Minutes of Meeting RSPO Communications & Claims

Date: 23 Jan 2018

Venue:Impact Hub King's Cross, London Time: 7.00 p.m. - 11.30 p.m. GMT +8

ATTENDANCE LIST

Stakeholder Groups	Members	Organisations	Emails
Consumer Goods Manufacturer	Jan Kees Vis (JKV)	Unilever	Jan-Kees.Vis@unilever.com
Consumer Goods Manufacturer	Chris Sayner (CS)	CRODA	chris.sayner@croda.com
Consumer Goods Manufacturer	Geza Toth (GT)	Ferrero	geza.toth@ferrero.com
Industry Association	Jelmen Haaze (JH)	IMACE	Jelmen.Haaze@imace.org
Processor/ Trader	Judith Murdoch (JM)	AAK	Judith.Murdoch@aak.com
Processor/ Trader	Marie Lavialle-Piot (MLP)	Cargill	marie_lavialle-piot@cargill.co m
Retailer	Daniel Salter (DS)	Tesco	daniel.salter@tesco.com
RSPO Secretariat	Stefano Savi (SS)	RSPO Secretariat	stefano.savi@rspo.org
RSPO Secretariat	Danielle Morley (DM)	RSPO Secretariat	danielle@rspo.org
RSPO Secretariat	Kamal Seth (KS)	RSPO Secretariat	kamal.prakash@rspo.org
RSPO Secretariat	Inke van der Sluijs (IVDS)	RSPO Secretariat	inke@rspo.org
RSPO Secretariat	Ashwin Selvaraj (AS)	RSPO Secretariat	ashwin@rspo.org
Consultant	Giovanni Colombo (GC)	H+K Strategies	Giovanni.Colombo@hkstrate gies.com

Part I

JKV

- Anti-trust statement
- Review of last meeting minutes
- Actions from last meeting confirmed completed

SS: GLOBAL UPDATES:

- 1. India progress with new RSPO India representative been appointed. The cosmetics industries in India's supply chain are promoting green and organic products, focus on Ayurveda, this can be an opportunity for RSPO.
 - Suggestion: Engage with the person in charge or the competitors of existing members encourage them to join RSPO
- 2. Need to tackle the issue of certification cost and pricing especially in Asia and Southeast Asia. Current challenges faced:
 - Price sensitivity of the commodity/ cooking oil
 - Country regulations limit higher price of cooking oils
 - Consumer profile and demographics

Suggestion:

- Bring regional stakeholders together to discuss solutions
- Proactively promote sustainability to consumers via partnerships.
- 3. Launch of ASEAN commitment driven by Singapore (WWF and brands)
- 4. Japan: Engagement on drafting process of Tokyo 2020 Olympics sustainable sourcing guidelines carried out by RSPO Secretariat.

1. RSPO RT15 Updates (SS)

1.1. Participants

- 1.1.1. Decrease in participants due to the activity of Mount Agung and the temporary closure of Bali's international airport. 477 participants (325 are members) attended the event. 34% of the participants are oil palm growers.
- 1.1.2. Most of the site meetings were cancelled, participants could not make it to RT15

1.2. Inclusivity and Accountability

- 1.2.1. The theme of RT15 will be the main topics for communication throughout the year, as well as promoting the P&C review process and standard (scheduled for GA approval by the end of 2018).
- 1.2.2. Smallholders, deforestation and high forest cover landscape were the key topics during the discussion of the new P&C

1.3. Social Media

- 1.3.1. Twitter: 10.9 million timeline deliveries in content, 5,709 total engagements, 1,637 tweets sent using the hashtag with over 450 individual contributors
- 1.3.2. LinkedIn: 135,326 impressions delivered, 1.18% engagement rate
- 1.3.3. Facebook: 430,375 impressions delivered, with 93% increase in reactions

2. RSPO Credits Campaign (SS)

2.1. More Updates on Credit

2.1.1. There is a lot of misconception on the value of credit in the market, need to push more updates on credit. The targeted audience are consumers and supply chain.

