SPOTT

Summary of palm oil assessments – October 2019

Overview

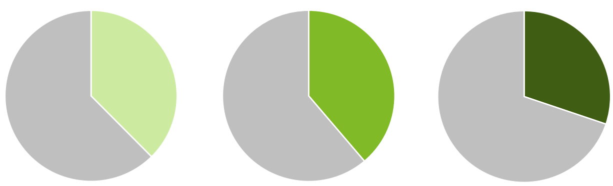
SPOTT assesses 99 palm oil producers, processors and traders on the public disclosure of their policies, operations and commitments to environmental, social and governance (ESG) best practice, to facilitate corporate engagement and increase industry transparency. We encourage stakeholders to engage with companies, as company policies and commitments may not always translate into effective implementation on the ground. SPOTT scores companies across 10 ESG categories:

	Average score: 35.2%
Sustainability policy and leadership	42.8%
Landbank, maps and traceability	33.7%
Deforestation and biodiversity	29.9%
HCV, HCS and impact assessment	35.6%
Peat, fire and GHG emissions	34.4%
Water, chemical and pest management	27.0%
Community, land and labour rights	36.5%
Certification standards	37.5%
Smallholders and suppliers	23.7%
Governance and grievances	37.7%

ZSL recognises that companies are at different stages of their sustainability journey. SPOTT assesses the transparency and content of company disclosure regarding:

Organisation: operations, assets and management structure
Policy: policies, commitments and processes to guide operations on the ground
Practice: activities undertaken to actively progress towards targets and implement policies and commitments on the ground

Average scores



Key findings

- The **average score** of companies is 35.2% in October 2019, compared to 47.9% during the last assessment of palm oil companies in November 2018.
- 21/69[1] companies assessed in 2018 saw an **increase** in their scores in 2019 – the average change in score was + 6.3%.
- 48/69 companies assessed in 2018 saw a **decrease** in their scores in 2019 – the average change in score was - 7.6%.
- Companies perform best in **Sustainability policy and leadership** (average score: 42.8%).
- There is greatest room for improvement in support and commitments relating to **Smallholders and suppliers** (average: 23.7%).
- The average score of **Roundtable on Sustainable Palm Oil (RSPO) members** (61 companies), including companies with subsidiary RSPO members, is 49.1% vs. 12.8% for **non-RSPO members** (38 companies).

Note: Indicators are disabled if they are not applicable to companies due to the nature or location of their operations.

Sustainability policy and leadership

- 56/83 companies have put in place clear **sustainability policies** that apply to all their operations. Only 45/98 companies extend their sustainability policy to **all their suppliers.**
- 57/99 companies are full members of the RSPO, and three companies have subsidiary RSPO members, but only 33/99 are members of **other external industry schemes or initiatives to improve the sustainability of palm oil production.**

Landbank, maps and traceability

- 61/83 companies report a **planted area, totalling almost 6.5 million hectares.**
- 57/83 companies report their areas **set aside for conservation or High Conservation Values (HCV) areas, totalling over 1 million hectares.**
- 17/71 companies can **trace 100% of their raw materials to the mill of origin**.
- 18/83 companies can **trace 100% of their raw materials from their own mills to the plantation of origin.** 57 companies **do not report any traceability figures.**
- 63/71 companies **can trace 0% of their raw materials from their supplier mills to the plantation of origin.** Eight companies **can trace some of their supply.**
- 20/65 companies publish some **traceability data at the refinery level.**

Deforestation and biodiversity

- 50/83 companies have a **clear commitment to zero deforestation,** and a further four companies have an unclear commitment. 42/98 companies **extend their zero deforestation commitments to all their suppliers.**
- 11/83 companies commit to **restore non-compliant deforestation/conversion.** 10/98 companies **extend a commitment to restore non-compliant deforestation/conversion to all their suppliers.**
- Four out of 99 companies provide **strong evidence of monitoring deforestation,** and a further 28 companies provide **some evidence** of monitoring deforestation, but **lack clear methodologies or timeframes.**
- 55/99 companies report implementing a **landscape or jurisdictional approach to biodiversity conservation.**

