

Greenpeace
Attn.: Kiki Taufik, Annisa Rahmawati & Richard George

Reference : Letter Greenpeace dated April 17, 2019
Place / date : Wormerveer, April 19, 2019
Subject : Eliminating deforestation: follow up Dec-18 letter

Dear Kiki,

On December 19, 2018, Greenpeace wrote to Bunge asking for an update on steps taken to eliminate deforestation from our palm supply chain. We [responded](#) to that letter on January 8, 2019.

On March 1, 2018, Bunge published its Sustainable Palm Oil Policy. Bunge adopted major elements of the IOI Group sustainable palm oil policy including the implementation annex that was created by IOI group through consultation with Greenpeace in 2017. The Bunge sustainable palm oil policy and annex include specific language on elements dealing with eliminating deforestation from our supply chain. This policy and annex are leading in supplier engagement and addressing non-compliance.

Below an overview of the steps our company has taken in relation to the specific points (asks) raised in your letter dated April 17, 2019.

1. Greenpeace ask: Identified all of the producer groups in its palm oil supply chain at group level

- a. We have identified all supplier groups within our supply chain
- b. Supplier screening at group level is done with support of Aidenvironment
- c. Traceability to mill is continuously >95% for our global supply chain
- d. Traceability to plantation is now at 54% for palm oil, up by 10% points from the previous quarter. For palm kernel oil TTP is 27%
- e. Further details are reported on our [palm oil dash board](#)

2. Greenpeace ask: Obtained a complete set of concessions maps for those producers at the group level, including concessions from which you are not (yet) sourcing

- a. All direct producers group (plantation companies) are mapped at group level and monitored (supported by Satelligence, Aidenvironment and our own ArcGIS system)
- b. Aidenvironment has mapped > 80% of all palm oil concessions also covering our indirect supply chain and Aidenvironment monitors these producer groups at group level

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3. Greenpeace ask: Begun monitoring all producer groups in your supply chain at the group level

- a. BLC's entire direct supply base is monitored for Land Use Change by Satelligence (for 2 years already) and Aidenvironment at group level
- b. Our method was presented and discussed with Greenpeace
- c. Concession maps are private and confidential information. BLC will not publicly disclose concession maps of suppliers

4. Greenpeace ask: adopted a "suspend then engage" approach to producer groups clearing forests or peatland since 1 January 2019

- a. In 2017 Loders Croklaan revised its palm oil policy. In March 2018 Bunge adopted the Loders Croklaan policy. [Bunge's palm policy](#) has explicit language (implementation annex article 2.3.1, in consultation with Greenpeace) on how to deal with non-compliant suppliers
- b. Bunge's Sustainable Palm Oil Policy including the implementation annex, has the necessary elements in place to eliminate deforestation from Bunge's palm supply chain. Over the past 12 months (2018-2019) Bunge has consistently executed the grievance procedure of our policy. The results are publicly available via our [grievance list](#)
- c. Verified cases of deforestation amongst Bunge's direct supply base have resulted in suspension of that particular supplier group. For our indirect supply base we continue to actively collaborate with our trading partners to ensure our whole supply base is effectively covered by similar policies and a similar approach
- d. Bunge will focus on the execution of its current policy and implementation annex

5. Greenpeace ask: Published a protocol governing engagement with non-compliant producer groups

- a. [Bunge's palm policy](#) (March 2018) has explicit language on how to deal with breaches in policy compliance within our supply chain (article 2.3) for direct and indirect suppliers at group level
- b. [Bunge's palm policy](#) (March 2018) also addresses how to ensure policy compliance by potential new suppliers (annex article 2.5)

6. Greenpeace ask: Disclosed all non-compliant suppliers, including those identified through internal monitoring

- a. Non-compliant suppliers are listed on Bunge's [grievance list](#) that can be accessed through our palm oil dash board
- b. [Bunge's palm policy](#) (March 2018) explains our grievance procedure (annex article 2.4)

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7. Greenpeace ask: Requires suppliers that cleared forest or peatland after December 2015 to restore, conserve and protect an equivalent area

- a. Where we find existing suppliers and prospective suppliers to be non-compliant with our policy, we require an action plan that will include appropriate conservation / compensation / restoration measures where applicable (from policy annex)
- b. Our cut-off date is February 2017 (initial launch of the policy)
- c. Suspended suppliers that do not provide appropriate plans remain suspended

Kind regards,

Ben Vreeburg
Director Sustainability

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