

Terms of Reference

1. Background

The Retail Palm Oil Group (RPOG) is a non-competitive coalition of retail companies with the common aim of promoting the adoption of sustainable palm oil¹. Currently the group's members trade globally, although there is a predominance of companies with head offices based in Europe.

RPOG members are independently facilitated and advised by a sustainable supply chain expert company, [ETANTE](#), who also represents the group's interests and views on the Board of Governors of the Roundtable on Sustainable Palm Oil ([RSPO](#)) certification body. These terms of reference govern the operation of this group.

2. Aims & objectives

The principle aim of this group is to provide a collaborative forum that supports the transition to the production and use of sustainable palm oil in both food and non-food products used by international retailers and brands. Members are committed to sourcing sustainable palm oil in private brand products.

To achieve this, the group's aims are to:

- Provide a space to identify opportunities and risks to achieving the group's aims and objectives and to collaborate in their delivery / resolution;
- Ensure RPOG member requirements are to be reflected in RSPO production and supply chain standards and guidelines;
- Maintain knowledge on other developments and standards in sustainable palm oil;
- Accelerate market transition towards sustainable palm oil.

To deliver on these aims, the focus of the group is to:

- Engage with RSPO and other relevant standards and initiatives;
- Work with local and international stakeholders to find solutions to achieving this aim of sustainable palm oil production and usage in all growing regions;
- Share insights on technical and market developments on sustainable palm oil and innovative alternatives.

3. Compliance with competition law

All members share a commitment to ensure that the activities of the RPOG are conducted in full accordance with competition law. In order to achieve that end, all RPOG members agree that they shall not engage in any activity or conduct which could constitute a breach of competition law. More specifically, all members of the RPOG agree that they will not discuss, communicate or exchange any commercially sensitive information, including information relating to prices, marketing and advertising strategy, costs and revenues, profit margins, trading terms and conditions with third parties, including purchasing strategy, terms of supply, trade programmes, or distribution strategy.

Whilst the objective of the RPOG is to work together to develop industry level solutions to the unsustainable production of palm oil, any subsequent sourcing decisions will be made individually, according to each member's own sourcing policies or standards.

Accordingly, each member shall not:

- Discuss (whether formally or informally) or exchange any information with other members relating to:
 - The commercial terms of any contracts with suppliers or any other third parties
 - Any suppliers whose product is either approved, prohibited or preferred for inclusion in products supplied to that member;
 - Future costs or pricing trends, including in relation to palm oil (including sustainable palm oil) even if this is only speculation;
 - Constraints on capacity (either current or in future) in relation to palm oil (including sustainable palm oil) and / or the impact this could have on palm oil pricing (even at a general level); and
 - Any action it is thinking of taking in relation to requiring its suppliers not to use a particular supplier;

Accordingly, each member shall:

¹ Sustainable palm oil is defined as palm oil that is grown and certified against the RSPO principles and criteria, or equivalent standards. These stringent sustainability criteria relate to social, environmental and economic good practice.

- Only share commercially sensitive information to an independent third party who will maintain confidentiality of members' data at all times. The third party will only ever share members' information in aggregated format. The third party must only present aggregated data so it does not allow reverse engineering of the data;
- Acknowledge the competition law statement at the start of each meeting;
- Be responsible for their own compliance with competition law and must rely on its own independent legal advice.

4. Participants & responsibilities

Members:

- Expected to be members of the RSPO and comply with RSPO's Code of Conduct;
- Participation in the RPOG and access to the benefits of membership is dependent on timely receipt of relevant funds;
- Pay annual membership cost to fund professional fees and expenses of the facilitator to carry out RPOG duties as agreed at the start of each year (from September);
- Should ensure that their representative is a competent individual with commensurate professional responsibility and authority from their company to consider pertinent issues and to contribute to furthering the aims of the Group;
- Following a request from the facilitator for information or approval of policy by a stated time, an absence of a response from a member after a reasonable timeframe will be taken as tacit agreement with the RPOG group's common position;
- If members are unable to agree a common position, then this must be formally noted and circulated and will lead the facilitator to abstain from voting (or raising a sustained objection) on any external decision relating to this issue. It will then fall to each individual member company to make individual submissions on relevant topics or voting decisions externally;
- Expected to actively contribute to its objectives and priorities;
- Expected to attend x4 quarterly meetings per annum plus ad hoc calls on specific topics that may be required (either in person or by video conferencing);
- Will alert the facilitator of any press interest received on the subject which may be relevant to the Group or its individual member companies;
- The RPOG should seek to become as representative as possible of international retailers with interests in sustainable palm oil;
- Will meet in a neutral space in which competing international companies can safely discuss issues of mutual interest.

Facilitator:

- Facilitator has two key roles, to facilitate the RPOG through delivery of these Terms of Reference and to represent RPOG members on RSPO Board of Governors;
- Responsible for developing a framework for focus by the group and associated progress tracker reflecting its priorities and concerns. These documents will be reviewed during each quarterly meeting;
- Given the necessary autonomy, where circumstances require it, to take decisions on behalf of RPOG members provided these are consistent with the existing agreed policy framework;
- Will fairly and impartially represent the views of RPOG members and will keep abreast of latest relevant market developments and communicate these to members;
- Ensure effective and timely communication with members in line with the best practice agreed at the re-launch in late-2019;
- Will declare and discuss any potential conflicts of interest that might occur after appointment with the Group;
- Will actively promote the concerns of the group with interested parties and will alert members to any media interest on the subject of sustainable palm oil, which may be relevant to the Group or its individual member companies;
- Will provide a point of contact for third party organisations and the media on relevant issues. The nature of the response to any such contact will be dictated by material developed by the Group. Wherever possible, enquiries will be directed to the appropriate members of the Group;
- Will treat commercially sensitive information with confidentiality at all times, even after the expiration of the appointment;
- Will maintain an archive of relevant documentation.

5. Confidentiality

Each member shall treat all information relating to discussions obtained via their membership of the RPOG group, and which is not in the public domain, as confidential. Furthermore, confidential Information will only be used by a RPOG member for the purposes of achieving the aims described in these Terms of Reference.

Subject always to compliance with competition law and members' responsibilities under section 2 of these Terms of Reference, this duty of confidentiality shall not prevent one member from sharing confidential data with either another RPOG member or a supplier with which it is in a contractual relationship.

This duty of confidentiality shall not prevent any member from disclosing confidential information when it is under a legal duty to do so. All member information will be treated as confidential and will only be disclosed to the RPOG facilitator and the respective member, with prior approval from the respective member.

6. Membership

As at 2021, members include Ahold Delhaize, ALDI SOUTH, ASDA, Coles, Coop Switzerland, Coop UK, LIDL GB, Marks & Spencer, Migros, Sainsbury's, Tesco, Waitrose and Walgreens Boots Alliance.

7. Further information

Please contact the facilitator, Julian Walker-Palin at julian.walker-palin@ETANTE.co.uk.