

Particulars

About Your Organisation

1.1 Member Name

Croda International PLC

1.2 Membership number

2-0024-06-000-00

1.3 Membership sector

Palm Oil Processors and/or Traders

1.4 Membership category

Ordinary

1.5 Country

United Kingdom

2.0 Does your company or organisation produce, process, consume or sell any palm oil or any products containing derivatives of palm oil?

Yes

2.1 Please select all description(s) that describe the palm oil-related activities of your company or organisation. Multiple selections are allowed, and not limited to the primary sector of the member's RSPO membership. You will be required to complete the relevant ACOP section based on your selection(s).

- I own and operate oil palm estate(s) and/or palm oil mill(s)
- I represent a palm oil Independent Smallholder farmer Group
- I own and operate independent palm oil mills
- I own and operate independent palm kernel crushing plants
- I trade or broker palm oil, palm kernel oil or related products
- I am a refiner of palm oil or palm kernel oil
- I am a processor of intermediate (B2B) palm oil, palm kernel oil or related ingredients
- I am a B2B distributor or wholesaler of palm oil, palm kernel oil or related products
- I manufacture consumer (B2C) products containing palm oil, palm kernel oil or related products. This includes products manufactured by 3rd party contractors.
- I retail consumer (B2C) products containing palm oil, palm kernel oil or related products
- I operate food retail outlets that use palm oil, palm kernel oil or related products
- I support the sustainable development of the palm oil industry as a conservation and environmental NGO
- I support the sustainable development of the palm oil industry as a social and human development NGO

Processors & Traders

1. Operational Profile

1.1 Please state your company's main activity within the palm oil supply chain.

- Refiner of CPO and PKO
- Palm Kernel Crusher
- Trader with Physical Possession
- Trader without Physical Possession
- Integrated Refiner-Trader-Processor
- Intermediate Products Producer
- Power, Energy and Biofuel Processor
- Animal Feed Producer
- Oleochemicals Producer
- Distribution & Logistics
- Other

Other

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2. Palm Oil and Certified Sustainable Palm Oil Consumption

Information in Section 2.0 - Palm Oil and Certified Sustainable Palm Oil Sourcing is a mandatory declaration in your ACOP. This includes volume data on palm oil, palm kernel oil and related products consumed of individual members, sectors and RSPO members as a whole. ACOP reports without reported volume data will be considered as incomplete and will not be accepted. Incomplete ACOP reports may lead to suspension or termination of RSPO membership.

2.1 Please include details of all certified and uncertified operations using palm oil, palm kernel oil and related products, owned and/or managed by the member and/or all entities that belong to the group.

PO & PKO derivatives are used in 14 Croda manufacturing locations in Europe, USA, Latin America and Asia. All 14 sites are RSPO Supply Chain Certified to handle Mass Balance and, in some cases, segregated materials.

2.1.1 In which markets do you sell goods with palm oil and palm oil -related products?

Europe, North America, China, India, Malaysia, Indonesia, Africa, Latin America, Rest of the World

DL.2.0 In order to facilitate ease of reporting and transparency, RSPO members operating within the palm oil demand supply chain can now choose to report palm oil and palm oil product volumes on:

an aggregate level (as in previous ACOP reporting cycles)

2.2 Volumes of uncertified and certified palm oil, palm kernel oil and related product sourced in the year

Description	Tonnes
Crude palm oil, including derivatives refined from CPO (tonnes)	35934.0
Crude palm kernel oil, including derivatives refined from CPKO (tonnes)	13290.0
Crude palm kernel expeller (tonnes)	0.0
Total	49224

2.3 Volume of RSPO-certified palm oil, palm kernel oil and related products sourced in the year (tonnes):

Description	Crude Palm Oil (CSPO) and CSPO Derivatives	Crude Palm Kernel Oil (CSPKO) and CSPKO Derivatives	Palm Kernel Expeller (CSPKE)
RSPO Credits from Mill / Crusher	0.0	0.0	0.0
RSPO Credits from Independent Smallholder	0.0	0.0	0.0
Mass Balance (MB)	26573.0	9829.0	0.0
Segregated (SG)	0.0	0.0	0.0
Identity Preserved (IP)	0.0	0.0	0.0
Total	26573.0	9829.0	0.0

2.4 According to the volume information you have provided in Question PT.2.2 and Question PT.2.3, your company's certified palm oil, palm kernel oil and related products uptake is:

