

June 1, 2015

Datuk Darrel Webber, Secretary General
Roundtable on Sustainable Palm Oil
C/O RSPO Secretariat Sdn Bhd
Unit A-33A-2, Tower A, Level 33A
Menara UOA Bangsar No. 5
Jln Bangsar Utama 1 59000
Kuala Lumpur, Malaysia

Dear Mr. Webber:

We, the undersigned companies and investors representing \$5 trillion in assets under management, believe that sourcing palm oil that has been responsibly and sustainably produced is important to protect both consumer and producer companies' operations, reputations, and market access. As an international certification scheme, the RSPO is uniquely positioned to support, promote, and enforce the widespread uptake of responsible and sustainable production practices across the palm oil industry. Given current shortcomings of RSPO certification, however, purchasing RSPO Certified Sustainable Palm Oil (CSPO) does not sufficiently address critical sustainability concerns in the palm oil supply chain. We are, therefore, writing to urge the RSPO to strengthen its standards and practices to reflect best practices widely recognized as necessary to ensure palm oil is produced in a manner that does not degrade the environment or result in violations of human rights.

Companies that purchase palm oil certified by the RSPO do so out of concern that conventional palm oil production is too often associated with adverse environmental and social impacts. Unfortunately, the RSPO currently does not include protections for some of the most critical externalities of palm oil production, such as conversion of High Carbon Stock forests and expansion on peatlands, nor provide sufficient assurance that its standards are being complied with. Consequently, many companies across the palm oil supply chain have voluntarily adopted their own sourcing standards that go beyond those set by the RSPO, to ensure responsible and sustainable palm oil production. The majority of palm oil flows through the supply chain of refiners and traders committed to standards that exceed those set by the RSPO.

Expectations for sustainable palm oil production have evolved rapidly with growing recognition of the sustainability challenges facing the industry. It would be inconsistent with the imperative of addressing deforestation, peatland conversion, and human rights violations swiftly and efficiently for the RSPO to wait until 2018—as the current timeline suggests—to finalize changes to the Principles & Criteria (P&C) to address these issues.

We recognize that the RSPO plays an important role in promoting sustainability in the palm oil sector. To ensure that the RSPO remains relevant as expectations for sustainable palm oil sourcing evolve, and that the platform better reflects the commitments of its membership, we call on the RSPO to take the following actions:

- Conduct an accelerated review of the P&C and related documents. The review should include recommendations leading to adoption and implementation in 2016 of the following requirements:
 - Conserve High Carbon Stock areas;
 - Protect peat, regardless of depth;
 - Report on greenhouse gas emissions and reduction targets;
 - Ensure palm oil originates from known sources; and
- Strengthen transparency, auditing and enforcement among member companies:
 - Improve quality control measures for High Conservation Value and human rights assessments to ensure objective and rigorous auditing, verification, and grievance processes.

The undersigned investors and companies recognize that protecting forests and upholding human rights are essential for long-term business models and, consequently, investments that depend on a resilient, sustainable natural capital base. Palm oil production offers both challenges and opportunities to promote thriving, sustainable economic development. As such, we urge the RSPO to set and enforce standards for truly responsible and sustainable palm oil production.

Sincerely,

Mars, Inc

PepsiCo

The Procter & Gamble Company

Kao Corporation

Colgate-Palmolive

Johnson & Johnson Family of Consumer
Companies

Starbucks

ConAgra

Dunkin' Brands

The Kellogg Company

General Mills

Walmart

Albertsons-Safeway

Coop Switzerland

Seventh Generation

Carrefour

Thomas DiNapoli
Comptroller, New York State
New York State Common Retirement
Fund

Meryam Omi
Head of Sustainability
Legal & General Investment
Management
GES Investment Services

Allianz Global Investors

Y.K. Park
Director, Sustainability & Governance
Asia
APG Asset Management, Asia
Steve Waygood
Chief Responsible Investment Officer
Aviva Investors

Nataxis Asset Management

Peter van der Werf
Engagement Specialist
Robeco

Piet Klop
Senior Advisor, Responsible Investment
PGGM Investments

Kieran Quinn
Cllr
Local Authority Pension Fund Forum
(LAPFF)

Scott Stringer
Comptroller, New York City
New York City Office of the Comptroller

Therese Niklasson
Global Head of ESG
Investec Asset Management

Leslie Samuelrich

President
Green Century Capital Management, Inc.

