

## Scoring methodology and criteria for palm oil companies

### **Methodology:**

The Green Cats 2018 update only used sources from each company's website and from mainstream news. Thus, the Green Cats 2018 update mirrors how each company wishes to present itself to the public and it reflects the work by investigative journalists.

The Green Cats 2018 update was conducted in October 2018. All analysis was cross-checked multiple times versus each representative company's website. Data was collected and scored using the same methodology used in the Green Cats 2016 update. By using the previous methodology from 2016, results can be easily benchmarked against previous results. This benchmarking enables scoring that can demonstrate objective improvement or retrenchment versus the public criteria from 2016 to 2018.

The categories of criteria used to score each company is available in the Green Cats methodology. This Green Cats methodology uses similar criteria that other organizations such as [SPOTT](#), [Supply-Change](#), [CDP](#), and [Chain Reaction Research](#) also use to score companies.

The Green Cats methodology includes criteria used by the companies themselves to present their information publicly. For example, it is now normal for companies to transparently publishing their supply chain data demonstrating traceability from farm to mill. These company dashboards enable companies to be held accountable for their environmental and social impacts. It allows companies to demonstrate their commitment to their NDPE policies.

In some instances third party information such as third party assessments of policies have also been used to aid the scoring against the criteria if they are publicly available. In some cases information that is only accessible through password protected areas of company websites has also been used if access to these areas has been provided without discrimination (for instance access to sustainability dashboards might require registration).

For criterion 3.A, which looks at activities by companies that do not match the basic forest protection indicators and key indicators on human rights, public third party information including from NGOs has also been used.

Assessments were carried out in October 2018.

### **Scoring:**

A total of 100 points were available for each company to score. Companies indicated in green scored more than 66.6 points, companies with a score between 33.3 and 66.6 are highlighted in orange and companies with a score of less than 33.3 points are listed as red.

### **Scoring criteria:**

Crit.	Indicator	Max Pts	Guidance notes
	<b>Policy</b>		
1.A	The company has a forest policy for palm oil produced, traded or processed that applies to its global operations including all subsidiaries and joint ventures. The company also requires its suppliers to follow the policy.	8	Half points if the policy is not extended to the suppliers. No points are given if the policy does not apply to all subsidiaries and geographic location of the company.
1.B	The policy excludes the sourcing of raw materials or products originating from natural forests including both primary and secondary forests.	7	

1.C	The policy specifically excludes the sourcing of raw materials or products originating from High conservation Value (HCV) areas.	6	
1.D	The palm oil policy specifically excludes development on peat soil regardless of depth.	6	
1.E	The palm oil policy excludes the sourcing of raw materials and products from developments in High Carbon Stock (HCS) Forests.	6	
1.F	The palm oil policy excludes the sourcing of raw materials and products from lands where burning has been used to clear vegetation.	6	
1.G	The company has pledged to use (or uses) a third party for compliance verification of its Policy.	5	Half points are given if not details are provided about the third party.
1.H	The company has developed and published a non- <input type="checkbox"/> -compliance procedure that outlines thresholds for the suspension and/or cancellation of contracts with suppliers in breach of the policy.	5	Half points are given if the company says there is a procedure but fails to publish details.
1.I	The company has committed to developing a traceability system that documents palm oil back to the plantation of origin within its entire supply chain.	6	Half points point are awarded if the company is committed to only trace its palm oil to the mill level. Or do not include third party mills
1.J	The company specifically commits (and requires its suppliers to do so) to respect the rights of Indigenous Peoples' and local communities to give or withhold their Free, Prior and Informed Consent (FPIC) to development on their lands.	5	Half points given if company has a FPIC policy but this policy does not apply to all its operations including third-parties and suppliers.
1.K	The company has programs that support small holders in its supply chain with support that goes beyond purely financial considerations and the palm oil supply chain but addresses longer term development.	5	
1.L	The company has policy to reduce the environmental and health impacts of chemical pesticides and/or fertilizers.	5	
<b>Implementation &amp; Transparency</b>			
2.A	Date by which the company aims to achieve full traceability to plantation for its entire supply chain.	6	Full points are given if this date is by 2018. Half points are given if the date is 2019 or 2020. No points are given if the date is after 2020, no date is given or if the company does not commit to full traceability to plantations including for its third party suppliers.
2.B	The company or the relevant third party publishes detailed processes and results of the policy verification assessments.	6	
2.C	The company has established and published an accessible and transparent grievance and dispute resolution mechanism.	6	Half points are awarded if the process is not easily accessible (for example through an email or phone number). No points are awarded if the company claims to have a process but does not provide details of the process.

2.D	The company reports on its progress towards meeting its policy goals at least annually against measureable indicators.	6	Full points are given if the company has an explicit commitment to reporting on at least an annual basis and has published at least one implementation report and/or third-- party audit results in the past twelve months.
2.E	The company has published the names or detailed locations (that allow for coordinates to be obtained) of all palm oil mills in its supply chain	6	Half points are given if this is not yet done for all mills.
<b>Points Deductions</b>			
3.A	Points are deducted for the following (occurring since January 1, 2015). There is public evidence that since January 1, 2015 the company has in its own operations not met criteria 1.C, 1.D, 1.E or 1.J (or uses palm oil from protected areas). Or the company has sourced from suppliers that have not met these criteria. Or the company had its RSPO license revoked or suspended since that date. Or there is evidence of significant workers rights violations or social conflicts	10	Full deduction if the violations are in the company's own operations or if the RSPO certificate was suspended or terminated. Half points are deducted if the issues arose by known suppliers to the company. Half point deduction also occurs if there is recent evidence of companies not following FPIC or having workers rights violations or significant social conflicts.