73.95%

2.4.1 Please provide additional information on your certified palm oil, palm kernel oil and related products uptake calculated in PT.2.4. This may include changes due to business environment, evolving nature of operations or variations due to stock positions

In 2020 we continued our transformation to fully RSPO-certified physical supply chains, with just over 85% of our palm derivative volumes certified as we exited 2020. This covers over 100 suppliers and more than 300 raw materials into our 14 RSPO-certified manufacturing sites. Although the conversion was led by our Personal Care sector, the 85% achievement is across all our finished ingredients into all industries. Our joint venture in China, Croda Sipo, consumes four palm derivative raw materials for industrial applications which have not yet been converted but we expect this to be completed during 2021.

2.5 What is the estimated percentage of Certified Sustainable Palm Oil in the palm oil, palm kernel oil and related products sold, traded or processed by your company in the following regions:

Countries/Regions	Percentage
Europe	82.0
North America	93.0
Malaysia	100.0
Indonesia	95.0
China	30.0
India	40.0
Latin America	40.0
Africa	90.0
Rest of World	90.0

3. TimeBound Plan

3.1 Which year did your company achieve/obtain (or expects to achieve/obtain) the RSPO supply chain certification or RSPO trader/distributor licence?

2012

3.2 Which year did your company start (or expect to start) to source any RSPO-certified palm oil and oil palm products?

2012

3.2.1 If the previous target year has not been met, please explain why.

2012 was the date of the first Croda plant obtaining RSPO Supply Chain Certification to handle Mass Balance palm derivatives. By end 2018 Croda had 14 plants RSPO SCC for Mass Balance and Segregated. These plants process 99% of our volume of palm derivatives.

3.3 Which year did your company achieve (or expects to achieve) 100% RSPO certification of all palm product processing facilities.

2018

3.3.1 If the previous target year has not been met, please explain why.

The 14 RSPO Supply Chain Certified manufacturing sites process 99% of our volume of palm derivatives. All major manufacturing sites were certified by 2017. Two smaller Croda plants were additionally certified in 2018.

3.4 Year expected to only source 100% RSPO-certified palm oil and oil palm products.

2021

3.4.1 If target has not been met, please explain why.

We exited 2020 with just over 85% of our palm derivative volumes RSPO certified. by region we achieved 99% in Europe, 97.5% in the US and 100% in Singapore. Our joint venture in China, Croda Sipo, consumes palm derivative raw materials for industrial applications which had been converted but we expect this to be completed during 2021.

3.5 If the TimeBound Plan commitments declared above do not cover all countries in which the member operates, please explain why

TBP commitments apply to all countries and all industries in which we sell palm derived ingredients

4. Actions For Next Reporting Period

4.1 Please outline activities that your company will take in the coming year to promote the production or consumption of certified sustainable palm oil (CSPO)

Sustainable palm oil and its derivatives has been a material issue in our Sustainability Programme since 2011. We report progress against public targets in our annual Sustainability Report and GRI Report and currently have 4 public targets aligned to this issue. We are active members of the RSPO and regularly engage with our customers and suppliers through seminars, meetings and marketing materials to promote the sourcing and use of CSPO. We continue to work closely with our major consumer goods customers leading the market transformation in adopting physically certified CSPO ingredients. We have presented on CSPO at meetings in Europe, North America, Asia and Latin America to our customers and retailers. We continue to fully support the RSPO by publishing articles together with media interviews and taking part in a panel debates across a wide spectrum of industry. Conversion of all products in our portfolio, to all industries, using CSPO derivatives to provide our customers with certified products remains a priority. We will continue to participate in industry and country roundtables with presentations, panel debates and media interviews in promoting sustainable palm.

Shared Responsibility

The Board of Governors of the Roundtable on Sustainable Palm Oil approved new Shared Responsibility rules on 31 October 2019, requiring all members to share sustainability requirements and obligations. Reporting of Shared Responsibility indicators will be done through several channels, including ACOP. As the implementation of Shared Responsibility reporting is still on-going and in development, the Shared Responsibility section in ACOP is not yet final and may change in future ACOP cycles. For more information on Shared Responsibility, please go to <https://rspo.org/news-and-events/news/what-are-the-new-shared-responsibility-rules> or email the ACOP team at acop@rspo.org