2.2. EURT 2017

- 2.2.1. Credit campaign commenced since EURT 2017. The designed call for action banner tagline is "Ethical, Economical, Easy"
- 2.2.2. The contents of the reference distributed during the campaign include smallholders credits, traceability, RSPO credits, PalmTrace, etc.

2.3. RT15

2.3.1. Credit corner set up with backdrop and banners, smallholders stories (testimonial videos), credits brochure. The tagline was "Get Credits, Enable Opportunity". Showed RSPO Credits microsite during RT15.

2.4. RSPO Credits Microsite

2.4.1. RSPO Credits Page Report: 300 visitors from 23 November 2017 to 16 January 2018; most interested activities - register to PalmTrace; top 3 activities are "What are RSPO Credits" and "Buy RSPO Credits"; average time on page is 08.22

2.5. Social Media Posts

2.5.1. Smallholders stories at Facebook (organic post), reached more than 22,000 people in 3 weeks time. Will make more similar social media posts in the future

2.6. Next Steps

- 2.6.1. Enhance RSPO Credits Page content by including important information about RSPO Credits, such as credits price
- 2.6.2. Socialise RSPO Credits Campaign
 - 2.6.2.1. Continue with social media posts about RSPO Credits (smallholders stories, testimonials, RSPO Credits page)
 - 2.6.2.2. Design e-banner for RSPO website homepage for more visibility of RSPO Credits page
 - 2.6.2.3. Email blast to members with regards to RSPO Credits page
 - 2.6.2.4. RSPO staff outreach to buyers through RSPO roadshows/ events
- 2.6.3. Create and design smallholders friendly materials about RSPO Credits (e.g. how to sell RSPO credits guide)

2.7. Credit Sales

2.7.1. Credit sales reported an increase in November and December 2017, with about 500,000 sales in December 2017.

3. Social Media Update: June 2017 - December 2017 (SS)

3.1. Collaboration with Greenhouse PR

- 3.1.1. Reported growth among different channels:
 - 3.1.1.1. Facebook: 4.8% growth in impressions against previous period
 - 3.1.1.2. Twitter: 47% growth in engagement 35,839 total engagements
 - 3.1.1.3. LinkedIn: 58% increase in engagement 6,462 total engagements. LinkedIn is the most successful platform

3.2. Stakeholder Mapping

3.2.1. Greenhouse PR identified influencers, received positive engagement and support. Suggest to use the received scientific impacts as communication materials

3.3. Accountability and Inclusivity

3.3.1. RSPO infographics and assets used in social media have to be in line with accountability and inclusivity

3.4. Zoos as Incoming Members

3.4.1. Received applications from a number of zoos and zoos associations, e.g. AZA. They communicate actively on social media.

3.5. Key Focus for 2018

- 3.5.1. Strengthen audience key messaging on social media through Theory of Change content and evidence
- 3.5.2. Build greater profile of RSPO members
- 3.5.3. Language content and planning on social media advertising to accommodate regional audiences
- 3.5.4. Integrate regular updates with RSPO team, and re-evaluate value of each channel

4. New and Improved RSPO Sustainability College (SS)

- **4.1.** Previous in-house building not as expected
- **4.2.** New plan
 - 4.2.1. Work with Gloo to revamp the platform to a gamified platform.
 - 4.2.2. Anyone can access the platform. Target audience include members and experts
 - 4.2.3. Purpose obtain technical contents and interact with others on similar subjects
- **4.3.** 3 key areas for Sustainability College People, Planet, Prosperity
- **4.4.** Current module is FPIC, will include other modules (peatland, supply chain, etc.)

5. Other updates (SS)

6.

- **5.1.** Produced interactive infographics of Theory of Change, available at rspo.org
- **5.2.** Will have a new timeline for RSPO P&C review. Refer latest updates at rspo.org. Output of the review is expected to be ready by the General Assembly in November 2018.
- **5.3.** The jurisdictional approach in the Theory of Change is still incomplete.