## Scoring methodology and criteria for soy companies

### Methodology:

The Green Cats 2018 update only used sources from each company's website and from mainstream news. Thus, the Green Cats 2018 update mirrors how each company wishes to present itself to the public and it reflects the work by investigative journalists.

The Green Cats 2018 update was conducted in October 2018. All analysis was cross-checked multiple times versus each representative company's website. Data was collected and scored using the same methodology used in the Green Cats 2016 update. By using the previous methodology from 2016, results can be easily benchmarked against previous results. This benchmarking enables scoring that can demonstrate objective improvement or retrenchment versus the public criteria from 2016 to 2018.

The categories of criteria used to score each company is available in the Green Cats methodology. This Green Cats methodology uses similar criteria that other organizations such as [SPOTT](#), [Supply-Change](#), [CDP](#), and [Chain Reaction Research](#) also use to score companies.

The Green Cats methodology includes criteria used by the companies themselves to present their information publicly. For example, it is now normal for companies to transparently publishing their supply chain data demonstrating traceability from farm to mill. These company dashboards enable companies to be held accountable for their environmental and social impacts. It allows companies to demonstrate their commitment to their NDPE policies.

In some instances third party information such as third party assessments of policies have also been used to aid the scoring against the criteria if they are publicly available. In some cases information that is only accessible through password protected areas of company websites has also been used if access to these areas has been provided without discrimination (for instance access to sustainability dashboards might require registration).

For criterion 3.A, which looks at activities by companies that do not match the basic forest protection indicators and key indicators on human rights, public third party information including from NGOs has also been used.

Assessments were carried out in October 2018.

### Scoring:

A total of 100 points were available for each company to score. Companies indicated in green scored more than 66.6 points, companies with a score between 33.3 and 66.6 are highlighted in orange and companies with a score of less than 33.3 points are listed as red.

### Scoring criteria:

Crit.	Indicator	Max Pts	Guidance notes
	<b>Policy</b>		
1.A	The company has a forest policy for soy produced, traded or processed that applies to its global operations including all subsidiaries and joint ventures. The company also requires its suppliers to follow the policy.	8	Half points if the policy is not extended to the suppliers. No points are given if the policy does not apply to all subsidiaries and geographic location of the company.
1.B	The policy excludes the sourcing of raw materials or products originating from natural forests including both primary and secondary forests.	7	

1.C	The policy specifically excludes the sourcing of raw materials or products originating from High conservation Value (HCV) areas.	6	
1.D	The soy policy explicitly requires the company to comply with the Brazilian soy moratorium.	6	
1.E	The company specifically commits to not sourcing from other sensitive land area such as savannahs (for instance the Brazilian Cerrado).	6	
1.F	In Brazil the company commits to only buy from farms enrolled in the Rural Environmental Registry (CAR).	6	Half point if only direct suppliers as part new pre-financing contracts.
1.G	The company has pledged to use (or uses) a third party for compliance verification of its Policy.	5	Half points are given if not details are provided about the third party.
1.H	The company has developed and published a non-compliance procedure that outlines thresholds for the suspension and/or cancellation of contracts with suppliers in breach of the policy.	5	Half points are given if the company says there is a procedure but fails to publish details.
1.I	The company has committed to developing a traceability system that allows of soy back to the farm of origin.	6	Half points point are awarded if the company is committed to only trace its soy to the silo level. Or do not include third party siloes.
1.J	The company specifically commits (and requires its suppliers to do so) to respect the rights of Indigenous and local communities to give or withhold their Free, Prior and Informed Consent (FPIC) to development on their lands.	5	Half points given if company has a FPIC policy but this policy does not apply to all its operations including third-parties and suppliers.
1.K	The company has programs that support farmers or small holders in its supply chain with support that goes beyond purely financial considerations and the soy supply chain but addresses longer term development.	5	
1.L	The company has programs that support farmers or small holders in its supply chain with support that goes beyond purely financial considerations and the soy supply chain but addresses longer term development.	5	
<b>Implementation &amp; Transparency</b>			
2.A	Date by which the company aims to achieve full traceability to plantation for its entire supply chain.	6	Full points are given if this date is by 2018. Half points are given if the date is 2019 or 2020. No points are given if the date is after 2020, no date is given or if the company does not commit to full traceability to plantations including for its third party suppliers.
2.B	The company or the relevant third party publishes detailed processes and results of the policy verification assessments.	6	
2.C	The company has established and published an accessible and transparent grievance and dispute resolution mechanism.	6	Half points are awarded if the process is not easily accessible (for example through an email or phone number). No points are awarded if the company claims to have a process but does not provide details of the process.

2.D	The company reports on its progress towards meeting its policy goals at least annually against measurable indicators.	6	Full points are given if the company has an explicit commitment to reporting on at least an annual basis and has published at least one implementation report and/or third-party audit results in the past twelve months.
2.E	The company makes names or locations of the farms or silos in its supply chain public.	6	Half points are given if this is not yet done for all mills.
<b>Point deductions</b>			
3.A	Points are deducted for the following (occurring since January 1, 2015). There is public evidence that since January 1, 2015 the company has in its own operations not met criteria 1.C, or 1.E (or uses soy from protected areas). Or the company has sourced from suppliers that have not met these criteria. Or the company had its RTRS (or other certification) license revoked or suspended since that date. Or there is evidence of significant workers' rights violations or social conflicts.	10	Full deduction if the violations are in the company's own operations or if the RTRS certificate was suspended or terminated. Half points are deducted if the issues arose by known suppliers to the company. Half point deduction also occurs if there is recent evidence of companies not following FPIC or having workers' rights violations or significant social conflicts.