Naïm Abou-Laoude
Chief Executive Officer
Candriam Investors Group

Annie Bersagel
Advisor, Responsible Investments
Kommunal Landspensjonskasse (KLP)

Dennis van der Putten
Head of ESG Research
ACTIAM

Per Lindren
Head of Manager Selection and Acting
Head of Governance
Skandia

Marieke de Leede
Director of Responsible Investment
Kempen Capital Management

Carina Lundberg Markow
Executive Officer, Corporate
Governance
Folksam

Peter Lundkvist
Head of Corporate Governance
Third Swedish National Pension Fund
(AP3)

Arne Lööw
Head of Corporate Governance
Fourth Swedish National Pension Fund
(AP4)

Ossian Ekdahl
Head of ESG
First Swedish National Pension Fund
(AP1)

Ulrika Danielson

Head of Communications & Human
Resources
Second Swedish National Pension Fund
(AP2)

Johan Strandberg
ESG Investment Specialist
SEB Investment Management

Adrian Orr
CEO
New Zealand Superannuation Fund

Mark Mills
Partner
Generation Investment Management

Tonya Wells
VP Public Policy & Federal Advocacy
Trinity Health

Susan Vickers
VP Corporate Responsibility
Dignity Health

Annelie Enquist
CEO
Skandia Fonder

Luan Steinhilber
Director of Operations and Shareholder
Advocacy
Miller/Howard Investments, Inc.

Marie Luchet
Head of SRI
Ecofi Investissements

Bill Hartnett
Head of Sustainability
Local Government Super

Robert Walker
Vice President, ESG Services & NEI
Ethical Funds
NEI Investments

Mirova

Megan Manzi
Senior Investment Administrator
Highclere

Elizabeth Pearce
Vermont State Treasurer
Vermont Pension Investment Committee
& Office of the Vermont State Treasurer

Julie Gorte
Sr. Vice President for Sustainable
Investing
Pax World Management, LLC

Neville White
Ecclesiastical Investment Management

Aaron Ziulkowski
Senior ESG Analyst
Walden Asset Management

Eric Hoterhues
Head of SRI
Triodos Investment Management

Mark Regier
Vice President, Stewardship Investing
Everence and the Praxis Mutual Funds

Jonas Kron
Senior Vice President
Trillium Asset Management, LLC

Constantina Bichta
Manager, ESG Research
Boston Common Asset Management

Blaine Townsend
Partner, Senior Portfolio Management
Nelson Capital Management, LLC

William Seddon

Chief Executive Officer
Central Finance Board of the Methodist
Church

Dominique Biedermann
CEO
Ethos Foundation

Adam Kanzer
Managing Director
Domini Social Investments, LLC

Catherine Cartier
President
Progressive Asset Management

Tim Macready
Chief Investment Officer
Christian Super

Marcela Pinilla
Director, Shareholder Advocacy

John Keenan
American Federation of State, County
and Municipal Employees (AFSCME)

Steven Scheuth
President
First Affirmative Financial Network

Phil Vernon
Managing Director
Australian Ethical Investment

Francis Sherman
Associate Director
WIM-CRI

Fr. Seamus Finn, OMI
Chief of Faith Consistent Investing
OIP Investment Trust

Timothy Brennan

Treasurer & CFO
Unitarian Universalist Association

Ann Roberts
ESG Analyst
Dana Investment Advisors

Seamus Finn
Chief FCI
OIP Trust

Seamus Finn
Missionary Oblates of Mary Immaculate

Danielle Ginach
Impact Manager
Sonnet Capital

Jeffery Perkins
Executive Director
Friends Fiduciary Corporation

Susan Ernster
Treasurer
Franciscan Sisters of Perpetual Adoration

Anselm Balk
C-QUADRAT Asset Management
GmbH

Sally Ann Brickner
Coordinator of Justice, Peace, & Integrity
of Creation
Congregation of Sisters of St. Agnes

Nora Nash
Director Corporate Social Responsibility
Sisters of St. Francis of Philadelphia

Kevin Jennings
Executive Director
Arcus Foundation

Andrew Friedman
President

AJF Financial Services, Inc.

Lisa Heinz
Chief Financial Officer
Mennonite Education Agency

Ken Jacobs
Owner, President
Colorado Sustainable Asset Management

Peter Krull
President
Krull & Company

Joy Peterson
Sinsinawa Shareholder Committee

Ruth Geraets, PBVM
Treasurer
Sisters of the Presentation

Judy Byron, OP
Director
Northwest Coalition for Responsible
Investment

Maryann Mueller
JPIC Coordinator
Leadership Team of the Felician Sisters
of North America

Lidija Marjanovic
Sustainalytics

Mauro Meggiolaro
Shareholder Engagement
Fondazione Culturale Responsabilità
Etica

William Provincial
Missionary Oblates, USA

Alessandra Viscovi
CEO
Etica SGR

Barbara King
Sisters of the Presentation of the Blessed
Virgin Mary

Sister Colleen Dauerback SSJ
Social Justice Coordinator
Sisters of St. Joseph of Chestnut Hill

Mary Beth Gallagher
Acting Director
Tri-State Coalition for Responsible
Investment

Sisters of Providence
Leadership Team