

Particulars

About Your Organisation

1.1 Name of your organization

Novozymes A/S

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
-

1.3 Membership number

2-0712-16-000-00

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.

Novozymes' production facilities in Denmark, USA, Brazil and China

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)

1,051.00

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

0.00

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

0.00

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

0.00

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

1,051.00

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	18	-	-	-
2.3.2 RSPO Credits from Independent Smallholder	-	-	-	-
2.3.3 Mass Balance (MB)	510	-	-	-
2.3.4 Segregated (SG)	523	-	-	-
2.3.5 Identity Preserved (IP)	-	-	-	-
2.3.6 Total volume (tonnes)	1051	-	-	-

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)	-	-	-	-
2.4.2 Segregated (SG)	-	-	-	-
2.4.3 Identity Preserved (IP)	-	-	-	-
2.4.4 Total volume (tonnes)	-	-	-	-

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

0.00

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

0.00

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

0%

2.5.4 North America0%

2.5.5 Latin America0%

2.5.6 Middle East0%

2.5.7 China0%

2.5.8 India0%

2.5.9 Indonesia0%

2.5.10 Malaysia0%

2.5.11 Rest of Asia0%

3. Time-Bound Plan**3.1 Year of first supply chain certification (planned or achieved).**2018

3.2 Year started/expected to start to handle/trade/process any RSPO-certified palm oil and oil palm products.2018

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

Novozymes is not a palm oil trader. We buy and use palm oil as an additive for producing some of our animal feed enzymes. We began buying certified palm oil in 2011, and achieved 100% RSPO certified palm oil sourcing in 2018. Our suppliers have the RSPO supply chain certifications.

3.3 Year expected to achieve 100% RSPO certification of all palm product processing facilities.2018

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

In 2018, Novozymes achieved sourcing of 100% RSPO certified palm oil for all our processing facilities. The certification levels were 50% SG, 48% MB and 2% credits

3.4 Year expected to only handle/trade/process 100% RSPO-certified palm oil and oil palm products2018

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

3.5 Which countries do these commitments cover?Brazil , China , Denmark , United States

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

100% of our palm oil use is for coating enzymes for animal feed. We feel that this is not an appropriate market to actively promote sustainable palm oil.

In 2017, Novozymes has started to sell enzymes to palm oil processors both upstream and downstream. The enzymes for the palm oil industry doesn't contain palm oil. We discuss sustainability issues and enquire about RSPO membership with potential customers and prefer to work with RSPO members.

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:

We don't plan to use RSPO Trademark as we only supply to industrial customers in the animal feed market.

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.

We will continue to source 100% RSPO certified palm oil as an additive for some of our enzymes to the animal feed industry. We will also continue to engage with relevant customers and suppliers on the use of RSPO certified palm oil.

Besides palm oil, Novozymes sources palm-based glycerin. We target to achieve 80% RSPO MB certified palm-based glycerin in 2019, and target 100% in 2020.

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.

Yes - Display Publicly

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 footprints

File: --

Link: <https://www.novozymes.com/en/about-us/positions-policies>

7.1.B Land use rights

File: --

Link: <https://www.novozymes.com/en/about-us/positions-policies>

7.1.C Ethical conduct and human rights

File: --

Link: <https://www.novozymes.com/en/about-us/positions-policies>

7.1.D Labour rights

File: --

Link: <https://www.novozymes.com/en/about-us/positions-policies>

7.1.E Stakeholder engagement

File: --

Link: <https://www.novozymes.com/en/about-us/positions-policies>

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

-

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?

Novozymes has no specific guidelines document, but we have an internal agreement of buying only 100% RSPO certified palm oil going forward.

8. Greenhouse Gas (GHG) Footprint

8.1 Are you currently reporting any GHG footprint?

Yes

8.1.1 Please upload your publicly available GHG report

File: --

Link: https://report2018.novozymes.com/accounts_and_performance/notes/environmental-data

8.1.2 OR please insert the URL to the GHG section of your corporate website.

Link: https://report2018.novozymes.com/accounts_and_performance/notes/environmental-data

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.

-

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

Novozymes is using LCA methods and the CHG Protocol framework

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?

-

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

No

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

-

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

Other:

We have faced no major issues or challenges in sourcing certified RSPO sustainable palm oil for our production.

However, we have faced some practical supply challenges in sourcing small amount certified palm oil in Brazil.

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:

Novozymes investigates the opportunities to deliver impactful enzymatic solutions to the palm oil industry to transform the industry in sustainable direction.

We are currently testing an enzymatic solution (Palmora) that can extract more oil from the fruits at the mill facilities.

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

<https://report2017.novozymes.com/our-business/palmora>