

# Adopting Traceability & Sustainability as Marketing Advantage for Palm Oil

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**The Landscape** – expectations from key stakeholders

**LDC Profile** – the role and vision of an agricultural merchant

**LDC & Palm Oil** – markets, commitments & policy

**What's next** – traceability one transformation tool amongst many

# How the world sees other oils - Sunseeds?



# Canola?





Soy?



And increasingly, how Palm is viewed...





Iceland to be first UK supermarket to cut palm oil from own-brand products

**Is the sustainable palm oil label on a slippery slope?**

Palm oil from Indonesia's shrinking forests taints global brands: report

**HSBC triggers investigation into palm oil company over deforestation allegations**

Indonesia, Malaysia will join hands to fight EU move against palm oil



Our demand for cheap palm oil is



Ask Nestlé to give rainforests a break

from rainforest destruction.

▶ Read more.





**Rabobank International** – “...palm oil companies who are not willing to commit to RSPO are not eligible for Rabobank financing”

**Credit Suisse** – “...requires that its clients’ operations be certified according to the Principles & Criteria of the RSPO...”

**International Finance Corporation** – “...financial institutions can and will increasingly tie access to finance to sustainable practices.”

We originate  
& produce



We process  
& refine

We store  
& transport



We research  
& merchandize

We customize  
& distribute



## Our Vision

To work towards a safe and sustainable future, contributing to the global effort of providing sustenance for a growing population

Given the landscape & concerns, we need are committed to have responsible value chains across many environmental and social dimensions



## Policy states:

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### Suppliers to:

- Safeguard all **high conservation value** (HCV) lands or **high carbon stock** (HCS) areas
- Leave all **peat** untouched, regardless of depth; **No burning**
- Uphold the **rights of local communities** or indigenous people
- Comply with **ILO conventions** on forced labour, child labour discrimination
- Abide by **rigorous anti-bribery** and **corruption** standards

## What this means:

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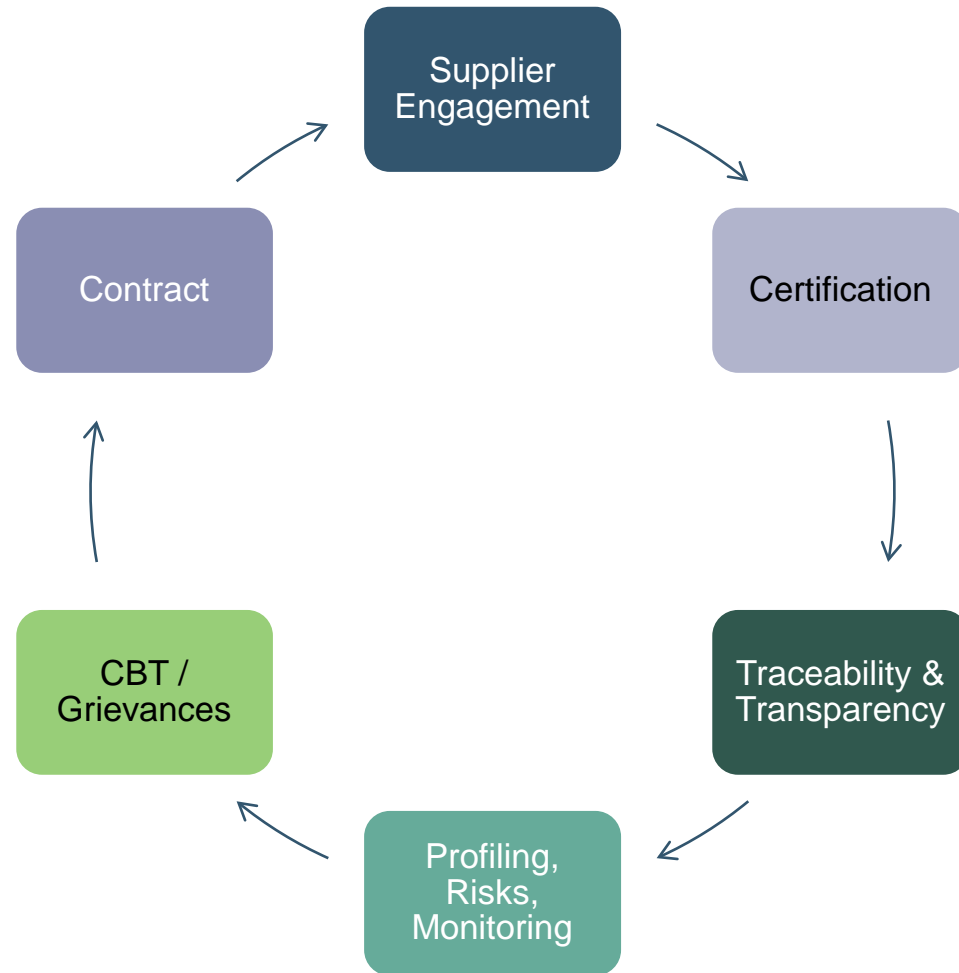
- **NDPE** in line with other major players
- **How practically to implement....**see next slide

