

Particulars

About Your Organisation

1.1 Name of your organization

Innospec Inc.

1.2 What is/are the primary activity(ies) or product(s) of your organization?

- Grower
 - Processor and/or Trader
 - Consumer Goods Manufacturer
 - Retailer and/or Wholesaler
 - Bank and/or Investor
 - Social and/or Development NGO
 - Environmental and/or Conservation NGO
 - Supply Chain Associate
 - Affiliate
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1.3 Membership number

2-0415-13-000-00

1.4 Membership category

Palm Oil Processors and/or Traders

1.5 Membership sector

Ordinary

Processor and/or Trader

1. Operational Profile

1.1 Please state your main activity(ies) within the palm oil supply chain. Please select the option(s) that apply to you

- Refiner of CPO and PKO
- Trader with physical possession
- Trader without physical possession
- Palm kernel crusher
- Food and non-food ingredients producer
- Power, energy and biofuel
- Animal feed producer
- Producer of oleochemicals
- Distributor and wholesaler
- Other

Other:

2. Palm Oil and Certified Sustainable Palm Oil Use

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

Manufacture of specialty chemicals for the Personal Care, Home Care, Agrochemical, Mining and Construction markets.

2.1.1 In which markets do you sell goods containing palm oil and oil palm products?

Applies globally

2.2 Volumes of palm oil and oil palm products

2.2.1 Total volume of crude and refined palm oil handled/traded/processed in the year (tonnes)

N/A

2.2.2 Total volume of crude and refined palm kernel oil handled/traded/processed in the year (tonnes)

N/A

2.2.3 Total volume of palm kernel expeller handled/traded/processed in the year (tonnes)

N/A

2.2.4 Total volume of other palm-based derivatives and fractions handled/traded/processed in the year (tonnes)

N/A

2.2.5 Total volume of all palm oil and oil palm products used in the year (tonnes)

N/A

2.3 Volumes of palm oil and oil palm products certified

Description	Crude and Refined Palm Oil	Crude and Refined Palm Kernel Oil	Palm Kernel Expeller	Other palm-based derivatives and fractions
2.3.1 RSPO Credits from Mill / Crusher	N/A	N/A	N/A	N/A
2.3.2 RSPO Credits from Independent Smallholder	N/A	N/A	N/A	N/A
2.3.3 Mass Balance (MB)	N/A	N/A	N/A	N/A
2.3.4 Segregated (SG)	N/A	N/A	N/A	N/A
2.3.5 Identity Preserved (IP)	N/A	N/A	N/A	N/A
2.3.6 Total volume (tonnes)	N/A	N/A	N/A	N/A

2.4 Volume sold in the year that is RSPO-certified (tonnes):

Description	Crude and Refined Palm Oil	Crude and Refined Palm Kernel Oil	Palm Kernel Expeller	Other palm-based derivatives and fractions
2.4.1 Mass Balance (MB)	N/A	N/A	N/A	N/A
2.4.2 Segregated (SG)	N/A	N/A	N/A	N/A
2.4.3 Identity Preserved (IP)	N/A	N/A	N/A	N/A
2.4.4 Total volume (tonnes)	N/A	N/A	N/A	N/A

2.4.5 How much RSPO-certified products have you sold under other schemes (tonnes)?

N/A

2.4.6 How much RSPO-certified products have you sold as conventional (tonnes)?

N/A

2.5 What is the percentage of Certified Sustainable Palm Oil in the total palm oil products sold by your company in the following regions:

2.5.1 Africa

0%

2.5.2 Oceania

0%

2.5.3 Europe

98%

2.5.4 North America

1%

2.5.5 Latin America

0.5%

2.5.6 Middle East

0%

2.5.7 China

0%

2.5.8 India

0%

2.5.9 Indonesia

0%

2.5.10 Malaysia

0%

2.5.11 Rest of Asia

0.5%

3. Time-Bound Plan

3.1 Year of first supply chain certification (planned or achieved).

2014

3.2 Year started/expected to start to handle/trade/process any RSPO-certified palm oil and oil palm products.

2014

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

-

3.3 Year expected to achieve 100% RSPO certification of all palm product processing facilities.

2015

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

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3.4 Year expected to only handle/trade/process 100% RSPO-certified palm oil and oil palm products2023

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

2014 saw the introduction of RSPO MB certified material into our supply chain enabling us to offer and promote RSPO MB certified products to our customers. Since this time we have seen a gradual increase in the quantity of RSPO MB certified materials handled by our manufacturing facilities and the demand for certified products from our customers. Customer demand continues to increase though more slowly than expected. As the availability of CSPO and CSPKO in the market increases and more of our customers move over to RSPO MB certified products, this will over time, result in the gradual increase in the quantity of CSPO and CSPKO raw materials purchased by Innospec to meet demand. RSPO MB certified versions of all applicable Innospec manufactured products are now available to our customers. We will continue to promote the availability of RSPO MB Certified products to our customers and encourage our suppliers to offer CSPO and CSPKO raw materials to meet our new 2023 target date of only processing 100% RSPO certified PO and PKO raw materials and products.

