



Palm Oil Sourcing Policy

One of our promises to you is to provide you with the better ingredients. Not only better in taste and quality, but also better in sustaining our world for the next generations to come. So you can create the pastry and sweet bakery products that your customers expect from you. Matching the increasingly more important demands on sustainability and taste.

This factsheet gives you some background information on sustainable palm oil and what our policy and achievements are on using sustainable palm oil as a better ingredient in our products.



**DON'T
PALM
US OFF**

The Global Palm Oil market

To give a little context to why sustainable palm oil is so important, some facts on palm oil:

- Palm oil is, because of product characteristics, used in many products we all buy in our local supermarket every day: margarine, cereals, but also soap and cosmetics. It is used in more than half of all packaged products today.
- Palm oil has the highest yield per hectare of any of the oil producing crops, like soy (6 times more) or sunflower (10 times more).
- Roughly 1/3 of all the vegetable oil produced in the world is palm oil and the demand for palm oil is increasing year on year.
- Over 80% of the world palm oil tonnage is produced in Malaysia and Indonesia.
- Millions of people are dependent on palm oil, as more than 1 million people work in the palm oil industry.

You can imagine that all this results in several environmental and social issues. Clearing land for palm oil plantations has led to widespread loss of rainforests. Which destroyed the habitat of several animals, including some endangered species like rhinos, tigers and orang-utans and robbed local tribes of their land and livelihood. Human rights being abused and violent conflicts over land rights. And last, but certainly not least, fueling climate change.

Roundtable on Sustainable Palm Oil (RSPO)

By making an effort to source sustainable palm oil, the palm industry can grow in the future without causing any more environmental and social issues. Creating a sustainable future for the indigenous people living in the regions where palm oil is produced and sustaining nature and climate for our future generations.

Certified Sustainable Palm Oil is produced by palm oil plantations which have been independently audited and found to comply with the globally agreed environmental standards devised by the Roundtable on Sustainable Palm Oil (RSPO).



WWF Palm Oil Buyers Scorecard

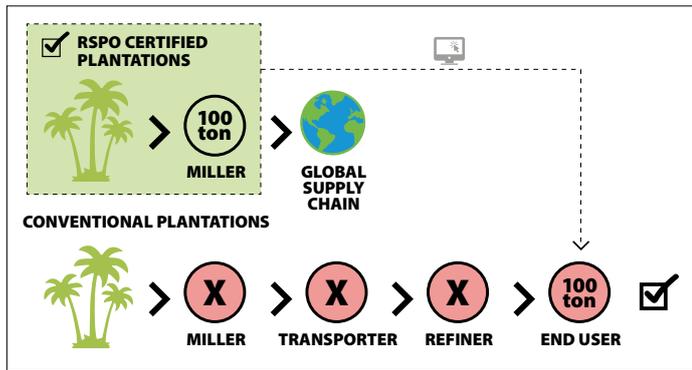
2009 WWF started ranking palm oil buying practices of major companies. First only European companies, but now on a global scale. Through this Scorecard WWF holds up a mirror to some of the big retailers and manufacturers in the world to show how they perform on sustainable palm oil sourcing.

In 2015 WWF picked Dawn Foods Germany as one of the companies to rank for the new scorecard that came out in August 2015. The fact that 16 out of 20 points were appointed on this scorecard subscribes our efforts and positive engagement on the usage of sustainable palm fat.



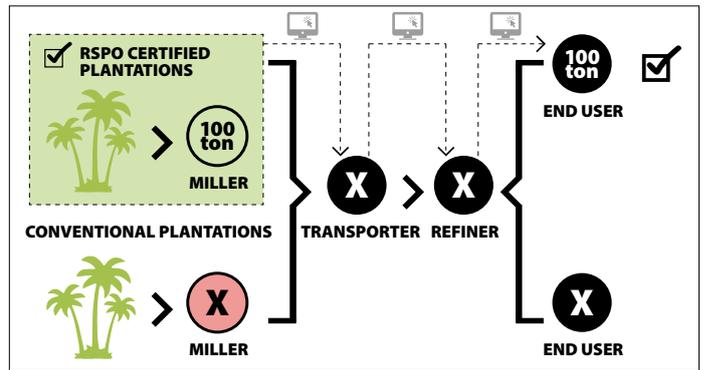
4 supply chain systems of RSPO

RSPO has 4 supply chain systems set up, with 2 certification channels: **Producer/Grower Certification** to ensure palm production or **Principle & Criteria certification** to ensure the integrity of the trade in sustainable palm oil.



