

## 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 the palm oil-related activity(ies) that describe your company or organisation as multiple selections are allowed. ACOP reporting is 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)
- ☐ I represent a palm oil Independent Smallholder farmer Group
- ☐ I own and operate palm oil mills
- ☐ I own and operate palm kernel crushing plants - Processors and/or Traders
- ☐ I trade or broker palm oil, palm kernel oil or related products - Processors and/or Traders
- ☐ I am a refiner of palm oil or palm kernel oil - Processors and/or Traders
- ☒ I am a processor of intermediate (B2B) palm oil, palm kernel oil or related fractions/derivatives - Processors and/or Traders
- ☐ I am a B2B distributor or wholesaler of palm oil, palm kernel oil or related products - Processors and/or Traders
- ☐ I manufacture final consumer (B2C) products containing palm oil, palm kernel oil or related products. This includes products manufactured by 3rd party contractors - Consumer Goods Manufacturers
- ☐ I retail final consumer (B2C) products containing palm oil, palm kernel oil or related products - Retailers
- ☐ I operate food retail outlets that use palm oil, palm kernel oil or related products - Retailers
- ☐ I am a conservation and environmental NGO supporting the sustainable development of the palm oil industry
- ☐ I am a social and human development NGO supporting the sustainable development of the palm oil industry

# 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.**

All Croda's major manufacturing sites are RSPO certified, currently with 15 sites across the group RSPO certified. We are working to ensure all sites are recertified 15 Certified sites : Ditton (UK), Leek (UK), Rawcliffe Bridge (UK), Atlas Point (US), Mill Hall (US), Iberchem (ES), Mevisa (ES), Campinas (BR), Sipo (CN), Crodarom (FR), Chocques (FR), Alban Muller (FR), Sederma (FR), Thane (IN), Singapore (SG), Solus/Croda Korea (KR) , Shiga (JP),

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, 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 Total volume of RSPO-certified (IP, MB, SG and RSPO Credits/Book and Claim) and Non RSPO-certified palm oil, palm kernel oil and related product sourced in the year**

<b>Description</b>	<b>Tonnes</b>
Crude palm oil, including derivatives refined from CPO (tonnes)	29852.35
Crude palm kernel oil, including derivatives refined from CPKO (tonnes)	11385.73
Crude palm kernel expeller (tonnes)	0.00
<b>Total</b>	<b>41238.08</b>

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

<b>Description</b>	<b>Crude Palm Oil (CSPO) and CSPO Derivatives</b>	<b>Crude Palm Kernel Oil (CSPKO) and CSPKO Derivatives</b>	<b>Palm Kernel Expeller (CSPKE)</b>
RSPO Credits from Mill / Crusher	0.00	0.00	0.00
RSPO Credits from Independent Smallholder	0.00	0.00	0.00
Mass Balance (MB)	29368.83	7089.27	0.00
Segregated (SG)	0.00	0.00	0.00
Identity Preserved (IP)	0.00	0.00	0.00
<b>Total</b>	<b>29368.83</b>	<b>7089.27</b>	<b>0.00</b>

**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:**

88.41%

**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 2023 88.41% of our global palm derivatives consumption was RSPO physically certified by Mass Balance. In Europe and the Americas, we achieved 100% and 99.55% transformation to RSPO. We continue to face challenges completing the conversion to 100% RSPO across the group primarily due to slow market progress in Asia.

**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	100
North America	99
Malaysia	100
Indonesia	100
China	3
India	98
Latin America	99
Africa	0
Rest of World	88

### 3. TimeBound Plan

**3.1 Which year did your company achieve (or expects to achieve) 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 the end of 2018, Croda had 14 plants RSPO SCC for mass balance and segregated. Now 16 sites with an acquisition in 2023. These plants process 99% of our palm derivatives volumes.

**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 16 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 and a further acquired company added to Croda Group membership in 2021.

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

2025

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

Our biggest challenging continues to be conversion to RPSO in China due to lack of availability. For all our main manufacturing sites across the group, we are expected to be 100% RSPO by the end of the year.

**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)

- ☒ Participation in RSPO Working Group or Task Forces
- ☒ Support Independent Smallholders (ISH)
- ☐ Contribute to the RSPO Smallholder Trainer Academy
- ☐ Financial contribution to the RSPO Smallholder Support Fund
- ☒ Direct investments in Smallholder Certification projects
- ☒ Involvement/direct investments in Jurisdictional/Landscape approach
- ☒ Direct/collective investments in conservation and restoration initiatives
- ☒ Financial contribution to support members with Remediation and Compensation (RaCP) process, direct/collective investments in conservation and restoration initiatives
- ☐ Allocating FTE to promote the production or consumption of certified sustainable oil palm products
- ☒ Specific policies and action plans by the member to promote CSPO production or consumption in the upstream or downstream supply chain, including target dates or broader policies that include such efforts
- ☐ No activities planned
- ☒ Others

Other

Working with Action for Sustainable Derivatives (ASD) we support the Impact Fund Initiative, to build an enabling environment for sustainable palm oil production at scale while empowering local communities. The Fund has officially begun supporting the Inobu-led Mosaik Initiative, which is focused on finding ways to sustainably restore the land scape and drive economic growth in two of the largest palm producing districts in Central Kalimantan, Indonesia – Seruyan and Kotawaringin Barat. Contributing ASD members source on average 8% of their palm derivatives from Central Kalimantan. With the help of Inobu, the two districts, which cover an area almost as large as Belgium, are developing ways to restore forest ecosystems while protecting the remaining forests. Among other activities, the project will: - create a jurisdictional farmers association for agroforestry products to increase heir value and encourage local communities to protect and restore natural forests in their villages; - provide upfront financing and technical support for smallholders' sustainable farming practices and RSPO certification; and establish programs to ensure all palm oil production is aligned with sustainability principles and criteria. We have RSPO Supply Chain Certified plants in all regions in which we operate: Europe, Asia, North America and Latin America together with global distribution of our products. This reflects our corporate target to support the physical supply chains for CSPO derivatives as a global issue. Supporting RSPO Certification and physical supply chains is a material issue with time bound corporate targets which are publicly stated on our website and sustainability report. During the reporting period We have participated many industry presentations, panel debates, media interviews and articles on the issues around sustainable palm.

## 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

During the period of our report, we encountered some obstacles in terms of supply due to the unavailability of certain RSPO SCC derivatives, particularly in Asia. Considering the diverse range of complex ingredients that we produce, many of which are derivatives of derivatives, Mass Balance is currently the only practical option to physically support CSPO. Although not all of our suppliers have RSPO SCC, the number is gradually increasing as awareness spreads throughout the supply chain. Croda has a robust initiative aimed at promoting the use of CSPO derivatives, and during the reporting period, we observed a significant uptake of this approach. We make sure to communicate the relevant issues, targets, and activities to all of our key stakeholders, including our suppliers, customers, investors, local community, and employees through various channels, such as our annual Sustainability Report and summary, our Annual Report & Accounts, our online GRI, our CDP Forest return, and the completion of 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?**

- ☒ Communication and/or engagement to transform the negative perception of palm oil
- ☒ Engagement with business partners or consumers on the use of CSPO
- ☒ Engagement with government agencies
- ☒ Engagement with peers and clients
- ☒ Promotion of CSPO through off product claims
- ☒ 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 10 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/procurement-and-sustainable-sourcing>