November 2017

Summary of palm oil assessments

Overview

SPOTT assesses 50 of the largest palm oil producers 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. SPOTT encourages users to engage with companies, as company policies and commitments may not always translate into effective implementation on the ground. SPOTT scores palm oil producers and traders using up to 125 indicators across 10 categories:

	Average score:	Total:
Sustainability policy and leadership	58.3%	7
Landbank, maps and traceability	58.1%	19
Deforestation and biodiversity	51.7%	12
HCV, HCS and impact assessment	49.5%	11
Peat, fire and GHG emissions	47%	17
Water, chemical and pest management	42.4%	12
Community, land and labour rights	56.9%	18
Certification standards	40.8%	18
Smallholders and suppliers	47.2%	9
Governance and grievances	55.9%	7

Average score: 50.4% Max points: 130

Key findings

- The **average score** of companies is **50.4%** in November 2017, compared to **47%** in June 2017.
- The average **change in score** is +4.6% for improvers, -1.2% for laggards, and 3.4% overall.
- Companies are performing best in the category **Sustainability policy and leadership** (average score: 58.3%), while there is room for improvement in **Certification standards** (average: 40.8%) and **Water, chemical and pest management** (average: 42.4%).
- The average score of **Roundtable on Sustainable Palm Oil (RSPO) members** is 58.9% vs. 20.2% for **non-RSPO members.**

17 / 50 companies score >66%

19 / 50 companies score 66-33%

14 / 50 companies score <33%

Sustainability policy and leadership

- Two-thirds (33/50) of companies have put in place clear **sustainability policies.** 20 companies extend their sustainability policies to all their suppliers.
- 23/50 (46%) companies have made a clear commitment to **no deforestation**, not to plant on **peatlands** and to **no exploitation.**[1]
- 39/50 (78%) companies are members of the **Roundtable on Sustainable Palm Oil (RSPO)**, but only 17/50 (34%) are members of other external industry schemes.[2]

Landbank, maps and traceability

- All the companies report a **planted area,** totalling over 5.5 million hectares (ha).
- 41/48[3] (85%) companies report their areas set aside for **conservation or High Conservation Values (HCV)** areas, totalling 791,331 ha.
- 15/19 (79%) companies with trading operations achieved > **80% traceability to mill level**.
- 14/47[4] (30%) companies have achieved **> 75% traceability to plantation** for their own mills.
- None of the companies have achieved > 75% traceability to plantation for **supplier mills,** although 8/19 (42%) companies have achieved some level of traceability.
- 46/48 (96%) companies have made at least some **estate maps** available, with 42 companies having made all their estates maps available.[5]

Deforestation and biodiversity

- 42/50 (84%) companies have a commitment to address deforestation, with 30/50 (60%) making a **no deforestation commitment**. 27 companies extend their deforestation commitment to smallholders and/or suppliers.
- 37/48 (77%) companies have a clear commitment to **set-aside areas for conservation**, with 26 reporting habitat management/restoration activities.

HCV, HCS and impact assessments

- 42/50 (84%) companies commit to the **HCV approach** in some way. 26 companies extend their HCV commitment to smallholders and/or suppliers.
- 33/50 (66%) companies commit to conducting high carbon stock assessments, with 22 committing to apply the **High Carbon Stock (HCS) Approach** for all assessments. Only eight companies have made HCS assessments publicly available to date.
- 40/50 (80%) companies commit to conducting social and/or environmental **impact assessments**, with 26/48 (54%) making at least some of these publicly available.

---

[1] Calculated based on companies having a clear commitment to no deforestation, no planting on peat of any depth and to no exploitation, including respecting all workers' rights and the rights of local communities to give or withhold Free Prior and Informed Consent (FPIC) to development on their lands.
[2] e.g. Consumer Goods Forum, Global Agri-business Alliance, High Carbon Stock Approach Steering Group, High Conservation Value Resource Network, Forum for the Future of Agriculture, Natural Capital Coalition, Palm Oil Innovation Group, The Forest Trust, Tropical Forest Alliance 2020, UN Global Compact, World Business Council For Sustainable Development, or others focused on sustainability.
[3] Two companies are solely traders and do not own land and therefore are excluded.
[4] Three companies assessed do not own mills and therefore are excluded.
[5] Companies have submitted maps to the RSPO; however, not all may be publicly available yet.

Peat, fire and GHG emissions

- 38/49[6] (78%) companies limit **planting on peat**: 25 of these have a commitment to no planting on peat of any depth.
- 41/50 (82%) companies have a clear commitment to **zero burning**, with 27 companies extending their no burning commitment to smallholders and/or suppliers. 31 companies disclose data relating to monitoring/managing fires.
- 36/50 (72%) companies aim to reduce **greenhouse gas (GHG) emissions**, while only 13 have a time-bound-plan to do so. 20/50 companies report progress on reducing GHG emissions over time.

Water, chemical and pest management

- 26/50 (52%) companies report progress on **water use**, but only 13 have a time-bound commitment to reduce its use.
- 38/48 (79%) companies are clearly implementing an **Integrated Pest Management (IPM)** approach.
- 17/48 (35%) companies no longer use **paraquat**, with a further four having a time-bound plan to phase it out.

