

## Purchase of eco-friendly, human rights-conscious RSPO-certified palm oil started for Calbee domestic group factories in July 2021

Calbee, Inc. (headquartered in Chiyoda-ku, Tokyo; Shuji Ito, President & CEO) started purchasing RSPO-certified palm oil (through the Mass Balance system<sup>\*1</sup>) for its group factories in July 2021.

Palm oil is a collective term for oil that comes from the fruit of oil palm trees. It is the world's most widely produced vegetable oil and used as an edible oil and as an ingredient for margarine, shortening, and soaps. Environmental destruction resulting from oil palm plantation development such as deforestation and biodiversity loss has been problematized. In addition, human rights violations derived from forced labor and child labor exploitation in the industry have been identified as serious social issues.

The Calbee Group uses palm oil as a cooking oil primarily for the frying process and procures approximately 40,000 tons per year. With the aim of using only 100% certified palm oil by 2030, the Group has been making preparations in stages to meet the target. This is part of its efforts to achieve environmentally friendly, sustainable procurement, which is a key theme of its sustainable business management.

- January 2020: The Calbee Group joined the Roundtable on Sustainable Palm Oil (RSPO).  
(A news release issued at the time of joining can be found at <https://www.calbee.co.jp/en/news/pdf/20200305e.pdf>)
- May 2020: The Calbee Group started purchasing RSPO Credits that are equivalent to the amount of palm oil used by its domestic factories through the Book and Claim system<sup>\*2</sup>.

\*1: Mass Balance system: A certification model in which certified palm oil is mixed with non-certified palm oil in the supply chain. Certified palm oil physically contains non-certified palm oil, but the volume of certified palm oil supplied by certified plantations is guaranteed.

\*2: Book and Claim system: A system in which RSPO Credits are traded online between palm oil producers and end-product manufacturers / sellers. The production of RSPO-certified palm oil is supported through this system under which certified palm oil producers are supported by end-users who purchase RSPO Credits based on the volume of certified palm oil produced.

By continuing to pursue the responsible procurement of ingredients (palm oil etc.), the Cable Group remains committed to contributing to the creation of a sustainable society.

### Reference: RSPO-certified palm oil supply chain

RSPO-certified palm oil is palm oil that has undergone a stringent control and supply process throughout the supply chain starting from an oil palm plantation to the production of end-products.



### About the Calbee Group

The Calbee Group embraces a corporate philosophy of “harnessing nature's gifts, bringing taste and fun, and contributing to healthy lifestyles” and a long-term vision (2030 vision) of “Next Calbee: Harvest the power of nature, Creating the future of food.” It is the Group's mission to achieve sustainable growth and a sustainable society by providing social value through its corporate activities. The Calbee Group remains committed to addressing medium- to long-term challenges facing the environment, society, and economy through co-creation with stakeholders and to practicing sustainable management that creates new shared value.

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If you have any questions about this matter, please contact: