

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

The majority of places where palm is used in our products it is used in a derivative form. Products containing palm are mainly found in bakery products, cosmetics, pies, pastries and soaps.

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

We have made a public commitment to use 100% sustainable palm oil in our products by 2015 and are full members of the RSPO and the coalition supporting an end to deforestation for palm oil.

This is a long-term project as our products use palm oil derivatives and, at present, the traceability and certification of the derivatives of palm oil are still in their infancy.

3. Who do you source your palm oil from?

We do not directly source palm oil. To ensure we achieve our target of using 100% certified sustainable palm oil by 2015 we have issued all of our suppliers with a new Code of Practice.

This code of practice sets out the way sustainable palm oil should come into the business. Tesco allows all the four RSPO approved supplier chains - including Green Palm Oil certificates. Uptake by our suppliers of sustainable oil through all four systems is being monitored on a monthly basis through our central specification database.

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?

All of our suppliers must source their palm oil and palm oil derivatives from RSPO members.

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?

By 2015 all Tesco products will use 100% certified sustainable palm oil that is fully traceable. Working with our suppliers we will start to see these products on shelf this year.

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

From 2012 Tesco will only allow our suppliers to source palm oil that is 100% traceable – so that by 2015 all palm oil in our products contain 100% certified sustainable palm oil.

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

We have not bought any Green Palm certificates directly but the palm oil used for frying oil in our Instore Bakeries will be covered by Green Palm Certificates for 2010 and the palm oil derivatives used in our Instore Bakery Teacakes and Hot Cross Buns are already covered by Green Palm Certificates.

Green palm is one of the initial solutions to create demand in the market for sustainable palm. We have issued our suppliers with a timeline and code of practice to achieve our 2015 target of having 100% sustainable palm. This code of practice sets out the way sustainable palm oil should come into the business. Tesco allows all the four RSPO approved supplier chains - including Green Palm Oil certificates. Uptake by our suppliers of sustainable oil through all four systems is being monitored on a monthly basis through our central specification database.

c. Are you a member of the RSPO?

We are full members of the RSPO and are committed to supporting its objectives. We have been engaged in a number of activities this year, including:

- Supporting the work of the Greenhouse Gas Working Group to make further improvements around the environmental standards in the RSPO to reduce the chances of deforestation and controls on CO₂ emissions;
- Joining a coalition of over 50 UK-based companies calling on the industry to stop all deforestation of rainforest and peat forests for palm oil expansion; and
- Supporting the work of Greenpalm as corporate members.
- We are founder members of the BRC /European Palm Oil working group and co fund the European Retailer representative on the RSPO executive board.

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

We sent the RSPO a progress report in November 2009.

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

We do not label palm as palm oil derivatives are used as part of a blend of vegetable oils that can be changed on a regular basis to ensure we meet the quality and price expectations of our customers.

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

The majority of places where palm is used in our products it is used in a derivative form. Products containing palm are mainly found in bakery products, cosmetics, pies, pastries and soaps.