HCV, HCS and impact assessments

- 49/83 companies commit to conduct **High Conservation Value (HCV) assessments for all new development**. 37/98 companies extend their **HCV commitment to all their suppliers.**
- 17/75 companies have undertaken **HCV assessments for all estates planted since January 2015.**
- 38/83 companies have a commitment to the **High Carbon Stock (HCS) Approach.** 32/98 companies extend a commitment to the **HCS Approach to all their suppliers**.
- 32/95 companies have undertaken **social and/or environmental impact assessments (SEIA)** and have made associated **management and monitoring plans** publicly available.

[1] **One company (Noble Group) was not assessed this year because it has sold its palm oil operations.**

Peat, fire and GHG emissions

- 40/83 companies have a commitment to **no planting on peat of any depth.** A further 17 companies have weak or unclear commitments that **fail to specify all depths of peat.** 36/98 companies extend a **commitment to no planting on peat of any depth to all their suppliers.**
- 55/83 companies have a clear commitment to **zero burning**, with 43/98 companies **extending a no burning commitment to all their suppliers.**
- Five out of 83 companies disclose data relating to **monitoring and managing fires.**
- 11/95 companies have a **time-bound commitment to reduce greenhouse gas (GHG) emissions intensity**. Only three out of 95 companies **report a reduction in their GHG emissions intensity over time.**

Water, chemical and pest management

- 17/95 have a **time-bound commitment to improve water use intensity**, but no companies report **making progress towards their water use intensity commitment**.
- 11/96 companies have a time-bound **commitment to improve water quality**, but no companies report making progress towards their water quality commitment.
- 31/83 companies have a commitment to **minimise the use of chemicals**, including both pesticides and chemical fertilisers, but only 10/98 companies **extend a commitment to minimise the use of chemicals to all their suppliers**.

Community, land and labour rights

- 51/99 companies have a public commitment **to the UN Declaration on Human Rights** or equivalent. 35/98 companies **extend their commitment to all their suppliers.**
- 53/95 companies commit to the principle of **free, prior and informed consent (FPIC).** 38/98 companies **extend their commitment to all their suppliers.**
- 23/99 companies commit to support the **inclusion of women across their palm oil operations**, including addressing barriers faced. Only six out of 98 companies **extend their commitment to all their suppliers**.
- 58/99 companies commit to **respect all workers' rights**, but only 38/98 companies **extend their commitment to all their suppliers**.
- Only five out of 99 companies **report salary by gender**.

Certification standards

- Three out of 83 companies have **100% of their estates RSPO certified**, and a further 35 companies have certified **some of their estates**. 12/84 companies have **100% of their mills RSPO certified,** and a further 27 companies have **RSPO-certified some of their mills.**
- 34/99 companies are certified under **other voluntary certification schemes.**

Smallholders and suppliers

- 44/94 companies **commit to support smallholders**.
- 32/98 companies report a **clear process to prioritise, asses and/or engage suppliers on compliance** with company policy or legal requirements, with a further 10 companies **reporting a weak or unclear process**.
- 21/80 companies report having a **programme to support high risk mills to become compliant** with their sourcing policies.
- Only six out of 96 companies report **time-bound action plans for all suppliers to be in compliance** with their palm oil sourcing commitments.

