



**SHARING
RESPONSIBILITY AND
A COMMON VISION-
SUSTAINABLE PALM OIL
COALITION FOR INDIA'S
BIENNIAL REPORT
(2018 - 2020)**

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WHAT IS SUSTAINABLE PALM OIL AND WHY DOES INDIA PLAY A KEY ROLE?

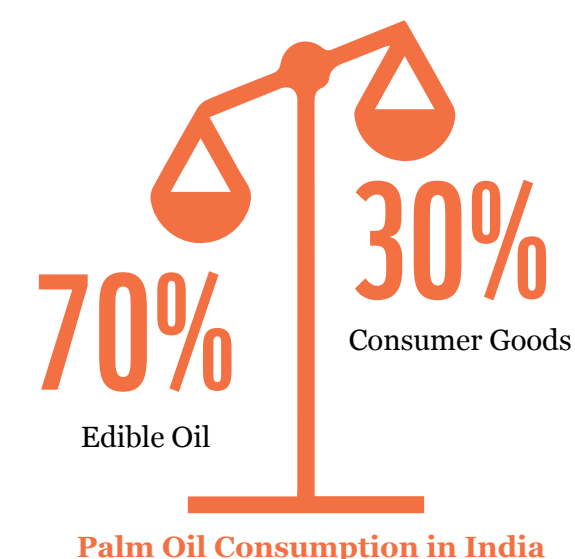
Forming nearly **33%** of the world's production mix, palm oil has emerged as the main source of vegetable oil globally, and is an integral ingredient in many food and household products like pizzas, chocolates, ice creams, lipsticks, and shampoos. **Of the total palm oil consumed in India, 70% is utilised as edible oil in households, by the food service industry and in manufacturing processed snacks, while the remaining 30% is consumed by consumer goods.**

Oil palms are the highest yielding oilseeds, providing 6-10 times better yield per hectare than any other oilseed. **As an oil, it is versatile with over 20 derivatives, all with varying melting points, allowing it to be used across sectors and commodities.** It helps create flavours and textures in food while its binding, stabilising, and foaming properties make it an essential ingredient in numerous household and beauty products. Palm oil production is also an employment generator in rural areas, with over a million workers, three million smallholders, and many more households engaged in palm oil production world over. Increasing population and contemporary lifestyles have led to a surge in the demand of palm oil globally, which requires larger areas for its production. If oil palm is produced unsustainably, it can lead to negative environmental and social impacts, such as, deforestation, biodiversity loss, displacement of communities, labour rights violations, and loss of livelihoods to name a few.



However, palm oil cultivation doesn't have to come with these complications, as the global palm oil demand can be met by putting sustainable practices in place. Sustainable palm oil is palm oil that has been produced responsibly, in accordance with globally recognised standards promoting sustainable palm oil, addressing various environmental and social issues. Over the last two decades, different voluntary standards and certifications have emerged to promote sustainable palm oil, starting with voluntary standards like **the Roundtable for Sustainable Palm Oil (RSPO) and mandatory national standards, such as, Indonesia Sustainable Palm Oil (ISPO) and Malaysia Sustainable Palm Oil (MSPO).**

India, heavily reliant on Indonesia and Malaysia for its palm oil needs, is the world's largest importer and second largest consumer of palm oil. This puts India in a critical position of influence within the global industry, to help steer it towards sustainable development goals that promote sustainable production and consumption practices to help ensure long-term sustainability of the industry with minimal impact on the environment. With increasing awareness about climate change and the interconnectedness of global environmental impacts, businesses play a crucial role in ensuring the world pivots to sustainability. Companies need to have commitments and policies in place for upholding sustainability, which in turn can influence global supply chains as they leverage their links with buyers, traders, suppliers, governments, and consumers.

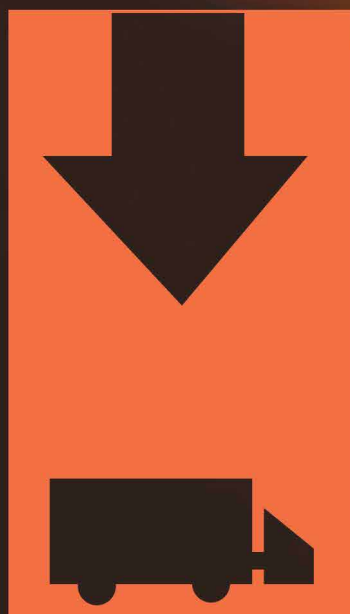


INDIA'S ROLE IN THE GLOBAL PALM OIL TRADE

INDIA IS THE WORLD'S

3rd

LARGEST CONSUMER
OF EDIBLE OILS



INDIA IS THE WORLD'S
LARGEST IMPORTER OF
PALM OIL

MORE THAN 90% OF INDIA'S
IMPORTS ARE FROM

ALMOST

68%

OF CONSUMPTION
IS MET BY IMPORTS



INDIA IS THE WORLD'S
SECOND LARGEST CONSUMER
OF PALM OIL

69%

INDONESIA

24%

MALAYSIA



END-USERS OF PALM OIL
IN INDIA:

40%

AS HOUSEHOLD CONSUMPTION



18%

IN FOOD SERVICES



13%

IN SNACKS AND NAMKEENS



13%

AS NON-EDIBLE (COSMETICS/PERSONAL CARE)



11%

IN BISCUITS/BAKERY



4% IN READY-TO-EAT/ TO-SERVE



0.50% IN CHOCOLATES



0.50% IN ICE CREAMS

2 WHAT ARE THE FOUNDING MEMBERS DOING ON SUSTAINABLE PALM OIL

WWF INDIA



Forests are vital for the health of the planet as they provide critical ecosystem services and are the largest carbon sinks, making them the Earth's lungs. Preserving the planet's biodiversity and ensuring sustainable food systems are among WWF's key priorities. Expanding agriculture and unsustainable logging due to increasing global demand is responsible for speeding up the rate of deforestation and degradation across commodities, such as edible oils, timber, pulp & paper, and natural rubber. WWF's vision is to ensure that palm oil production, trade, and consumption is responsible; protects, restores and connects landscapes; and benefits both people and nature. Companies across the palm oil value chain need to adhere to robust production standards, while ensuring that suppliers and traders are able to trace their palm oil to responsible sources. Governments and financial institutions need to facilitate an environment where illegal and irresponsible palm oil production and consumption are no longer tolerated, while consumers and NGOs are to keep the entire palm oil ecosystem accountable.

As India is the world's largest importer and consumer of palm oil, WWF India is committed to promoting environmentally appropriate, socially beneficial, and economically viable practices through the global palm oil supply chain. WWF India engages with large retailers, manufacturers, traders, and financiers through a multi-pronged approach involving corporate engagement; research and policy advocacy; encouraging support for the responsible expansion of the domestic industry; and generating consumer awareness to help drive the demand for sustainably produced palm oil.

As a response to the government's efforts to increase oil palm production in India, WWF India has been working on assessing the potential social and environmental impacts of domestic oil palm production to promote sustainable production. The purpose is to not only promote sustainable agricultural practices, social wellbeing for the farmers, but also avoid expansion in eco-sensitive zones. WWF India is currently working with RSPO to establish a domestic supply of certified sustainable palm oil, by providing training and capacity building to independent smallholders in Andhra Pradesh, to meet the criteria of the RSPO Independent Smallholder Standard.



“Being a large and diverse market, we saw value in initiating a dialogue amongst key players in the oil palm value chain in India, to understand the market nuances and address the uptake barriers. I-SPOC can play an important role in defining the regional business case for sustainable palm oil and WWF India is keen to support the development of market-specific solutions that will help improve the uptake of sustainable palm oil in India”

Bhavna Prasad, Director - Sustainable Business, WWF India

CENTRE FOR RESPONSIBLE BUSINESS



Centre for Responsible Business has developed a specialised understanding and practice on sustainable supply/value chains across various sectors and commodities. CRB has studied the engagement of international businesses and organisations particularly from the 'north' in promoting supply/value chain sustainability and traceability across sectors involving production networks like India. Engagement in the palm oil sector in India brought in an additional layer of complexity and challenge for CRB, given that the consumption was driven in this case by a 'southern' country (India) and not by an advanced economy from the 'north'.

As India imports 95% of its palm oil, innovative thinking and actions are required for the uptake, as deforestation and biodiversity loss—the two main problems related to palm plantation expansion—become an extra-territorial issue, having implications for the rainforests in Indonesia, Malaysia, and Thailand. The Indian government has made efforts towards increasing the acreage of palm production in the country—but the pace of that expansion has been rather slow, due to growing unease about impacts on local forests and landscapes in India. From CRB's perspective, India needs to innovate and improvise—for creating an 'India story' for sustainable palm oil.

Multi-stakeholder engagement is critical for market transformation. I-SPOC has demonstrated that businesses, civil society, and other ecosystem actors can come together and form alliances for promoting sustainable sourcing and trade. It has also helped shape the understanding of the importance of developing demand-side sustainability, to create sustainable markets and the pull factor in the marketplace for sustainable products. MNCs have made commitments globally for promoting deforestation-free supply chains, but have been slow in driving transformation in India through their engagement in promoting certified sustainable palm oil, as it was expected that their global commitments would trickle down to the Indian market. For domestic companies, more efforts are needed to engage with the owners and business leaders, to convey the business case for sustainable palm oil, especially now and post the COVID-19 pandemic where consumer behaviour and preference are seeing marked changes towards transparent, honest and sustainable business and products.



“The importance of multi-stakeholder engagement has been established as key to market transformation. Development of the Sustainable Palm Oil Coalition for India (I-SPOC) has demonstrated that a number of diverse stakeholders including businesses, civil society, financial institutions, industry associations, standards - can come together and form such alliances for promoting a common purpose. I-SPOC has also spurred interest across other sectors/commodities for facilitating and nurturing multi-stakeholder sustainability initiatives in India.”

Rijit Sengupta, Chief Executive Officer, Centre for Responsible Business

ROUNDTABLE ON SUSTAINABLE PALM OIL



RSPO is a not-for-profit that unites approximately 5000 organisations in 98 countries from the seven key sectors of the palm oil industry: oil palm producers, processors or traders, consumer goods manufacturers, retailers, banks/investors, and environmental and social non-governmental organisations (NGOs), to develop and implement global standards for sustainable palm oil. Since 2004, RSPO has been actively involved in building consensus amongst all stakeholders for production and trade of certified sustainable palm oil. The three sustainability standards/systems of RSPO are: 2018 Principles & Criteria, 2019 Independent Smallholders Standard, 2020 Supply Chain Certification Standard and Systems.