3.5 Which countries do these commitments cover?

Austria , Brazil , Canada , China , Cyprus , France , Germany , Greece , Hungary , India , Italy , Korea, South , Singapore , South Africa , Spain , Switzerland , United Arab Emirates , United Kingdom , United States

3.6 How do you proactively promote RSPO and RSPO-certified sustainable palm oil and oil palm products to your customers?

Sustainable and ethical sourcing of raw materials to enable the supply of sustainable products (which includes RSPO certified palm and palm based derivative based products) to our customers continues to be a focus area of Innospec's sustainability program. We promote our sustainability strategy, focus areas, activities and progress on our web site and also in our annual Responsible Business Report.

We promote our membership of RSPO, our RSPO certified facilities and our commitment to obtaining PO & PKO derived materials from RSPO certified sources and companies on both our web site and in our annual report. Innospec's annual report is proactively distributed to our customers and is also publically available on our web site.

Innospec now offer RSPO MB certified versions of all Innospec manufactured PO & PKO based products. These are clearly promoted in our product guides and product data sheets which are available to our customers.

In 2018 we continued to work with our sales teams, distributors and a number of our suppliers to promote RSPO and the availability of RSPO certified products. We provided our sales teams and global distributors with specific training on the RSPO certification process, its requirements and details of available RSPO certified products to enable them to promote to customers. In addition, where applicable, we have encouraged any distributors who are not members of RSPO to join.

4. Trademark Use**4.1 Do you use or plan to use the RSPO Trademark on your own brand products?**No

4.2 Please select the countries where you use or intend to apply the Trademark-

4.2.1 Please state the year when you began or plan to begin to apply the Trademark-

4.3 Please explain why

- Challenging reputation of palm oil
- Confusion among end-consumers
- Costs of changing labels
- Difficulty of applying for RSPO Trademark
- Lack of customer demand
- Limited label space
- Low consumer awareness
- Low usage of palm oil
- Risk of supply disruption
- Others

Other:

Innospec are not an end-consumer goods manufacturer and as such we do not use the RSPO trademark on our own brand products. We do use the RSPO MB trademark in our B2B promotional materials, e.g. Product brochures & product data sheets and corporate communications eg our web site and annual Responsible Business Report.

5. Actions for Next Reporting Period**5.1 Outline activities that you will take in the coming year to promote the use of RSPO-certified palm oil and oil palm products along the supply chain.**

Sustainable and ethical sourcing of raw materials to enable the supply of sustainable products (which includes RSPO certified palm based products) to our customers will continue to be a focus area of Innospecs sustainability program. We will continue to promote our activities and progress in this area on our web site and also in our annual Responsible Business Report.

We will continue discussions and encouragement with those suppliers who are not currently able to offer CSPO and CSPKO derivatives and will identify alternative CSPO / CSPKO supply options where required. We will communicate our progress in our efforts and promote our CSPO / CSPKO products to our customers as they become available for purchase through our, product guides, promotional literature, one to one customer visits, trade events and on our corporate web site. In 2019 we offer our distributors, customers and suppliers with training and support on our RSPO activities, the supply chain certification process and our certified product ranges.

During 2018 we began a project using an external and independent third-party, to increase the transparency and understanding of our palm based raw material supply chain to identify our key sourcing geographical regions. We will repeat the exercise again in 2019. Our long term aim being to;

- engage our direct and indirect suppliers towards sustainable sourcing
- monitor the compliance with Innospecs palm policy which includes zero deforestation
- obtain supply chain transparency back to the mills
- to monitor and mitigate the risks identified in the supply chain
- promote progress on our web site with all our stakeholders.

6. Non-Disclosure of Information

6.1 Information in the sections above are mandatory declarations in your ACOP. For confidentiality purposes, members may choose not to display volume data in Section 2 publicly; however, RSPO reserves the right to utilise the member's data on an aggregate basis for sectoral and total analysis. Please check this box if the member chooses to have the data in Section 2 displayed publicly.

No - Redact volume data

7. Application of Principles & Criteria for all member sectors

7.1 Regarding your company's sourcing, handling or trading, do you have organisational policies that are in line with the RSPO P&C? Select all relevant options.

7.1.A Water, land, energy and carbon footprintsFile: [Innospec Responsible Business Report 2017.pdf](#)Link: https://innospecsustainability.com/images/content/latest-report/Innospec_Responsible_Business_Report_2017.pdf

7.1.B Land use rightsFile: [Sustainable Sourcing of Palm Oil and Palm Kernel Oil Policy Feb 2018.pdf](#)Link: <http://www.innospecinc.com/images/csr/sustainable-sourcing-of-palm-oil-and-palm-kernel-oil-policy-feb%202018.pdf>

7.1.C Ethical conduct and human rightsFile: [Innospec Responsible Business Report 2017.pdf](#)Link: <https://www.innospecinc.com/about-us/corporate-governance>

7.1.D Labour rightsFile: [Sustainable Sourcing of Palm Oil and Palm Kernel Oil Policy Feb 2018.pdf](#)Link: <http://www.innospecinc.com/images/csr/sustainable-sourcing-of-palm-oil-and-palm-kernel-oil-policy-feb%202018.pdf>

7.1.E Stakeholder engagementFile: [Innospec Responsible Business Report 2017.pdf](#)Link: <https://innospecsustainability.com/our-approach/engagement-and-materiality>

7.1.F None of the above. Please explain why.

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7.2 What best practice guidelines or information has your organisation provided in the past year to facilitate the uptake of RSPO-certified sustainable palm oil and oil palm products? What languages are these guidelines available in?

During 2018 we have issued a new Sustainable Sourcing of Palm Oil and Palm Kernel Oil Policy and published this on our web site. We have continued to provide stakeholders with specific training and guidance on the RSPO certification process and its requirements, encouraging them to become members of RSPO and promote the sales of our RSPO MB certified products. This has included details of RSPO MB certified products in our product guide and product data sheets. We have worked with our suppliers to provide guidance and information on becoming RSPO MB supply chain certified where support was needed. Information is currently provided in English.

8. Greenhouse Gas (GHG) Footprint**8.1 Are you currently reporting any GHG footprint?**

Yes

8.1.1 Please upload your publicly available GHG reportFile: [Innospec Responsible Business Report 2017.pdf](#)Link: <https://innospecsustainability.com/environment>

8.1.2 OR please insert the URL to the GHG section of your corporate website.Link: <https://innospecsustainability.com/environment>

8.2 Please explain and justify why you are not calculating your GHG footprint. Please include any future plans you may have to calculate your GHG footprint.

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8.3 What methodology are you using to calculate your GHG footprint?

UK DEFRA emission conversion factors for green house gas company reporting which is externally verified by an independent 3rd party to AA1000.

9. Support for Oil Palm Smallholders**9.1 Are you currently supporting any oil palm Independent Smallholder groups?**

No

9.2 How are you supporting them?

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

Yes

9.2.2 If yes, when do you plan to start your support for oil palm Independent Smallholders?

2021

10. Challenges**10.1 What significant economic, social or environmental obstacles have you encountered in the production, procurement, use and/or promotion of CSPO and what efforts did you make to mitigate or resolve them?**

- 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
 - Others
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Other:

The number of our suppliers who are certified is increasing however the accessibility of MB CSPO / CSPKO derivatives in the form of Oleo chemicals still remains limited due to demand exceeding availability. Certified raw materials that are available are offered at an excessively high premium charge which hinders the uptake of these certified products. Customer demand continues to increase though more slowly than expected. We continue to work with our suppliers and customers to address both these obstacles and increase awareness of CSPO.

10.2 In addition to the actions already reported in this ACOP how has your organisation supported the vision of RSPO to transform markets in other ways?

- Engagement with business partners or consumers on the use of CSPO
- Engagement with government agencies
- Promotion of CSPO outside of RSPO venues eg trade workshops industry associations
- Promotion of physical CSPO
- Providing funding or support for CSPO development efforts
- Research & Development support
- Stakeholder engagement
- Others

Other:

We have engaged with our stakeholders through the communication of our membership, commitment and progress in our annual Responsible Business Report and web site. Our aim of obtaining PO & PKO derived materials from RSPO certified sources is being progressed through our continued work with our suppliers and customers through an open dialogue and bus to bus education and outreach.

During 2018 we began a project using an external and independent third-party, to increase the transparency and understanding of our palm based raw material supply chain to identify our key sourcing geographical regions. We will repeat the exercise again in 2019. Our long term aim being to;

- engage our direct and indirect suppliers towards sustainable sourcing
- monitor the compliance with Innospecs palm policy which includes zero deforestation
- obtain supply chain transparency back to the mills
- to monitor and mitigate the risks identified in the supply chain
- promote progress on our web site with all our stakeholders.

10.3 Please attach or add links to any other information from your organisation on your policies and actions on palm oil

Further details of Innospec sustainability activities can be found on our web site at <https://innospecsustainability.com> and our sustainable palm policy at

<http://www.innospecinc.com/images/csr/sustainable-sourcing-of-palm-oil-and-palm-kernel-oil-policy-feb%202018.pdf>

Note: Membership of RSPO is held under the group name of Innospec Inc.. Innospec Ltd, Innospec Active Chemicals LLC, Innospec Deutschland GmbH, Innospec Performance Chemicals Spain S.L, Innospec Performance Chemicals Italia s.r.l, Innospec Performance Chemicals France S.A.S and Innospec Performance Chemicals BVBA are all subsidiary companies of Innospec Inc.