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Roundtable on Sustainable Palm Oil

Solidaridad

Joint News Release

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BASF, The Estée Lauder Companies, RSPO and Solidaridad support Enhanced Sustainable Palm Oil Production in Lampung, Indonesia

- **313 farmers in the Way Kanan Regency, Lampung Province, Indonesia received official RSPO certification, marking the first certified smallholder group in the Regency.**
- **With the support of the Indonesian government, the program provided technical support and training to over 1,000 independent palm oil smallholders.**
- **The program fostered farmer ownership of sustainability efforts by strengthening the local cooperative and providing educational opportunities for local farmers**

Florham Park, New Jersey, USA and Ludwigshafen, Germany, November 20, 2023 – Through Project Lampung, a collaborative sustainability initiative, Solidaridad, BASF, The Estée Lauder Companies (ELC), and The Roundtable on Sustainable Palm Oil (RSPO) have made real progress strengthening the sustainable palm oil supply chain and supporting smallholder farmers. Since its launch in 2018, Project Lampung has provided technical education and training to 1,003 independent palm oil smallholders and helped 313 farmers receive official RSPO certification, the first such group in the Way Kanan Regency.

“With great pleasure, we announced the achievement of one of the primary objectives of Project Lampung, to have nearly one-third of the supported smallholder farmers achieve certification according to the Smallholder Standard of RSPO within three years.” said Marcelo Lu, BASF Care Chemicals, Senior Vice President. “The dedication and commitment of our project partners, in collaboration with the Indonesian government, have been instrumental in fostering a sustainable palm oil production supply chain in Lampung.”

This is the very first project in Way Kanan aimed at enhancing the capacity of palm oil smallholders. Before the intervention, the smallholders had limited exposure to sustainable palm oil production practices, and the cooperative did not have a strategic focus on supporting smallholders. Through a program of continuous education, these independent palm oil farmers have improved their knowledge on sustainable production, including, for example, an awareness about the importance of planting certified seedlings. The project ensured access to certified seedlings in order to support these farmers in improving productivity.

“This project has proven to be pivotal in sparking sustainable production of palm oil in the Way Kanan district. At the heart of this project are the small palm oil farmers themselves. It is only they who can transform the palm oil supply chain and we were happy to assist them with the technical support and knowledge needed to adopt climate smart production practices.” stated Yeni Fitriyanti, Country Manager for Solidaridad Indonesia. “Apart from the benefit of increased sustainable palm oil production, small farmers in Way Kanan are now able to advocate for their own interests in the supply chain.”

With the support of a strengthened cooperative the project partners worked with the Indonesian government and other local organizations to conduct a Social Impact Assessment and an Environmental Impact Assessment. They also mapped farmers' fields and uploaded all relevant data to the RSPO database to verify that no deforestation or land conversion had taken place.

“Around the world, we are committed to taking concrete action within and around our supply chain in support of sustainability and support local communities,” said Roberto Canevari, Executive Vice President, Global Supply Chain, The Estée Lauder Companies. “We are proud to collaborate with smallholder farmers and our partners at BASF, RSPO and Solidaridad to strengthen sustainability in palm oil supply chains.”

To further the impact of this project, ELC purchased 220 RSPO credits from these newly certified farmers in the Lampung region. These credits will help further fuel local farmers' incomes and livelihoods while supporting ELC's commitments to source its palm-based ingredients responsibly. Since 2015, 100% of the palm-based ingredients* ELC sourced by ELC are certified under one of RSPO's certification types.

“We are encouraged by this certification milestone that demonstrates the impact of multi-stakeholder collaboration between the private sector, civil society, and the Indonesian government in strengthening the smallholders in Lampung and ensuring their inclusion in sustainable supply chains,” stated Guntur Cahyo Prabowo, Head of Smallholder RSPO Indonesia. “Through the RSSF (RSPO Smallholder Support Fund) and the Shared Responsibility of our Members, we look forward to enabling more smallholder groups to achieve certification and realize our vision to make palm oil sustainable.

While the project was originally anticipated to take three years, it ended up taking five due to the Covid-19 pandemic. The collaboration evolved during that time to help accommodate shifting priorities for the farmers and best support them during this challenging period.