Community, land and labour rights

- 12/50 (24%) companies do not have a public commitment to respect **human rights**.
- 42/50 (84%) companies commit to the principle of **Free, Prior and Informed Consent (FPIC)**.
- 19/50 (38%) companies clearly commit to all eight fundamental **International Labour Organization (ILO) Conventions** or Free and Fair Labour Principles.
- 36/50 (72%) companies publicly commit to paying the **minimum wage**.

Certification standards

- 29/48 (60%) companies have achieved some **Roundtable on Sustainable Palm Oil (RSPO)** certification of their mills and estates to date.
- Of these, 12 companies have **RSPO-certified** more than 75% of their mills, and only eight have RSPO-certified more than 75% of their estates.
- 27/50 (54%) companies are certified under other **voluntary certifications**, including organic certification, International Sustainability and Carbon Certification (ISSC), Sustainable Agriculture Network (SAN), Roundtable on Sustainable Biomaterials (RSB), RSPO NEXT, etc.

Average scores

RSPO members: 58.9%

Non-members: 20.2%

Smallholders and suppliers

- More companies **support scheme/plasma smallholders** (33/43; 77%) than independent smallholders (26/43; 60.5%).
- 24/50 (48%) companies report a process for prioritising, assessing and/or engaging **suppliers** on compliance with their policy and/or legal requirements, but only 17/50 (34%) of companies report on **suspension or exclusion** criteria for suppliers.

Governance and grievances

- 39/50 (78%) companies have a commitment to **ethical conduct**.
- 39/50 (78%) companies also recognise **whistle-blowers,** with 32 reporting details on their whistle-blowing procedures.
- 11/50 (22%) companies report details of **grievances** publicly.

[6] One company does not operate in a peatland landscape at all and therefore is excluded.

November 2017 transparency scorecard: palm oil producers and traders

Company	Score	Company	Score
Agropalma Group	91.4%	Kencana Agri Ltd	43.1%
Anglo-Eastern Plantations plc	23.2%	KS Oils Ltd	2.9%
Archer Daniels Midland Company (ADM)	57.2%	Kuala Lumpur Kepong Bhd	61.6%
Asian Agri Group	65.8%	Kulim (Malaysia) Bhd	56.5%
Astra Agro Lestari Tbk PT	44.3%	Louis Dreyfus Company	62%
Austindo Nusantara Jaya Tbk PT	51.9%	M.P. Evans Group plc	49.0%
Bakrie Sumatera Plantations Tbk PT	38.4%	Makin Group	18.4%
Boustead Plantations Bhd	34.3%	Musim Mas Group PT	67.8%
Bumitama Agri Ltd	72.4%	New Britain Palm Oil Ltd	93.8%
Bunge Ltd	69.0%	Noble Group Ltd	73.1%
Cargill Inc	69.9%	Olam International Ltd	77.9%
Daabon Group	95.0%	POSCO DAEWOO Corporation	31.0%
Darmex Agro Group PT	1.2%	QL Resources Bhd	12.4%
Eagle High Plantations Tbk PT	25.1%	R.E.A. Holdings plc	67.4%
Felda Global Ventures Holdings Sdn Bhd	55.8%	Sampoerna Agro Tbk PT	45.6%
First Resources Ltd	62.1%	Sarawak Oil Palms Bhd	24.2%
Genting Plantations Bhd	51.9%	Sime Darby Plantation Sdn Bhd	77.6%
Glenealy Plantations Sdn Bhd	3.3%	SIPEF	57.7%
Golden Agri Resources Ltd	82.0%	Socfin Group S.A.	65.5%
Golden Plantation Tbk PT	13.8%	Tradewinds Plantation Bhd	10.5%
Hap Seng Plantation Holdings Bhd	66.2%	Triputra Agro Persada Group PT	16.9%
IJM Plantations Bhd	50.2%	TSH Resources Bhd	33.5%
Indofood Agri Resources Ltd	68.8%	Tunas Baru Lampung Tbk PT	25.3%
IOI Corporation Bhd	74.8%	United Plantations Bhd	81.9%
Jaya Tiasa Holdings Bhd	13.8%	Wilmar International Ltd	84.5%

About SPOTT

SPOTT – Sustainability Policy Transparency Toolkit – is an online platform promoting transparency and accountability to drive implementation of environmental and social best practice for the sustainable production and trade of global commodities. SPOTT encourages users to engage with companies, as company policies and commitments may not always translate into effective implementation on the ground. For more information and to view the latest round of assessments and research protocols, visit spott.org.

About ZSL

Founded in 1826, the Zoological Society of London (ZSL) is an international scientific, conservation and educational charity whose mission is to promote and achieve the worldwide conservation of animals and their habitats. Our mission is realised through our ground breaking science, our active conservation projects in more than 50 countries and our two Zoos, ZSL London Zoo and ZSL Whipsnade Zoo.

Published: 23 November 2017