In recent times, the expansion of palm oil cultivation has driven deforestation at unprecedented rates. The RSPO certification helps smallholders and grower companies in Indonesia, Malaysia and elsewhere increase yields, penetrate international markets, improve livelihoods, and reduce the risk of land conversion. Certification is a symbol of credibility and proof of sustainable practice in operations. By March 2020, RSPO certified, 160,589 smallholders covering 450,528 Hectares and producing 1,413,413 metric tonnes of certified sustainable palm oil. RSPO's 'Investigation & Monitoring Unit' (IMU) conducts investigations and facilitates risk mitigation through close collaboration with other departments within the RSPO Secretariat and relevant stakeholders. The 'Monitoring & Evaluation Unit' and 'Research and Evidence Unit' work closely together to track and manage all relevant risks for the organisation.

In India, RSPO's focus is to identify MNCs that have made global sustainability commitments and assist them in implementing their targets in India, which would prod Indian companies to take action and match their foreign counterparts on their sustainable palm oil procurement. Overall, persuading companies to implement their sustainable procurement policies in India should have the effect of a) Increasing volumes of uptake of certified sustainable palm oil (CSPO) in India through subsidiaries of MNCs and b) Knock-on impact on Indian companies due to market forces and competitive pressures. Besides engaging with large companies, RSPO's other priorities in this market include production of CSPO, government policy advocacy to incentivise the production and import of CSPO, consumer and youth awareness initiatives, and thought leadership through media and event platforms.

"With approximately 97% of palm oil (crude, refined, and processed) consumed in India, coming from imported sources, I-SPOC has created a much needed national platform for sustainable palm oil dialogues and initiatives. On behalf of RSPO, I commend the efforts of all I-SPOC members and we hope the coalition will continue to play a key role in helping achieve the shared vision of making sustainable palm oil the norm."

Kamal Prakash Seth, Country Head-India, Roundtable on Sustainable Palm Oil

RAINFOREST ALLIANCE



Established in 1987, Rainforest Alliance was among the first NGOs to focus on addressing the linkages between the consumption of agricultural and forestry commodities, and the problems of rainforest destruction, environmental degradation, and human rights violations in the tropical areas where these commodities are produced. Since its founding over 30 years ago, Rainforest Alliance has played a pioneering role in developing systems and tools, project interventions, consumer and market engagement strategies, and other mechanisms to recognise more sustainable products and supply chains while effectively driving improvement on the ground where existing practices are not socially and environmentally sustainable.

Rainforest Alliance pursues several program interventions, to facilitate sustainable management of tropical rural landscapes and their linkage to international markets. Rainforest Alliance's work in palm oil includes engaging with smallholders to improve their sustainability practices, supporting companies in setting sustainability commitments in accordance with the Accountability Framework initiative, working with companies to trace their palm oil supply chains back to mills as an essential step in implementing a deforestation-free policy and enabling RSPO certification by operating the RSPO traceability system, PalmTrace (<https://www.rspo.org/palmtrace>).



"India is the world's largest importing market for palm oil, which is why we enthusiastically supported the launch of the India Sustainable Palm Oil Coalition for India with the Centre for Responsible Business, WWF India, and RSPO. We believe in building alliances to create a better future for people and nature by making responsible business the new normal. Through I-SPOC we can build this future for India."

Paula den Hartog, Sector Lead Palm Oil, Rainforest Alliance





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INTRODUCTION TO THE SUSTAINABLE PALM OIL COALITION FOR INDIA



The Sustainable Palm Oil Coalition for India (I-SPOC), envisaged as a business led multi-stakeholder initiative created with the goal of promoting sustainable consumption, import, and trade of palm oil and its derivatives along the supply chain. I-SPOC, through industry collaboration, aims to create broader awareness on sustainability issues within industry and among consumers.

I-SPOC was conceived by four (founding) organisations – Centre for Responsible Business (CRB), World Wide Fund for Nature India (WWF India), Roundtable for Sustainable Palm Oil (RSPO) and Rainforest Alliance (RA), and launched in September 2018. The overall goal of the forum would be achieved by ensuring:

- Adherence to applicable laws, acts, statutes and policies
- The adoption of best practices and a commitment to continuous improvement in key areas of activity
- Commitment to conserving natural resources, biodiversity and the broader environment (specifically No Deforestation, No Peat and No Exploitation)
- Respect for human rights and ethical treatment of affected stakeholders including employees
- Commitment to transparency and disclosure
- Commitment to ethical and fair business practices
- Commitment to long term economic and financial viability.

I-SPOC is committed to support businesses in India to develop policies and operational plans for Sustainable Sourcing of Palm Oil as part of broader deforestation free supply chains. All key businesses that use palm oil in India as part of their supply chain are being engaged. The philosophy of this engagement is to encourage businesses to understand and explore various credible tools/methods/approaches to achieve transition towards sustainable sourcing of palm oil, and then adopt a step-wise time bound plan. I-SPOC believes the RSPO system and additional criteria of Palm Oil Innovation Group (POIG) can help businesses in India to adhere to international best practices in sustainable production, consumption and trade of palm oil.