The success of Project Lampung is a testament to the power of collaboration and united efforts towards a common goal. Solidaridad, Business Watch Indonesia (BWI), BASF, The Estée Lauder Companies, and the RSPO are proud to have worked hand-in-hand with the Indonesian government to make this project a reality. Going into the future, the local cooperative has been designated as a potential partner by the Indonesian government, ensuring local ownership of these developments for years to come. Learn more about this project at [Project Lampung: Enhanced Sustainable Palm Oil Production in Lampung, Indonesia - Solidaridad Network](#).

*Excludes palm-based ingredients not directly procured by ELC, such as those procured by Third-Party Manufacturers (TPMs) and certain acquired brands not yet fully integrated into the relevant ELC systems.

About the Care Chemicals division at BASF

BASF's Care Chemicals division offers a broad range of ingredients for personal care, home care, industrial & institutional cleaning, and technical applications. We are a leading global supplier for the cosmetics industry as well as the detergents and cleaners industry, and support our customers with innovative and sustainable products, solutions and concepts. The division's high-performance product portfolio includes surfactants, emulsifiers, polymers, emollients, chelating agents, cosmetic active ingredients and UV filters. We have production and development sites in all regions and are expanding our presence in emerging markets. Further information is available online at www.care-chemicals.basf.com.

About BASF

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. More than 111,000 employees in the BASF Group contribute to the success of our customers in nearly all sectors and almost every country in the world. Our portfolio comprises six segments: Chemicals, Materials, Industrial Solutions, Surface Technologies, Nutrition & Care and Agricultural Solutions. BASF generated sales of €87.3 billion in 2022. BASF shares are traded on the stock exchange in Frankfurt (BAS) and as American Depositary Receipts (BASFY) in the United States. Further information at www.basf.com.

About The Estée Lauder Companies Inc.

[The Estée Lauder Companies Inc.](http://www.esteelauder.com) is one of the world's leading manufacturers, marketers, and sellers of quality skin care, makeup, fragrance, and hair care products, and is a steward of luxury and prestige brands globally. The company's products are sold in approximately 150 countries and territories under brand names including: Estée Lauder, Aramis, Clinique, Lab Series, Origins, M·A·C, La Mer, Bobbi Brown Cosmetics, Aveda, Jo Malone London, Bumble and bumble, Darphin Paris, TOM FORD, Smashbox, AERIN Beauty, Le Labo, Editions de Parfums Frédéric Malle, GLAMGLOW, KILIAN PARIS, Too Faced, Dr.Jart+, and the DECIEM family of brands, including The Ordinary and NIOD.

About The Roundtable on Sustainable Palm Oil

RSPO, the Roundtable on Sustainable Palm Oil, is a not-for-profit that unites oil palm producers, processors or traders, consumer goods manufacturers, retailers, banks/investors, and environmental and social non-governmental organizations (NGOs), to develop and implement global standards for sustainable palm oil. The RSPO has developed a set of environmental and social criteria which companies must comply with in order to produce Certified Sustainable Palm Oil (CSPO). The RSPO has more than 4,000 members worldwide who represent all links along the palm oil supply chain. These members have committed to produce, source and/or use sustainable palm oil certified by the RSPO.

About Solidaridad

Solidaridad is a civil society organization that makes international supply chains more sustainable. It is our mission to create a better perspective for farmers and workers in developing countries, while reducing impact on the environment. We envision a world in which all we produce and consume can sustain us, while respecting the planet, each other, and the next generations. We are an international network organization consisting of eight regional expertise centers located around the world. Solidaridad in Europe focuses on market development, policy influencing, communications, knowledge management and donor relations. We seek to inspire the private sector, governments, civil society organizations and consumers in Europe to contribute to sustainable economic development. For more information, please refer to www.solidaridad.nl or www.solidaridadnetwork.org.

BASF Media Contact:

Montserrat Franco

Tel.: +1 862-227-6465

Email: montserrat.franco-rojas@basf.com

Alexandra Spiegel-Kutschenreuter

Tel.: +49 621-60-93253

Email: alexandra.spiegel-kutschenreuter@basf.com

Estée Lauder Companies Contact:

Alyssa Kressel

Tel.: +1 347-703-6174

Email: akressel@estee.com

Solidaridad Media Contact:

Eoghan Mark Hughes

Email: eoghan.hughes@solidaridadnetwork.org