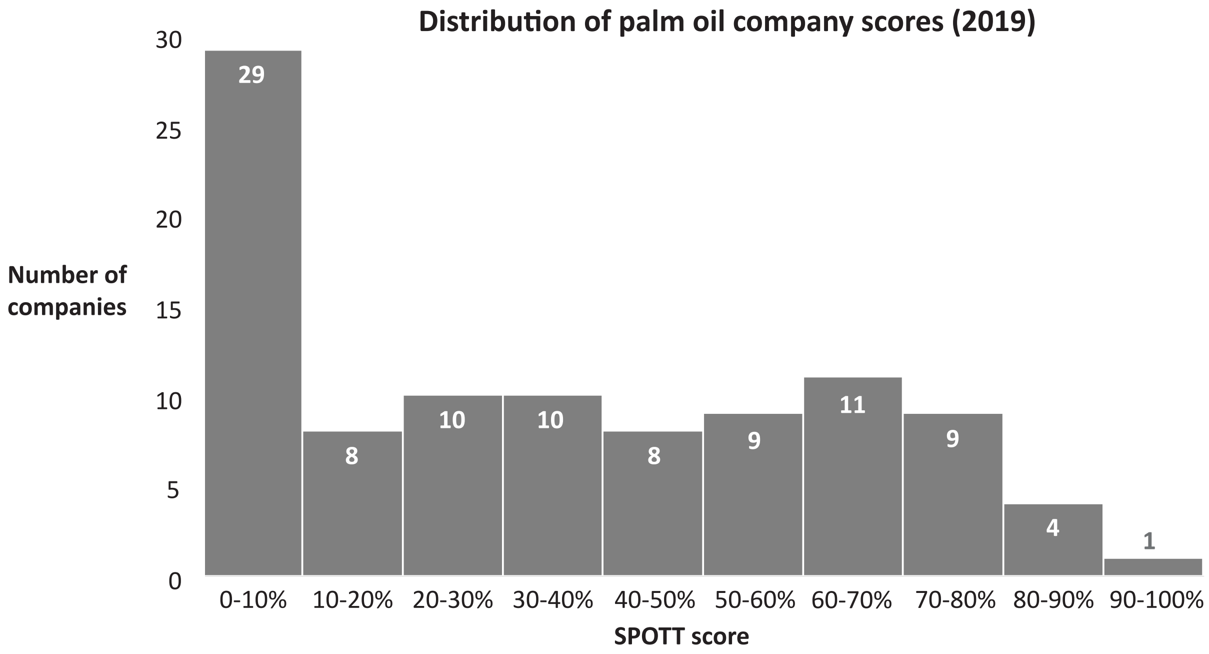
Governance and grievances

- 62/99 companies have commitments to **both ethical conduct and prohibition of corruption**, and 27/98 companies **extend their commitment to all their suppliers.**
- 41/99 companies report having a **whistleblowing procedure**.
- 41/99 companies have a **grievance or complaints system open to all stakeholders**. 26/98 companies have **disclosed details of complaints and grievances**.

