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Palm oil and deforestation:

We source palm oil predominantly from Malaysia and Indonesia, and to a lesser degree from Colombia, Brazil, Mexico and West Africa. Currently, we purchase less than 0.6% of worldwide production as the market is very fragmented.

We are concerned about the potential long-term environmental and social impacts of palm oil production, including deforestation and human rights.

We are taking steps to ensure that the palm oil we buy is produced on legally held land, does not lead to deforestation or loss of peat land, respects human rights, including land rights, and does not use forced or child labor.

Specifically, palm oil development should not take place in Primary Forest, High Conservation Value (HCV) areas, High Carbon Stock (HCS) forests, or use fire in plantation operations.

We have reviewed our approach with our palm oil suppliers and have [published an action plan](#) to give priority to supplies that meet these principles, and eliminate supplies that do not. The plan requires suppliers to achieve 100% traceability to the mill level by the end of 2015. In addition, suppliers must publish sustainable sourcing policies that meet our principles and implementation timelines by the same date.

We work with WWF to evaluate options and will report on our progress and findings annually.

While we recognize its limitations, the Roundtable for Sustainable Palm Oil (RSPO) provides the most widely supported approach to developing and enforcing standards for sustainable palm oil production. We're purchasing RSPO palm oil, covering 100% of our use since 2013 through a combination of RSPO-certified oil and Greenpalm certificates that support sustainable production.

We have supported the United Nations Development Programme (UNDP), the Government of Indonesia, and other partners to develop the Indonesia Sustainable Palm Oil (SPO) Initiative. The initiative aims to develop national capacity to promote and scale up sustainable palm oil by strengthening smallholder farmers, supporting national policy reform and reducing deforestation through public-private partnerships. The SPO is working to establish a national multi-stakeholder palm oil platform to develop strategies to address smallholder capacity building; environmental management and monitoring; governance and mediation of land titles; and strengthening the ISPO standard.