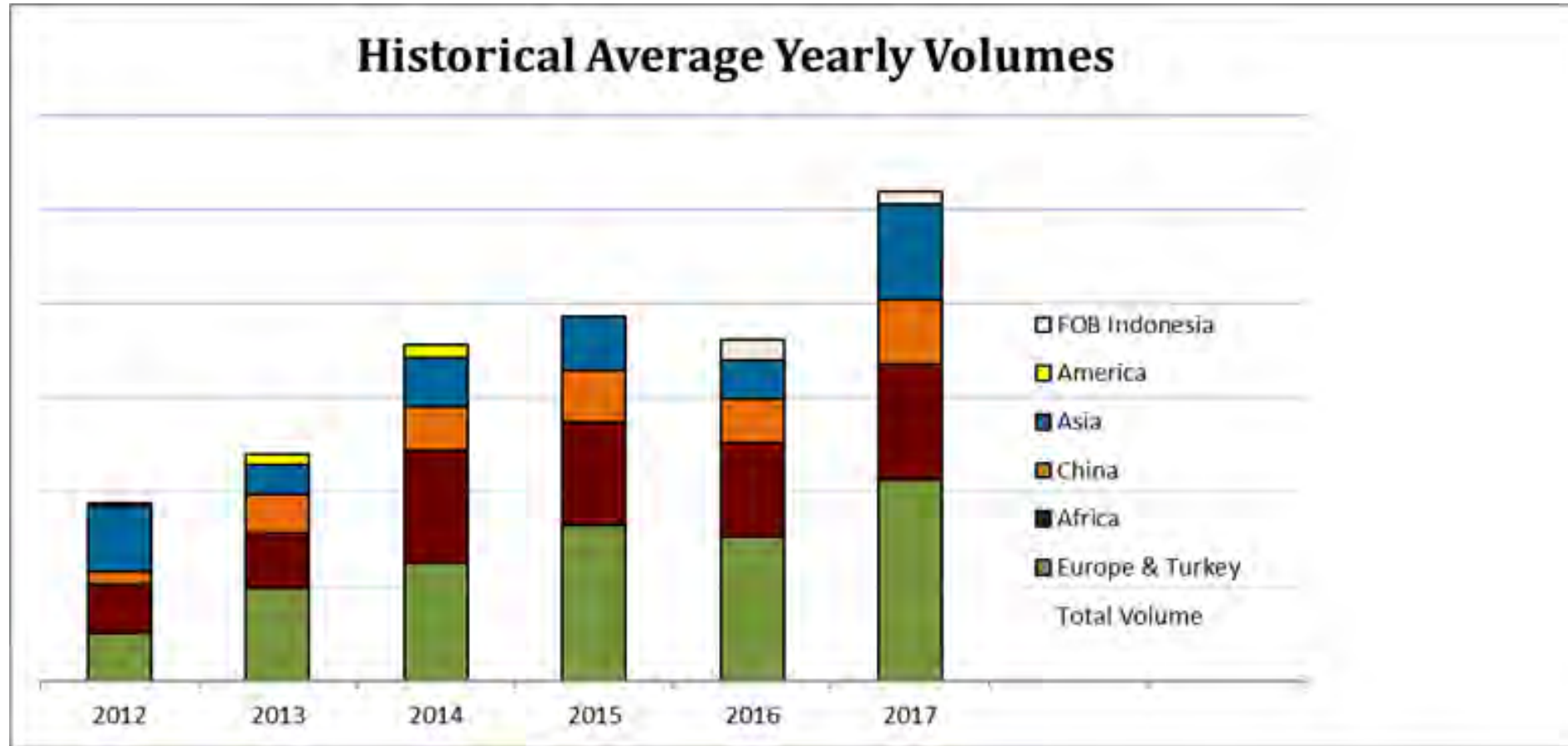
## Where communicated:

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- **Public commitment** – on Sustainability Report, Website, Banks, Customers etc.
- Traceability **reported publically** every half-year with targets

# What does Policy implementation mean in practice?



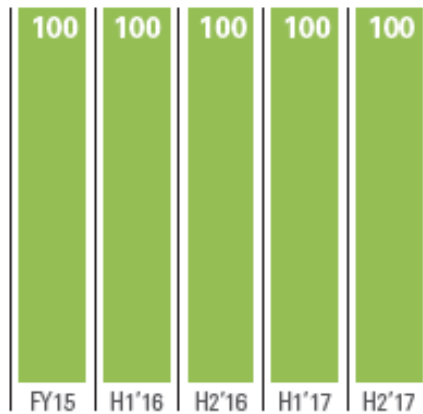




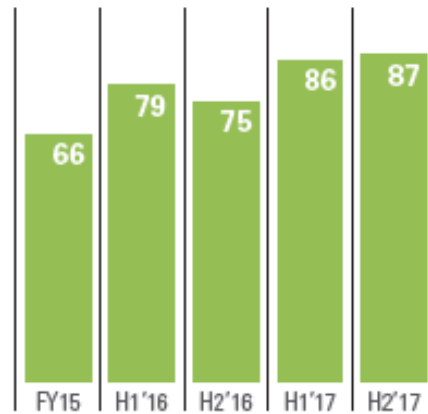
# Palm Oil Sustainability – Traceability & Certification

## LDC Traceability Progress 2015-2017

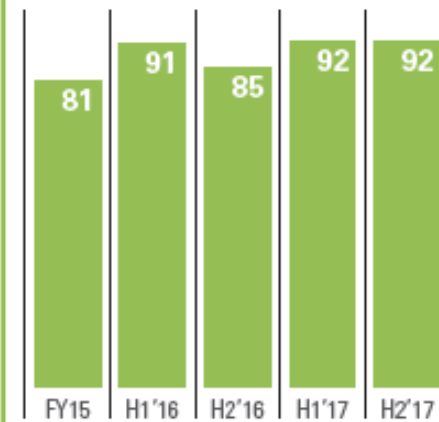
### Indonesia Refineries



### Singapore Commercial



### Global



Year	Total sales in metric tons ('000)	% year-on-year increase
2012	30	-
2013	180	500%
2014	210	17%
2015	266	27%
2016	375	41%
<b>2017</b>	<b>410</b>	<b>9%</b>

**Technology Advances** – blockchain, remote sensing, social media role, protein

**Access to Finance** – green finance and bonds, rewards and penalties, environmental footprint reduction

**Consumer Awareness** – influence of millennials, health concerns

**Global trade evolution & uncertainty** – tariffs, China Sustainable Meat Declaration