The Coalition aims to work on the following objectives:

- Create broader industry and consumer awareness on sustainability issues and commitment to responsible sourcing policies and practices
- Facilitate multi-sector industry dialogue on sustainable palm oil
- Build sustainable trade partnerships through links with similar platforms in producer countries
- Establish broad-based dialogue on supportive policy environment and regulation

MEMBERS

Currently, there are 25 members (including four founding members) in I-SPOC. The members consist of stakeholders from actors across the value chain including organisations that are Fast-Moving Consumer Good (FMCGs) manufacturers, financial institutions, associations, NGOs, refiners, derivative manufacturers, consumer goods companies and other institutes. The current primary members of I-SPOC are:

AAK KAMANI



FERRERO



GOVERNANCE STRUCTURE

STEERING COMMITTEE

I-SPOC is overseen by a Steering Committee, which looks at institution building along with supporting and promoting outreach and engagement with external stakeholders.



SECRETARIAT



Takes actions as per plans and priorities approved by the Steering Committee, coordinates activities of the Coalition, including events, undertakes documentation, and increases visibility of I-SPOC at various relevant platforms.

WORKING GROUPS

The Working Group Members include industry actors, NGOs, and industry bodies – all with relevant experience to strengthen and contribute to the activities of the coalition.

GOVERNMENT POLICY

Working on conducting research on critical policy matters to incentivise the trade of sustainable palm oil and engage with relevant regulatory institutions in order to mainstream the production and trade of sustainable finance for uptake of sustainable palm oil.



SUPPLY CHAIN

Works towards organising capacity building workshops and training, defining best practices for supplier screening and engagement along with working on raising the institutional demand for sustainable palm oil in Indian industry.



END USERS

Highlights concerns of end users, ensuring accountability and transparency measures are complied with, educating consumers, vendors and suppliers on the benefits of production and consumption of sustainable palm oil.



4

THE I-SPOC JOURNEY

Centre for Responsible Business, WWF India, Roundtable Sustainable Palm Oil, and Rainforest Alliance launch I-SPOC on 18 September 2018 in Delhi, with the purpose of 'promoting sustainable consumption, import, and trade of palm oil and its derivatives in India'

SEPT
2018

MAY
2019

SEPT
2019

I-SPOC celebrated its first anniversary on 18 September 2019 by reviewing the progress made, including development of a roadmap for the next year

NOV
2019

I-SPOC's first Members Meeting was organised on 16 May 2019 at the Hindustan Unilever Limited office in Mumbai, was attended by Coalition Members and Observers. The meeting formally introduced the I-SPOC mandate and architecture to the members and sought their inputs

I-SPOC conducted its second Members Meeting on 21 November 2019 which was preceded by a high-level plenary with CXOs on market transformation, which provided points for deliberation and action for the I-SPOC session

NOV
2019

At CRB's annual conference in November 2019, RSPO led a session which brought together important players and consumers of sustainable palm oil sector, highlighting questions on Indian market's stance on shifting towards certified sustainable palm oil, the speed of the uptake, the challenges and the potential solutions amongst others

APR
2020

I-SPOC celebrated its second anniversary on 18 September 2020. The members reflected on their journey so far, highlighting the challenges faced during the last two years and the way forward in a post-COVID-19 world

SEPT
2020

I-SPOC organised its third Members Meeting virtually on 24 April 2020, and formally introduced members to their Working Group and Group Chairs and finalised the Action Plan for 2020-21



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TRANSITIONING TO SUSTAINABLE PALM OIL

A STEP-BY-STEP APPROACH FOR BUSINESSES:

1. Join and actively participate in action-oriented sustainability platforms, such as the Sustainable Palm Oil Coalition for India (I-SPOC) and the Roundtable of Sustainable Palm Oil (RSPO) to understand and support industry-wide efforts towards sustainable palm oil.
2. Commit to 'No Deforestation, No Peat, No Exploitation' (NDPE) policies for your company and your suppliers.
3. Make an ambitious, public, time-bound commitment to buy only certified sustainable palm oil
4. Undertake training and capacity building for your employees and suppliers to explain the policy, commitment, expectations, and key actions.
5. Understand your supply chain, publish mills and their locations, and work with suppliers to ensure traceability to the mill and plantation base. Ensure supply chain transparency by publicly reporting on palm oil sources and usage, and progress and actions at least annually.
6. Support sustainable production by supporting smallholders, with buyer commitments and on-ground investments, training, and capacity building.
7. Identify and engage with institutional and individual investors, banks, and financial institutions who are looking to invest in companies built on sustainability principles. Several investors have applied 'Environmental, Social and Governance' (ESG) frameworks/policies and offer financial incentives for sustainability focused companies.
8. Publically disclose your company's policy on sustainable palm oil
9. Undertake public communication and outreach activities on sustainable palm oil to educate end-consumers.
10. Support government and industrial policy action plans to promote deforestation-free supply chains at the national level.