The RSPO CSPO Supply Chain: Foodservice Retail Discussion (JM)

6.1. Clarification on SCC for Foodservice members

- 6.1.1. Foodservice is currently a fast growing segment within RSPO membership
- 6.1.2. US consumers spend more than 50% of their food budgets on restaurants
- 6.1.3. Encourage and assure the consumers on the uptake of CSPO
- 6.1.4. Foodservice retailer members seeking for more clarity SCC was originally designed for CGM, refiners, distributors, and there is insufficient clarity on how the SCC applies to Foodservice retailer members
- 6.1.5. Key stakeholders in the sector: franchise restaurant chains, large suppliers to restaurants, institutions, corporate cafeterias, in-house bakery operations of grocery retailers

6.2. Recommendations to better address Foodservice

- 6.2.1. Create a Foodservice module to give guidance and supplement the 2017 SCCS Standard Document and 2017 SCCS System Document
- 6.2.2. Allow CB to adopt a risk based approach to avoid multiple physical audits where low risk is demonstrated by a Group, Brand or Franchise Group Operators and wholesalers.

6.3. Proposals for the RSPO SCC Standards Foodservice Module

- 6.3.1. Emphasise legal control of the material. Guidance should emphasise on the legal ownership or a contractual agreement, and the inclusion of franchise operations and distributors
- 6.3.2. Definition of Foodservice companies is available in the 2016 C&C Rules. Need to put the definition in the SCC rules
- 6.3.3. Recognise head office control: SCC takes place at site level or head office which has tight control of the supply. Certification audit will conduct at central office, surveillance audit a sample number of regional and franchise offices, re-certification audit will conduct at central office (not going for mass audit criteria within the low risk areas. Look at the risk from the CBs and make judgement on the audit of the supply chain. e.g. the burger at New York's McDonald should be the same as the burger at Tokyo's McDonald)
- 6.3.4. Proposed Foodservice owned audit regime:
 - 6.3.4.1. Layout for global/ regional offices: Development & Marketing decide on the menu and ingredients, palm oil content identified at this time → purchasing team buy from in-house or external purchasing of ingredient → distribution center. In the meantime, development & marketing team will also pass instructions to outlets to work on fixed menu. Driven by health and safety reason, and also expecting the menu and style of food are the same among multiple international locations, internal audit system cover all stages of this process at outlet level and distribution centre.
 - 6.3.4.2. Layout for franchise: Similar to the global layout but recognise there are regional and franchise areas. Designed for having tight control of supply, not those buying from local suppliers. Considered as low risk.
- 6.3.5. Audit conduct once a year and focus on head office outlet if there is a tight control of supply
- 6.3.6. Proposal for Foodservice module sits as a guidance for the system and standards

7. The RSPO CSPO Supply Chain: Claims review (JM)

- **7.1.** Is the update on the SCC Foodservice retail module aligned with the C&C rules?
 - 7.1.1. Current position: Foodservice defined in the C&C rules. 6.8, all food companies can apply for a trademark license for use in business to consumer communications. This will be undertaken via a remote audit
 - 7.1.2. Recommendations: need a separate point to reflect the SCC physical audit for Foodservice to avoid confusion, invite discussion with Foodservice members to promote the use of trademark
- **7.2.** The last C&C meeting approve for additional wording to encourage use of the mixed 50% claim.
 - 7.2.1. Feedback: No one uses the 50% claim. As current rules covers the idea already, why will it encourage use? This claim is aimed at products using oleochemicals, not at food.
 - 7.2.2. Discussion: What is the groups view on this proposal final decision required? Do we need a trademark use campaign? Need to revisit the whole idea about trademark as it is currently underused. People are more particular with the products' nutrition, not sustainable palm oil. Products may not directly link with

- palm oil ingredients, e.g. Do not make sense to put palm oil trademark on tuna sandwich
- 7.2.3. Not all RSPO products contain mostly palm oil; no market research on consumers emphasising on trademarks; consumers in UK are getting more price sensitive
- 7.2.4. Action plan: Need communication campaign to ensure the communication of palm oil is aligned. Increase uptake of trademark, and find out why manufacturers are reluctant to use trademark. Drop the 50% claim if no one is using it. It is misleading to consumers if trademark is shown on a product that does not contain palm oil.

