex supply chain structure makes this process challenging. We commit to having full transparency on products with palm oil, its quantities, and the identification of the split of sustainable and non-sustainable palm oil including the supply chain method in place. We are passionate about increasing visibility, and in 2016 successfully implemented data capture systems in the UK to record the classification of palm oil contained in purchased products and the specific RSPO supply chain method used to certify. These data capture systems will be rolled out across our other major markets, commencing with Europe and North America in the near future.
- Based on the data collected, Compass Group will look to set incremental targets towards CSPO in other manufacturer's products
- Compass Group will continue to raise awareness among suppliers and work with them towards the sustainable sourcing of palm oil

Raise internal awareness

- Continue to raise awareness internally and promote employee engagement on responsible sourcing of palm oil and palm oil products, through regular communications
- By the end of 2018, we will have provided a detailed palm oil policy brief/position statement to all of our global markets. This will help to increase awareness on environmental issues and specifically the impact of sourcing non-sustainable palm oil and present Compass Group commitments to CSPO.

Buyer training

- Roll out buyer training on responsible sourcing highlighting the risks and opportunities associated with palm oil and palm oil products, and share best practice
- Monitor a KPI demonstrating the proportion of buyers trained in responsible sourcing and report back in the next ACOP

Publish a palm oil position statement

- This document will clearly set out our responsible sourcing commitments which specifically relate to the sourcing of palm oil and palm oil products
- It will also provide an overview of our achievements to date and set out our action plan over the medium and long term

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 organizational policies that are in line with the RSPO P&C, such as:**

- Water, land, energy and carbon footprints
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Related link: www.compass-group.com/content/dam/compass-group/corporate/Acting-responsibly/Environmental%20Policy%20S
- Water, land, energy and carbon footprints
- Ethical conduct and human rights
No file was uploaded
Related link: www.compass-group.com/content/dam/compass-group/corporate/Acting-responsibly/Compass%20Group%20Huma
- Labour rights
No file was uploaded
Related link: www.compass-group.com/content/dam/compass-group/corporate/Who-we-are/Policies/MSA%20statement%202%20Oct%2017.p
- Stakeholder engagement
No file was uploaded
Related link: www.compass-group.com/content/dam/compass-group/corporate/Who-we-are/Policies/Code_of_Conduct_Feb11v2_RevisedJan
- None of the above

7.2 What best practice guidelines or information has your organisation 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:**

Compass Group regularly update our policies and standards which are circulated internally, with suppliers and/or published on our website.

Specific examples of information circulated in the past year include:

Compass Group 2017 Corporate Responsibility report

This report is available on our website via the link below. Pages 22-23 of this report set out our priorities in terms of responsible sourcing. Our responsible sourcing KPI's and targets can be seen on pages 32-35.

Compass Group deforestation factsheet

In 2016 Compass Group commissioned a specialist service provider to draft a deforestation fact sheet which was designed and used to communicate soy/palm/beef deforestation risks to our global businesses, with an initial focus on Latin America. We will continue to roll-out versions of this document globally throughout 2018.

Compass Group continue to participate in the annual RSPO Roundtable meetings and attended the 15th meeting in Bali, Indonesia in November 2017. We will present an executive summary of the conference to our global procurement leadership forum every year, highlighting key observations, opportunities, challenges and overall industry progress.

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Link to Website

www.compass-group.com/content/dam/compass-group/corporate/Acting-responsibly/Compass%20Group%202017%20CR%20Report.pdf

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

Yes

Uploaded files:

No files were uploaded

Link to Website

www.compass-group.com/content/dam/compass-group/corporate/Acting-responsibly/Compass%20Group%202017%20CR%20Report.pdf

No

Please explain why

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

No

Do you have any future plans to support independent smallholders?

No

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?

Compass Group operates at around 55,000 client locations and has a complex multi-tiered supply chain through which it sources the ingredients required to service our clients. Within our supply chain we procure a wide range of commodities from raw ingredients to processed food and drink, but not palm oil directly. Due to such complexities and our widespread support of SME suppliers, we are on a 'journey' of improving the visibility of those products identified with a material level of palm oil content. We have developed data capture systems to gather information on the sustainability standards applied to the palm oil contained in purchased products, this has been successfully implemented in the UK. We plan to roll such systems out to other global markets - initially Europe and North America. As use of palm oil is limited within Compass Group, our ability to roll out such systems is dependent on other drivers. We continue to develop and roll out expansive IT systems in wider geographies although the rate of deployment has been a challenge. We have developed a range of sustainable procurement standards, along with training materials on the issues around palm oil. The process of implementation includes a requirement for each country to identify suppliers where risks may exist and to begin to challenge those suppliers to provide products containing sustainably sourced commodities. We actively support the more proactive of our suppliers who are opting for CSPO such as Unilever, and our European French fries suppliers (100% of the contracted volume we purchase is from RSPO members, with 100% of the constituent palm oil being RSPO certified). The need for increased resources is another major hurdle in the use and/or promotion of CSPO. Especially in relation to our complex supply chains, increased administration burden could lead to a significant rise in costs. Although we are happy to devote more resources to promote and use CSPO, it should be noted that although Palm Oil containing products play a role in the Compass Group value chain, they do not constitute a significant proportion of revenue.

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)

Compass Group has responded to the CDP Forests program and the WWF Palm Oil buyers scorecard for a number of years and will continue to do so in 2018.

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:

www.compass-group.com/content/dam/compass-group/corporate/Acting-responsibly/Compass%20Group%202017%20CR%20Report.pdf