INDUSTRY ASSOCIATIONS:

- Build greater awareness about sustainable palm oil
- Conduct capacity building workshops and sessions to impart knowledge on the topic

THINK-TANKS:

- Undertake more research and analysis on sustainable palm oil to understand the various nuances

FINANCIAL INSTITUTIONS:

- Research and analysis on palm oil sector companies' performance to support financial institution engagement

- Capacity building on responsible investment, sustainable banking, and palm oil sector sustainability standards, risks, and opportunities
- Training on tools for assessing and managing deforestation and other risks in the sector
- Development of green financial solutions to support sustainable land use

CONSUMERS:

- Increase demand for sustainable palm oil by asking companies to use it in products
- Consume products and brands that use sustainable palm oil



BECOME A MEMBER OF THE INDIA - SUSTAINABLE PALM OIL COALITION FOR INDIA (I-SPOC):

| I-SPOC Membership Categories: | | | | |
|-------------------------------|---|---|---|---|
| Type | Who | Membership Process | Quota | Benefits |
| Full Members | FMCG companies, processors, refiners, producers, importers, industry associations, financial sector actors, retailers, multi-lateral/bilateral agencies, NGOs working on palm oil in india/globally, scientific research institutions | <ol style="list-style-type: none">1. An email indicating interest to join the Coalition to be sent to the Secretariat (CRB)2. Post the email, sharing of organisation logo so as to upload on I-SPOC website3. Nominate themselves to one of the three Working Group (WG) | No restriction on number of full members joining per year | <ol style="list-style-type: none">1. Engagement and cross learning through WG activities2. Eligible for Steering Committee Selection3. Complementary participation for all I-SPOC meetings (external meetings/ seminars/ sessions/ workshops) that will be organised at relevant events4. Participation in I-SPOC Members Meetings5. Branding/visibility (logo) on I-SPOC website6. Opportunity to publish and showcase work related to palm oil on the I-SPOC website and platform7. Permission to use the I-SPOC logo on company website and annual reports8. Access to I-SPOC palm oil network9. Ability to conceptualise and pilot innovative ideas |
| Affiliate Members | Certification bodies, consultants | Founders to decide on inclusion as Member on the basis of the application and interest | Five affiliate members per year | <ol style="list-style-type: none">1. Participation in I-SPOC Members Meeting2. Complementary participation for all I-SPOC meetings (external meetings/ seminars/ sessions/ workshops) that will be organised at relevant events3. Opportunities to collaborate with other players in the network4. Branding/visibility (logo) on I-SPOC website |



HOW TO JOIN I-SPOC?

Organisations aligned with the goal to “Promote Sustainable Consumption and Trade of Palm Oil and its Derivatives in India along with the Supply Chain” and interested in joining I-SPOC are requested to state their expression of interest in an email addressed to Bhavya Sharma: bhavya@c4rb.in with a copy to Rijit Sengupta: rijit@c4rb.in. The I-SPOC Secretariat will get in-touch with the organisation after receiving the mail.



6

MEMBER PROFILES



AAK KAMANI

AAK is a manufacturer of value-adding vegetable oils and fats. Following the NDPE framework, AAK aims to source all palm oil without deforestation and development on peatland, and respecting human and labour rights. AAK supports a risk-based approach to traceability to plantation (TTP), which maps plantations where there is a risk of deforestation at the village level. AAK's traceability-to-mill origin has increased to 98% globally while the traceability in plantations is currently 55% overall.

"We at AAK India put a lot of effort into improving sustainability and responsible sourcing commitments for our customers. AAK is committed to sustainable development and is, among other things, a founder member of RSPO. Through this and other initiatives, we continue to act responsibly towards all our stakeholders – investors, local and global customers, suppliers, employees, and the local communities in which we operate. We are also collaborating and an active member of I-SPOC and focused on addressing the bottlenecks and challenges towards usage of sustainable palm oil and drive movement toward sustainable palm oil. Our traceability to mill origin has increased to 99% for Indian operations and we continue to strive for further improvement."

Dheeraj Talreja, President, AAK Kamani



CDP INDIA

CDP is a not-for-profit charity that runs the global disclosure system of investors, companies, cities, states, and regions to manage their environmental impacts by running a global environmental disclosure system. Each year, CDP supports thousands of companies, cities, states and regions to measure and manage their risks and opportunities on climate change, water security and deforestation, at the request of their investors, purchasers and city stakeholders.



COLGATE-PALMOLIVE

COLGATE-PALMOLIVE

Colgate-Palmolive is a leading global consumer products company, tightly focused on oral care, personal care, home care, and pet nutrition. Since 2015, Colgate-Palmolive has been working with their palm oil and palm kernel oil suppliers to increase the usage and percentage of physically certified palm and palm kernel oil and in 2018 they reached 100% coverage for Tier 1 materials (Palm Oil and Palm Kernel Oil) using Mass Balance RSPO. The company has undertaken transformation projects and opportunities identified with their direct suppliers, to support RSPO certification work. In Thailand, they worked with a key strategic supplier supporting smallholders to get the RSPO certification and have been using certificates to cover the gap between physically certified oils purchases in their total purchases. Colgate-Palmolive became an RSPO member in 2007. They developed a cross-commodity policy on no deforestation, highlighting palm oil as one of four commodities to target for implementation in 2014, and began palm oil membership with Earthworm Foundation to map their supply chain, engage suppliers and drive transformation in the supply chain in 2015, along with identifying all palm oil derivatives in the supply chain.

