

## RB's next steps on responsible palm oil - 2017 and beyond

### Our existing commitments

Our [Natural Raw Material Sourcing Policy](#) outlines our minimum sourcing requirements and all suppliers are expected to meet these requirements.

We are committed to:

- zero deforestation
- zero development on peatlands (of any depth)
- zero exploitation of workers or communities
- being transparent on our requirements and progress with implementation

It is a contractual requirement for our palm suppliers to comply with RB's requirements and we take supplier (direct and third party) non-compliance which includes environment, safety, human rights and labour standards very seriously.

Whenever possible, our preferred approach is to engage with suppliers to try to remedy non-compliance and promote industry-wide transformation in the first instance, rather than simply switching supplier, which does not drive positive change in the industry. We have a supplier delist procedure which enables RB to formally delist suppliers should this be necessary.

Further details on our responsible palm sourcing programme can be found [here](#).

We recognise that our responsible palm oil programme is a journey and as we learn more about the challenges and complexities the industry faces our programme continues to evolve and grow. As part of our commitment to being transparent on our progress and requirements, we have set out what our focus and intended actions will be moving forward into 2017 and beyond.

### Responsible palm sourcing programme

#### 1. Supply chain traceability and due diligence

##### Supply chain traceability:

- We will continue to focus on improving supply chain traceability for the palm oil we use. We have learned over the past two years that traceability in India is complex. We will continue to work with our Indian supply chain with the aim of achieving traceability to mill for these volumes. Once mill traceability is achieved, we will work with the Forest Trust (TFT) to complete the mill environmental and social risk assessment process (including TFT's Mill Prioritisation Process (MMP) – details on this can be found [here](#)). This will include the completion of desktop risk assessments to identify mills that are a higher priority in addition to on the ground compliance assessments, where appropriate.

##### Assessment and action

- For the mill (and plantation) assessments completed to date we will continue to work with TFT and our suppliers to ensure the close out of non-compliances identified. This work will include regular progress updates with applicable suppliers and verification that non-compliances have

Reckitt Benckiser Group plc

103-105 Bath Road  
Slough, Berkshire SL1 3UH  
United Kingdom  
T +44 (0)1753 217800  
F +44 (0)1753 217899

- been closed out (including by way of on the ground assessments as appropriate).
- Working with our suppliers and NGO partners, we will continue to support the roll out of engagement workshops and training programmes for other mills identified as a higher priority and farmers under our Aggregator Refinery Transformation programme (ART). These workshops and programmes aim to engage with farmers in addressing social and environmental issues, which will enable solutions to be implemented in a more efficient manner. Further details on the Aggregator Refinery Transformation programme, can be found [here](#). We believe that engaging with farmers and working collaboratively will drive industry transformation faster.
  - In addition to working with TFT on the Mill Prioritisation Process and the rollout of the ART programmes, we will request all our palm oil suppliers to complete a human rights self-assessment. This will allow us to identify those suppliers which are a higher risk of having social issues in their supply chain. We will work in partnership with our suppliers and specialist NGO's to identify scalable ways to address issues that are identified. We aim to incorporate assessments and learnings into our MPP and ART programmes in the future.
  - Working with a key supplier and higher priority third party mill, we plan to pilot a programme that will identify specific social issues that are common in the industry. We will then work with the mill on one or more chosen issues (for example the use of personal protective equipment), to find and implement solutions that are scalable and can be rolled out across the industry.
  - We will continue to follow up on specific issues identified through any external investigations (e.g. by NGOs) that may affect our supply chain, to ensure timely remediation. This will include on the ground assessment, as appropriate.

#### Independent monitoring

- We will continue to fund an independent monitoring and verification programme, Kumacaya (formerly known as Grassroots), in which RB provides financial support through a 'blind fund' which is used by independent local NGOs, civil societies, and others, to conduct an independent monitoring and verification assessment of palm oil suppliers' commitments and delivery of actions. This programme covers both environmental and social issues.

#### 2. Working with small holder farmers

Building on the first small holder farmer programme launched in partnership with TFT in 2016, we will continue to work with our suppliers to identify and roll out another small holder farmer programme in a higher priority area of our supply chain in 2017. The aim of the small holder farmer programmes is to help improve small holder livelihoods and resilience, in addition to working together to tackle social and environmental issues associated with the cultivation of palm oil.

#### 3. Advocacy

We will continue to engage with external organisations, including NGOs, to identify opportunities for further improvements to our responsible palm oil programme.

We will continue to review our plans throughout 2017 and update these as necessary with a view to maintaining continuous improvement in our responsible palm sourcing programme.

Reckitt Benckiser Group plc

103-105 Bath Road  
Slough, Berkshire SL1 3UH  
United Kingdom  
T +44 (0)1753 217800  
F +44 (0)1753 217899