October 2019 transparency scorecard: palm oil producers, processors and traders

Company	Score	Company	Score
AAK AB	53.3%	Groupe Blattner Elwyn	0%
Agritrade International Pte Ltd	10.4%	Grupo Jaremar	21.6%
AgroAmerica	65.8%	Hap Seng Plantation Holdings Bhd	65.7%
Agropalma Group	82.9%	Hayel Saeed Anam Group	4.3%
Allana Group	9.3%	IJM Plantations Bhd	48.5%
Anglo-Eastern Plantations plc	39.2%	Indofood Agri Resources Ltd	51.1%
Apical Group	72.2%	IOI Corporation Bhd	71.9%
Archer Daniels Midland Company (ADM)	53.3%	Itochu Corporation	52.3%
Asian Agri Group	69.7%	Jaya Tiasa Holdings Bhd	21.9%
Astra Agro Lestari Tbk PT	36.6%	K Global Ventures Sdn Bhd	0%
Atama Plantation Sarl	0%	Kencana Agri Ltd	29.6%
Austindo Nusantara Jaya Tbk PT	66.6%	Kharisma Pemasaran Bersama Nusantara PT	3.6%
Bakrie Sumatera Plantations Tbk PT	36.5%	Korindo Group	25.6%
Belém Bioenergia Brasil (BBB)	0%	KS Oils Ltd	1.8%
Best Group	1.3%	Kuala Lumpur Kepong Bhd	72.7%
Bewani Oil Palm Plantations Limited	2.3%	Kulim (Malaysia) Bhd	47.7%
Biopalma da Amazônia S.A.	13.3%	LLC KRC EFKO-Kaskad	19.7%
BLD Plantations Bhd (Bintulu Lumber Development (BLD) Plantations)	19.8%	Louis Dreyfus Company	44.2%
Boustead Plantations Bhd	37.7%	M.P. Evans Group plc	63.0%
Bumitama Agri Ltd	63.3%	Makin Group	0%
Bunge Ltd	70.3%	Mewah Group	52.4%
C.I. Biocosta S.A.	47.2%	Musim Mas Group PT	69.9%
Cargill Inc	61.1%	NaturAceites S.A.	37.4%
Carotino Group	44.4%	New Britain Palm Oil Ltd	89.9%
Daabon Group	93.5%	Olam International Ltd	73.3%
Danec S.A.	23.1%	Palmaceite S.A.	36.4%
Darmex Agro Group PT	0.8%	Palmas Group	30.9%
Dharma Satya Nusantara Tbk	36.7%	Peak Palm Oil plc	2.6%
Eagle High Plantations Tbk PT	45.8%	Permata Hijau Group	8.9%
Emami Agrotech Ltd	3.5%	POSCO International	18.5%
ENI SpA	28.3%	Priya Gold Oils	0%
FELCRA Bhd	9.2%	PTT Green Energy Pte Ltd	0%
Felda Global Ventures Holdings Sdn Bhd	59.1%	QL Resources Bhd	14.4%
Feronia Inc	30.0%	R.E.A. Holdings plc	75.7%
First Resources Ltd	64.1%	Reforestada de Palmas de el Peten S.A.	54.0%
GAMA Plantation	19.3%	Royal Industries Indonesia PT	1.0%
Genting Plantations Bhd	50.9%	Ruchi Soya Industries Ltd	1.8%
Glencore Agriculture B.V.	24.9%	Sampoerna Agro Tbk PT	44.7%
Glenealy Plantations Sdn Bhd	2.3%	Sarawak Oil Palms Bhd	33.1%
Gokul Agro Resources Ltd	4.0%	Sawit Sumbermas Sarana Tbk PT	50.6%
Golden Agri Resources Ltd	77.7%	Sazean Holdings	0%
Golden Plantation Tbk PT	9.7%	SIFCA Group	13.6%
Golden Veroleum (Liberia) Inc (GVL)	46.3%	Sime Darby Plantation Sdn Bhd	72.1%
Goodhope Asia Holdings Ltd	64.9%	SIPEF	75.7%
Gozco Plantations Tbk PT	5.3%	Siva Group	0%

Company	Score	Company	Score
Socfin Group S.A.	62.7%	TSH Resources Bhd	33.1%
Synergy Oil Nusantara PT (PT SON)	7.1%	Tunas Baru Lampung Tbk PT	23.5%
Tianjin Julong Group	1.0%	United Plantations Bhd	84.4%
Tradewinds Plantation Bhd	5.8%	Wilmar International Ltd	81.0%
Triputra Agro Persada Group PT	25.9%		



About SPOTT

Developed by ZSL (Zoological Society of London), SPOTT – Sustainability Policy Transparency Toolkit – is an online platform supporting sustainable commodity production and trade. By tracking transparency, SPOTT incentivises the implementation of corporate best practice. SPOTT assesses commodity producers, processors and traders on the public disclosure of their policies, operations and commitments related to environmental, social and governance (ESG) issues. SPOTT scores companies annually against sector-specific indicators, to benchmark their progress over time. Investors, buyers and other key influencers can use SPOTT assessments to inform stakeholder engagement, manage risk, and increase industry transparency.
For more information, visit **spott.org**.

About ZSL

ZSL (Zoological Society of London) is an international conservation charity working to create a world where wildlife thrives. From investigating the health threats facing animals to helping people and wildlife live alongside each other, ZSL is committed to bringing wildlife back from the brink of extinction. Our work is realised through our ground-breaking science, our field conservation around the world and engaging millions of people through our two zoos, ZSL London Zoo and ZSL Whipsnade Zoo.
For more information, visit **zsl.org**.

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