Labour & Labour Rights

1.1 Does your company have a publicly-available policy covering Labour & Labour Rights?

Yes

1.1.1 Does the policy cover:

- No discrimination
- Wage and working conditions
- Freedom of association
- No child labour
- No harassment
- No forced or trafficked labour

Ethical Conduct & Human Rights

1.2 Does your company have a publicly-available Policy covering Ethical Conduct & Human Rights?

Yes

1.2.1 Does the policy cover:

- Recruitment
- Contractors
- Sub-Contractors & Third-Party Contractors

Land Use

1.3 Does your company have a publicly-available Policy covering Land Use?

Yes

1.3.1 Does the policy cover:

- Free Prior and Informed Consent (FPIC)
- Compensation

Occupational Health & Safety

1.4 Does your company have a publicly-available Policy covering Occupational Health & Safety?

Yes

Climate Change & Greenhouse Gas (GHG)

1.5 Does your company have a publicly-available policy covering Climate Change & Greenhouse Gas (GHG)?

Yes

1.5.1 Does the policy cover:

- Identification and assessment of GHG
- Monitored implementation plan to reduce or minimise GHG emissions

Complaints & Grievances

1.6 Does your company have a Complaints & Grievances Mechanism?

Yes

1.6.1 Is your Complaints & Grievance mechanism in line with the principles of the RSPO's grievance mechanism, which are the elements of fairness, transparency, and impartiality?

Yes

Smallholders

1.7 Does your company support oil palm independent smallholder groups?

No

1.7.3 Do you have any future plans to support oil palm Independent Smallholders?

Yes

Sustainable Palm Oil Policy

1.8 Does your company have a publicly-available Policy covering the implementation of RSPO Shared Responsibility principles?

Yes _____

Waste Management

1.9 Does your company have a waste management plan?

Yes _____

Water Management

1.10 Does your company have a water management plan?

Yes _____

Energy Use

1.11 Does your company have an energy use plan covering fossil fuels and renewable energy?

Yes _____

RSPO Services and Support

1.12 Does your company provide services and support to the RSPO, eg. participation in RSPO Working Groups and Task Forces

Yes _____

Shared Responsibility Resourcing

1.13 Does your company have a plan to commit resources to ensure effective implementation of RSPO Shared Responsibility principles?

Yes _____

Challenges and Support

1.1 What significant obstacles or challenges has your company encountered in the promotion of certified sustainable palm oil (CSPO)? What efforts has your company taken to address these obstacles or challenges?

- Awareness of RSPO in the market
- Difficulties in the certification process
- Certification of smallholders
- Competition with non-RSPO members
- High costs in achieving or adhering to certification
- Human rights issues
- Insufficient demand for RSPO-certified palm oil
- Low usage of palm oil
- Reputation of palm oil in the market
- Reputation of RSPO in the market
- Supply issues
- Traceability issues
- No challenges faced
- Others

Others

For the wide range of complex ingredients we manufacture which are derivatives of derivatives, Mass Balance is currently the only feasible way to physically support CSPO. Now most suppliers have RSPO SCC and greater awareness throughout the supply chain. We have a vigorous program for the promotion of CSPO derivatives and the uptake continues to be very significant during the reporting period. We promote the issues, our targets and activities to all of our key stakeholders, including our suppliers, customers, investors, local community and employees through our annual Sustainability Report and summary, our Annual Report & Accounts, our online GRI, our CDP Forest return and by completing the ACOP.

1.2 In addition to the actions already reported in this ACOP report, what other ways has your company supported the vision of the RSPO to transform markets to make sustainable palm oil the norm?

- Engagement with business partners or consumers on the use of CSPO
- Engagement with government agencies
- Promotion of CSPO outside of RSPO venues such as trade workshops or industry associations
- Promotion of physical CSPO
- Providing funding or support for CSPO development efforts
- Research & Development support
- Stakeholder engagement
- No actions taken
- Others

Others

We consistently support the RSPO in all our engagement with customers, press, industry meetings, NGOs, social media and across all industries. The RSPO continually strives to improve the sustainability of palm supply chains and has created the tools to do this. Over the last 9 years Croda has led the transformation in the complex derivative supply chain particularly in Home & Personal Care and other consumer businesses.

1.3 If your company has any other publicly-available reports or information regarding its palm oil-related policies and activities, please provide the links here

<https://www.croda.com/en-gb/sustainability/transparency-traceability-and-regulatory/sustainable-palm-oil>