They have requested information on traceability to plantation from 100% of palm oil and palm kernel oil suppliers and are engaging with direct suppliers of palm oil and palm kernel oil to encourage increased transparency and holding suppliers accountable to time-bound action plans to transform their supply chain.



ECUBE INVESTMENT ADVISORS PVT. LTD.

ECube, founded by a team with extensive corporate and operating experience, is an Environment, Social and Governance (ESG) focused financial services platform. ECube's strategy is to enhance investor and stakeholder value, combining purpose and profit, generating returns by enhancing the ESG performance of the companies in which they invest or to which they lend. ECube endeavours to specifically minimise the adverse climate impact of companies that we engage with through our investments and lending operations. The organisation strategy includes managing investments in public and private markets, typically through active engagement strategies while taking minority stakes in investee firms; create a pioneering climate-focussed lending company to support the adoption of climate-friendly business practices by Indian companies; and be advocates and change agents for higher ESG standards through in-depth research, advocacy and engagement in policy debates and discussions.

"As a financial institution, ECube seeks to invest and lend to companies that are committed towards sustainability. Joining I-SPOC enabled us to be involved in the cutting-edge discussions around sustainable palm oil. As we start deploying capital, we hope to engage with individual participants more deeply to understand the best practices in this space and enable smaller companies in India to adopt the same".

Chandru Badrinarayanan, Managing Partner, Ecube Investment Advisors Pvt. Ltd



GALAXY SURFACTANTS

A journey that began in 1980 enters its 40th year in 2020. Galaxy's sustainability journey began in 2010-11. Sustainability forms the core of their business, as they believe organisations need to not only embrace it but also conduct business in a socially responsible manner. Blending science and technology with their passion to innovate, over the last decade, collaborating with stakeholders they have advanced their sustainability initiatives and aim to make a significant impact going ahead.



GOLDEN AGRI-RESOURCES

Golden Agri-Resources' (GAR) is a vertically-integrated palm oil company committed to responsible palm oil. Their primary activities include cultivating and harvesting oil palm trees; extracting crude palm oil (CPO) and palm kernel; and processing value-added products like cooking oil and oleochemicals. GAR has a broad presence in international markets with on-shore refining in India and China.

Under the GAR Social and Environmental Policy (GSEP), that applies to GAR's partners and supply chain, the company is implementing commitments to protect forests and biodiversity; reduce their impact on the environment; empower local communities; promote decent work; safeguard worker and human rights and transform our supply chain to become more responsible. GAR is on track to complete full Traceability to the Plantation (Origin) for the entire palm supply chain, allowing them to guarantee the provenance of our raw materials while helping suppliers achieve sustainable production through meeting the commitments in the GSEP.

Under GAR concessions, 78,000 hectares of forests has been conserved and community partnerships have helped conserve 43,000 hectares of forests. They are supporting suppliers' commitments to conserve over 100,000 hectares of forests. GAR has established 40 alternative livelihood projects in local communities for food security, resilience and forest conservation. They achieved 100% Traceability to the Mill in 2015, and 100% Traceability to the Plantation will be achieved by end-2020 for the entire palm supply chain

"We can only succeed in promoting sustainable palm oil by working with multi-stakeholders and organisations like I-SPOC. Palm oil can feed and fuel the world sustainably, and we believe I-SPOC plays a key role in conveying this message to consumers and partners in India."

Anita Neville, Senior Vice President, Global Corporate Communications, Golden Agri Resources



HALDIRAM'S

Established almost 80 years ago, Haldiram's approach to business extends well beyond the sales of their products. The organisation believes sustainability and being successful in the marketplace go hand in hand. To achieve transparency, they collaborate with their associates and create shared value for the consumers, stakeholders and the communities. They leverage the entrepreneurial heritage of Haldiram's and the dedication to social welfare to make a beneficial impact on the surroundings. The goal of Haldiram's is to preserve the resources and relationships upon which their business depends, by promoting environmentally and socially responsible practices across the existing value chain. The prime areas of focus involve the stewardship of natural resources, enforcing transparency and ethical standards at the workplace and for the benefit of the community.



HINDUSTAN UNILEVER

Hindustan Unilever Limited (HUL) is India's largest FMCG company with a heritage of over 80 years in India and it committed to sustainably sourcing their agricultural raw materials.

In 2016, Unilever refreshed its Palm Oil Policy, bringing forward its target from 2020 to 2019 and stopping the purchase of Green Palm certificates. Leveraging various industry and NGO partnerships to drive market transformation and traceability of the supply chain in India, their partnerships focus on commitments to the principles of no deforestation, no development on peatlands, and driving positive economic and social impact for people and communities. Their policy principles include smallholder farmers and women, commit to no exploitation of people or communities, and transparency. In 2019, they continued buying RSPO certified palm oil and achieved the ambition of 100% sustainable sourcing.