Part II

8. European Commission proposal for revision of the Renewable Energy Directive (RED2) (DM)

- **8.1.** EU Parliament proposed in November 2016 to reduce from 7% to 3.8% of the amount of food-based biofuels that can constitute the transport sector's renewable energy target. Currently there are 2 positions:
 - 8.1.1. Council of EU's position: 18/12/17, Ministers of Energy agreed to maintain the existing cap of 7% on the contribution of crop-based (first generation) biofuels
 - 8.1.2. EU Parliament's Position: 17/01/18, agreed to cap the contribution of crop-based biofuels used in transport at the level that EU countries used them in 2017, but not more than 7%. Agreed to phase out palm oil from the list of biofuels (towards renewables target in 2021)
- **8.2.** Both the Council of Ministers and EU Parliament's decisions have not been converted into law and they have to come to a consensus through closed trilateral negotiations. Final outcome is still uncertain. If consensus is not made by July 2018, the window will close until the new Parliament is elected in 2019.
- **8.3.** EU Member States might give priority to locally produced biofuels e.g. rapeseed and drop palm oil, allow European farmers access to European biofuel market.
- **8.4.** France and Italy seem to have a more favourable stance on palm oil, national energy company use palm oil in their biofuels
- **8.5.** RSPO's current position is neutral. WWF and all NGOs in favour of palm oil ban in biofuels globally, but details and timelines not defined

9. Consumer Campaigns (DM)

- **9.1.** Aufeminin campaign on palm oil in France video (French) not finalised. Launch expect in February, expect engagement from female shoppers.
- 9.2. Approach with JCDecaux (Netherlands) JCDecaux currently having social impact programme, keen to work with RSPO and other European partners. Offered reduced rate to RSPO, outdoor/ indoor advertising at airports, rails, supermarkets, malls, etc. at different geographical location. 90% of the UK Audience, with 1 billion impressions every week. JCDecaux wants to help tell the story, showcase approach to profit with purpose and corporate responsibility, help bring change in behaviour and expectations among consumers and businesses.

10. RSPO Quarterly Media Coverage Report: European coverage (1 Oct - 20 Dec 2017) (DM) 10.1. International Market

- 10.1.1. Level of coverage on palm oil stayed relatively high and in line with the past 6 months
- 10.1.2. Issues cover increasing subjects: public policy issues, progress towards 100% certification, reactions by producer countries
- 10.1.3. EU legislative debate on palm oil in biofuels contributed to the increase in media coverage of palm oil
- 10.1.4. Coverage evenly distributed with Germany, Switzerland, Spain, the Netherlands, Belgium and the Nordics represent more than before
- 10.1.5. Pressure from NGOs remained high, RAN and Greenpeace published reports.

 Not all NGO coverage was negative

10.2. France

- 10.2.1. Biofuels dominated media coverage. French media focused on the EU's regulatory developments as the country level debate over the issue.
- 10.2.2. The question of palm oil in biofuels has divided, even the government.
 Disagreement between Minister of Ecology and Inclusive Transition and the Minister of Agriculture express different views regarding 1st generation biofuels
- 10.2.3. Government position towards biofuels likely linked to Total's biorefinery project in La Mède, though project strongly opposed by environmental activists
- 10.2.4. An article from WWF, presents the boycott of palm oil as economic and environmental nonsense, gained traction

10.3. Italy

- 10.3.1. Q4 2017, palm oil debate still driven by nutritional issues rather than environmental and social
- 10.3.2. Media discussions have kept on a more rational and balanced level (space given to supporters and opponents)
- 10.3.3. Huffington Post Italy and RSPO partnership met targets
- 10.3.4. Meeting with NGOs in December 2017 conclude that 2018 would see a limited number of initiatives for pro-active communications in favour of CSPO

