

### **1. How much palm oil do you use in your products?**

Palm oil is used by most major food and consumer goods manufacturers, and widely established as a core ingredient, for example in margarine, soap and many other products, both food and non-food. For confectionery, a very small amount of vegetable oils including palm oil are used in our products, as they are an essential ingredient for the delivery of consumer preferred taste and texture.

Cadbury are a very small user of palm oil, typically less than 0.1% of global supply. Larger FMCG consumers typically use in the range of 3-4% of global supply each.

### **2. How much of that volume is from a sustainable source?**

Cadbury will cover all the palm oil we purchased for use in our products in 2009, globally, with GreenPalm certificates and we will continue to renew these for future years to support sustainable sources.

In WWF's recent Palm Oil Buyers Scorecard we scored 24 out of 29 and came 6<sup>th</sup> out of the 59 European companies that were surveyed. This references the steps we have taken to source our palm oil sustainably.

#### **About GreenPalm**

GreenPalm is a certification system which rewards those producers that produce palm oil to certified sustainable practices (Certified Sustainable Palm Oil).

It conforms to principles and criteria laid down by the Roundtable on Sustainable Palm Oil (RSPO) that define practices for sustainable palm oil production. These include the use of appropriate best practices by growers and millers, the responsible development of new plantings and environmental responsibility and the conservation of natural resources and biodiversity.

For every tonne of palm oil produced according to RSPO criteria a producer is eligible to register for a GreenPalm certificate, and they also receive an additional premium. End users of ingredients using palm oil are able to buy these certificates, which reference exactly which producer they came from.

In this way we effectively support the development of a viable market for sustainable palm oil. This approach is also a way to help deliver sustainability and positive environmental change.

More information on both these organisations can be found at: <http://www.rspo.org/> and <http://www.greenpalm.org/site/> respectively.

### **3. Who do you source your palm oil from?**

Cadbury does not directly source any crude palm oil. Rather, we purchase palm derived products from speciality fats producers.

### **4. Do you source your palm oil via a middle trader or directly from Palm Oil companies? If you source it through a middle trader, do you know which palm oil companies supply them?**

We deal with a number of different suppliers for refined palm oil and ingredients that include refined palm oil (with 4 suppliers providing more than 70% of our annual palm requirement).

The companies involved fall into two different types: those which are vertically integrated and own some plantations; and those which do not have plantations and source from a list of qualified origins. In the first case, we deal indirectly with plantations through our relationship with their wider company which processes and refines crude palm oil and may also produce compound ingredients that contain palm oil.

**5. To avoid any confusion, question 5 has not been reproduced here because it contained references to some specific organisations not referenced in Panorama: Dying for a Biscuit**

**6. What are your plans with regard to the use of sustainable palm oil?**

**a. Have you set a deadline for when your products will contain only sustainable palm oil?**

Cadbury will cover all the palm oil we purchase for use in our products in 2009, globally, with GreenPalm certificates and we will continue to renew these for future years. GreenPalm conforms to principles and criteria laid down by the Roundtable on Sustainable Palm Oil (RSPO) that define practices for sustainable palm oil production.

We also have a road map in place for working towards a practicable segregated supply of sustainable palm oil by 2014.

**b. Have you bought any green palm certificates? If so, when did you buy them and how many?**

We will cover all the palm oil we purchased to go into our products in 2009 and in the future.

The GreenPalm system allows companies to complete their transactions of certificates for 2009 up until 31<sup>st</sup> of March 2010. The final quantity of palm oil we have used in our product for 2009 is currently being assessed.

We have agreed and pre-booked sufficient certificates to cover our palm oil usage for 2009. We have already exercised around 50% of these, and we will complete all purchases ahead of the GreenPalm deadline in March.

**c. Are you a member of the RSPO?**

Cadbury have been active Board members of the RSPO since its formation in 2004.

**d. When was the last time you updated the RSPO about your actions?**

We attended the Roundtable on Sustainable Palm Oil in Kuala Lumpur in November 2009 and we attend bi-monthly RSPO meetings. In line with the requirements of RSPO membership we will be submitting a summary of our 2009 activity shortly.

**7. Do your products that contain palm oil state that on the label? If not, why not?**

We use a number of different vegetable oils in our products, for example, coconut oil, shea oil, sunflower oil and palm oil and we describe these collectively as vegetable oils, which is in line with UK labelling requirements.

**8. Which of your products contain palm oil or palm kernel oil?**

Cadbury uses a variety of vegetable fats in small amounts in some of our products. For example in the UK we have used vegetable fats, including palm oil, in most of our products for more than 50 years. The texture and flavour created by this use of vegetable fat is generally preferred by UK consumers.

Whenever vegetable fats are present in our products this is clearly indicated on the label.

**9. We understand that the following products contain palm oil or palm kernel oil. If this is not the case please can you clearly state NO next to the product listed.**

Cadbury Dairy Milk  
Cadbury Roses