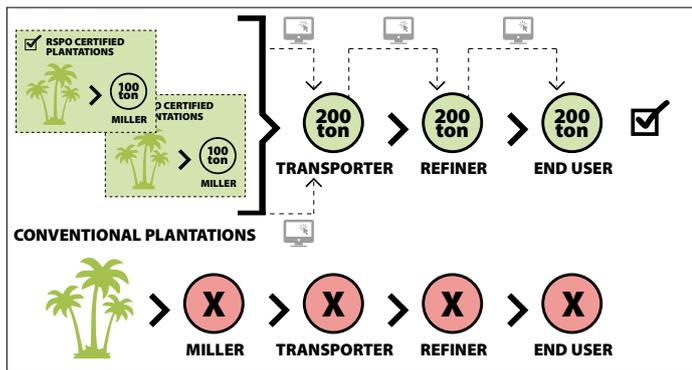
Supply chain system: 'Book and Claim'

This supply chain system 'Book and Claim' is also known as GreenPalm. Separate from the physical supply chain, RSPO certified plantations convert their tonnage into certificates, placing offers for these on the GreenPalm market. Product manufacturers purchase certificates, offsetting their physical palm oil usage.



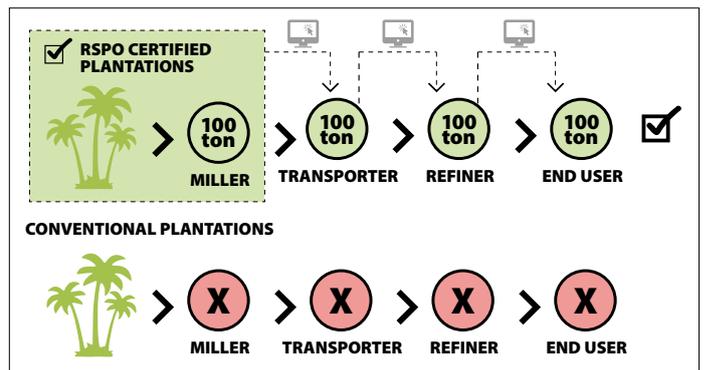
Supply chain certification system: 'Mass Balance'

Mass Balance means that mixing of certified sustainable oil with conventional oil is allowed. This is an administrative option with a piece of paper moving down the physical supply chain.



Supply chain certification system: 'Segregation'

Segregation or Segregated palm oil is certified sustainable oil that is kept separate down the supply chain, but mixing from multiple RSPO certified mills is allowed.



Supply chain certification system: 'Identity Preserved'

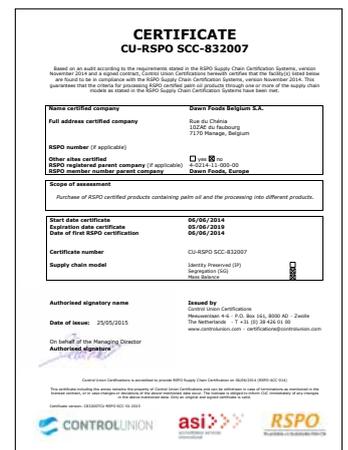
With the Identity Preserved supply chain system the certified sustainable oil is kept completely separate down the supply chain, traceable to a single plantation.

What does Dawn do?

Dawn Foods embraces the principles of RSPO and we are conscious of our responsibility. As a company committed to Sustainable Palm Oil, Dawn Foods Europe has been a RSPO member since October 2011. And we are very proud that as of the end of 2015 all operations within Dawn Foods Europe* are certified Mass Balance. Which means that we are sourcing and selling RSPO certified palm oil standard in Mass Balance quality and with increasing number of Segregated quality from 2016 on.

You will be able to see a statement on our product specifications that the product is produced with RSPO Mass Balance (or Segregated) palm oil.

*i.e. our production facilities in Evesham (United Kingdom), Manage (Belgium), Darmstadt (Germany), Palmela (Portugal), Erquinghem (France), Steenberg and Groningen (the Netherlands). For our operations in North America we are working towards mass balance.



Dawn: Creating Happiness



With the Dawn Foods palm sourcing policy, Dawn is committing to the RSPO principles:

1. Compliance with local laws and regulations
2. Protection of High Conservation Value Forests
3. Free Prior and Informed Consent
4. Protection of peat lands
5. Protection of wildlife and support local communities
6. Protection of forest areas of high carbon value

For the future we will continue to look at opportunities to make our production processes, our products and our company more and more sustainable. That is our promise to you: a little bit better every time!

Living up to our Promises, Every Day

At Dawn Foods, we want to be a little bit better every day. So that you can keep surprising your customers with exciting new flavours, with delightful, high-quality products and delicious recipes. Every day, creating happiness with:

- **Better taste**, by being experts on traditional, local recipes since 1920 and passionately exploring the world for new tastes in sweet bakery.
- **Better ingredients**, by continuously striving for better quality, as only the best quality ingredients deliver the best end result.
- **Better fit for purpose**, by always improving our solutions to fit your changing specific needs and requirements.
- **Better creativity**, by constantly providing you with endless inspiration for delicious recipes and amazing applications, based on the latest trends.

Our ultimate goal is creating happiness through sweet bakery. Therefore we provide the best ingredients so you can create and serve the best sweet pastries to your customers. That's what makes us happy!

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