11. French Alliance for Sustainable Palm Oil's contribution to the RSPO EURT 2018 (DM)

- **11.1.** EURT on 25th and 26th June 2018
- **11.2.** Small task force organising committee to bring process to the planning and to enable smooth decision making
- **11.3.** Location of RT in Paris opportunity to bring key NGOs together to have positive communication around EURT and Amsterdam Declaration event, on sustainable palm oil and other crops
- **11.4.** Event adapt to French public highlight French projects and speakers
- **11.5.** For consumers, simplify the content and fight against misconceptions about palm oil
- **11.6.** NGOs expect more on soy this year, an opportunity to position SPO and RSPO as the best examples of global commitment
- **11.7.** Bio-refinery of TOTAL at La Mède, open up in June. Risk project attracts all media attention. Need support of WWF France and other French NGOs to reach out to media and consumers with positive messages on SPO and sustainable crops.
- **11.8.** Suggest to have a small group of Task Force
- **11.9.** Need to cover "no deforestation" topic within EURT, also touch on verification and control of the NDPE commitments: presentation of verification tools show complementary

approach between RSPO and tools developed by NGOs. Could also be tools developed for other crops. E.g. How are we going to guarantee deforestation free in supply chain if you're buying mass balance? How can they monitor and verify mass balance in supply chain? Tackle deforestation in supply chain - enhance transparent dialogue with suppliers and growers.

- **11.10.** Great Apes and palm oil: could SPO be the solution to save orangutan in the following years? Jane Goodall as potential spokespersons
- **11.11.** Landscape level: RSPO is being criticised as not everybody is certified. Might be good to have a speaker on company commitment, national ambition. Not all members able to participate in landscape approach, have they got the impact, do they achieve in sustainable goals? How does landscape level help supply chain?

AOB

- Chris Sayner (CS) mentioned a discussion with FairTrade, Oakland, CA on their coconut sustainability initiatives. Fairtrade are developing a standard for sustainable coconut oil & derivatives, it'll progress through 2018 and there'll be public consultation mid-year. It may mirror Mass Balance for palm and there are obviously close similarities between CNO and PKO derivatives. CS have had contact with Fair Trade over the last couple of years and had I encouraged development of Mass balance and confirmed the parallels with PKO. This would be relevant to the oleochemicals industry and the absence of a sustainability standard for coconut represents a gap today.
 - **12.1.** Eddy Esselink (EE) and Andy Green (AG) expressed some concern that FairTrade may use different auditors to those looking after palm. A different set of auditors for oleochemicals or completely different system to that existing for RSPO will reduce the up-take.
 - **12.2.** Next meeting to be held before EURT in June, Secretariat to advise on dates.

Summary of Actions

AP from Part I

Secretariat (SS) - Enhance RSPO Credits Page content by including important information about RSPO Credits, such as credits price

Secretariat (SS) - Continue with social media posts about RSPO Credits (smallholders stories, testimonials, RSPO Credits page)

Secretariat (SS) - Design e-banner for RSPO website homepage for more visibility of RSPO Credits page

Secretariat (SS) - Email blast to members with regards to RSPO Credits page

Secretariat (SS) - RSPO staff outreach to buyers through RSPO roadshows/ events

Secretariat (SS) - Create and design smallholders friendly materials about RSPO Credits (e.g. how to sell RSPO credits guide)

Secretariat (SS) - To explore alignment of communication campaign to ensure the communication of palm oil is aligned together with EPOA (Eddy Esselink).

Secretariat (SS) to provide data on increase uptake of trademark, and find out why manufacturers are reluctant to use trademark.

Secretariat (SS) - to explore uptake of 50% claim.

AP from Part II

Secretariat (DM) - to form EURT taskforce and set up conference call.

Secretariat (DM) - to Marie has no access to RSPO related documents, asks DM to send her Chris Sayner (CS) to follow up with Eddy Esselink (EE) regarding Fairtrade Coconut standard

AP from AOB

Secretariat to advise regarding next call/meeting before EURT.