HSBC

HSBC's origins in India date back to 1853 when the Mercantile Bank of India was established in Mumbai. The bank has grown steadily and now offers products and services to corporate and commercial banking clients and retail customers. HSBC serves its customers in India through:

- **Global Banking and Markets:** Global Banking and Markets business provides financial products and services for corporate and institutional clients. This includes transaction banking, treasury services, investment banking, advisory, capital markets, foreign exchange, fixed income and derivatives.

- **Commercial Banking:** Commercial Banking (CMB) provides services to business and corporate clients. Their services include business accounts, global liquidity and cash management solutions, trade services, and a range of borrowing solutions.
- **Wealth and Personal Banking:** The Bank offers a wide range of services and products to resident as well as non-resident Indian customers based in various countries across the globe.



IDH - THE SUSTAINABLE TRADE INITIATIVE

IDH is a sustainable trade initiative that brings together governments, CSOs, and financiers to build public-private partnerships across sectors to develop plans for sustainable production and trade to deliver impact on the Sustainable Development Goals. In India, the Palm Oil Program contributes to SDG 12: Responsible Consumption and Production. Through its work, IDH has remained inclusive and standard neutral, while convening large palm oil buyers in India to build reporting and disclosure. Engaging with the Indian government, influencing the short-term demand and encouraging and monitoring the uptake of responsibly sourced palm oil in the long term are other key achievements of the initiative in the sustainable palm oil realm.

"IDH aims to work with I-SPOC to bring together multiple stakeholders with the intent of setting standard-neutral sustainability agenda for palm oil in the Indian market"

Neha Simlai, Program Manager, IDH: The Sustainable Trade Initiative



THE INDIAN HOME & PERSONAL CARE INDUSTRY ASSOCIATION (IHPCIA)

The Association is a consortium of 25 companies with over 50 life members and seven affiliated members, and industry associations representing the SME sector with around 1300 members. IHPCIA seeks alignment with the UN sustainability goals and members are active for meeting the listed goals. The Association's "Clean Right - Clean Bright" initiative seeks to lower the water and energy footprint of laundry, while also reducing the use of plastics. The Association members use palm derivatives for making soap, and all major players have committed to sustainable sourcing.

"Working together for sustainable development of home and personal care products"

Sanjay Trivedi, Founder - Director, IHPCIA



MANORAMA INDUSTRIES PVT. LTD.

The Manorama Group has a decades long history, which started off with extracting butter and fats from Sal seed and Mango kernel and gradually forayed into exotic products and specialty fats. Today, the company is among the top global players in the food, cosmetic, chocolate and confectionery industries along with being a pioneer in Mango and Sal fat/butter extraction.

Under the sustainability policy and strategy of the company, Manorama does direct sourcing, in a sustainable manner, from thousands of villages.

They procure Sal Seeds, Mango Kernel, Mowrah Seeds, Kokum Seeds and other Tree Borne Oilseeds from millions of women forest dwellers in Chhattisgarh, Odisha, Jharkhand, Madhya Pradesh, Maharashtra, and Goa at fair trade price, thereby helping them in providing livelihood opportunities, especially during the lean, hot summer period of April, May, and June, when other sources of income are limited. Manorama is also committed to high standards of responsible and sustainable palm oil sourcing, aiming at 100% traceability of responsible palm oil along with achieving visibility into the sources of palm oil products within the supply chain. The traceability system Manorama follows also ensures that the raw materials are clearly traceable to their origin and supplying community, so that they are adequately compensated.

“Along with being a RSPO member, Manorama also supports the goal of I-SPOC. Manorama is “Committed to working towards improving the livelihoods of Indian oil-palm farmers””

Ashish Saraf, President, Manorama Industries Pvt. Ltd.



NAVA BHARAT LIMITED

Navabharat Limited (NBL) was incorporated on 3rd December 1991 as a limited company in Andhra Pradesh as an agri-based business. It was established as part of a reputed agri-commodity family conglomerate and has evolved from its palm-plantation business into an integrated edible oil refining company, with interests in plantation, crushing, refining and marketing. NBL was the first company to introduce oil palm cultivation in the state with help from the Government of Andhra Pradesh through demonstration plots. The company was successful in convincing the farmers of the West Godavari region to grow the oil palm crop.



NEPCON - PREFERRED BY NATURE

Preferred by Nature (formerly known as NEPCON) is a non-profit organisation that supports better land management and business practices that benefit people, nature, and the climate. They do this through a unique combination of sustainability certification services, projects supporting awareness raising, and capacity building.

The seven billion-strong population of the world deserves a good life, while still protecting the natural environment, which is increasingly under pressure. Good solutions for responsible land management and climate-friendly business already exist with more underway. NEPCON is working to unlock the potential through innovation projects and by promoting high-impact solutions that result in deep-seated change.

For more than 25 years, NEPCON has worked to develop practical solutions to drive positive impacts in production landscapes and supply chains in 100+ countries. They focus on land use, primarily through forest, agriculture and climate impact commodities, and related sectors such as tourism and conservation.



P&G

With a history spanning 181 years as one of the largest consumer goods companies in the world, P&G finds environmental responsibility and sustainability crucial to their operations. P&G uses relatively little palm oil, but utilises a by-product of palm oil production called palm kernel oil. Their combined use of palm oil, palm kernel oil, and derivatives of each represents less than 1% of worldwide production and the company is committed to zero deforestation in its sourcing and ensuring that their supply chain respects the rights of workers and indigenous peoples.

They established traceability of palm oil and palm kernel oil to supplier mills by 31 December 2015 and are ensuring no deforestation in the palm supply chains to plantations by 2020. P&G is working with suppliers, industry peers, NGOs, academic experts and other stakeholders to promote consistent industry standards and practices for sustainable palm oil sourcing. They purchase 100% RSPO certified palm oil. The company reports annually on progress made towards achieving these goals.

“From my own perspective and experience, things that FMCG companies can do is, not only commit to profit but also to the planet and the people. The next layer is what they can do from a supply chain perspective, thinking about having really clean supply chains, understanding where their supply comes from. Try and talk to the people in the supply chain, and to understand the impact it has not only on the environment but also on the people. A policy with the foundation of sustainability - especially for palm, we have chosen RSPO, since it ticks all the boxes (2018 P&C version) on critical criteria like no deforestation and no exploitation. The certification gives us assurance on sustainability from the ecological as well as social angle, that we are doing the right thing in terms of procurement. I-SPOC has created a national platform to enable players across the supply chain in India to commit to sustainable palm oil.”

Girish Deshpande, Sustainability Director, Procter & Gamble



HEALTH ▸ HYGIENE ▸ HOME

RECKITT BENCKISER

Reckitt Benckiser covers the categories of home and personal care, surface care, fabric care, pest control and healthcare products. The sustainability goals Reckitt Benckiser set in 2012 were worked towards till 2020, with the new sustainability strategy and goals for 2025 and beyond being published by the end of 2020.

Though a small user of palm oil, Reckitt Benckiser recognises the importance of working on its sustainability. Their 2019 progress against targets is 90% palm oil traceable for suppliers globally, excluding surfactants, one of the many compounds that make up detergent (88% in 2018). Understanding the risk of deforestation and destruction of peatlands that palm oil poses and the importance of establishing traceability, the company will be publishing an updated list of mills that supply to their suppliers in 2020. For some raw materials such as surfactants, RB is working with the Earthworm Foundation, and their suppliers to establish traceability across more complicated supply chains. Currently, these complex ingredients are excluded from their target but they are aiming to report on them during 2021. In 2019, Reckitt Benckiser worked with the Earthworm Foundation to establish satellite monitoring of deforestation by working with their suppliers on how best to focus efforts to protect the most valuable and largest ecosystems that support the most species.

“RB has prioritised certain raw materials to minimise impact and ensure sustainable production and palm oil is one of the key raw material. Traceability is vital – knowing the origin of the raw materials we use and ensuring they have been produced with no deforestation, as we work to safeguard local people and the environment. We’re developing impact measurements throughout our value chain, with a goal of assessing every single step, to ensure that we, our suppliers and our suppliers’ suppliers are living up to our values and standards. We believe we can make a difference and help to address some of the most pressing global challenges, while supporting our brands and stakeholders, and build a sustainable future.”

This is also aligned with I-SPOC overall goal of the forum to promote sustainable consumption and trade of palm oil and its derivatives in India along the supply chain, through industry collaboration.”

Per Bogstad, Sustainable Sourcing Manager, Reckitt Benckiser



Rabobank

RABOBANK

Rabobank Group has been operating in India since 1998. They offer a wide array of products and financial services to their clients based on their cooperative roots and deep understanding of the local food and agribusiness, as well as, the renewable energy sector. Rabobank Group takes its place in society and adheres to the core values embedded in its mission – respect, integrity, professionalism, and sustainability. The bank aims to contribute to economic, environmental, and social progress with a view to achieving sustainable development, and to help their clients achieve their ambitions in a sustainable society.

Rabobank's vision on the commodity value chain is to make sustainable palm oil a norm by supporting the transformation of the sector. This means the palm oil is produced on a plantation that was established on land that did not contain significant biodiversity, wildlife habitat or other environmental values, is free of social conflicts and meets the environmental, social and economic standards as set out by the RSPO.



RBL BANK

apno ka bank

RBL BANK

RBL Bank is one of India's fastest growing private sector banks with an expanding presence across the country. On sustainable commitments with respect to palm oil, though the Bank is not a direct consumer of palm oil, some of its clients are engaged (directly/indirectly) in distribution, refining, and/or use of palm oil and its derivatives in their products. The Bank encourages its customers to source palm oil (and/or its derivatives) from responsible sources, thus causing minimum harm to the ecology and social tapestry. The Bank is still focusing on engaging with its pertinent customers, to influence their decision to procure responsibly sourced palm oil and its derivatives.

"Sustainability is a key operational principle for the Bank. RBL Bank is happy to participate in the Sustainable Palm Oil Coalition for India (I-SPOC) to promote sustainable consumption and trade of palm oil and its derivatives in India along the supply chain. Going forward, Bank hopes that I-SPOC platform will be wisely used for: (a) influencing policy makers and mobilising regulatory support (i.e. regulatory action) and; (b) providing positive price differentials by subsidising responsibly sourced palm oil and/or its derivatives (i.e. market action) to attract end users".

Sandeep Mukherjee, Vice President, RBL Bank





I-SPOC