

Particulars

About Your Organisation

1.1 Name of your organization

Croda International PLC

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

2-0024-06-000-00

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.

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 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

72%

2.5.4 North America60%

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 Asia38%

3. Time-Bound Plan**3.1 Year of first supply chain certification (planned or achieved).**2012

3.2 Year started/expected to start to handle/trade/process any RSPO-certified palm oil and oil palm products.2012

3.2.1 If target 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 2015 Croda had 12 plants RSPO SCC for Mass Balance and Segregated. These plants process 99% of our volume of palm derivatives. A further 2 Croda manufacturing plants were RSPO SCC during 2018.

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.

The 14 RSPO Supply Chain Certified manufacturing sites process 99% of our volume of palm derivatives

3.4 Year expected to only handle/trade/process 100% RSPO-certified palm oil and oil palm products2019

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

By end of 2018, ca 90% of our consumer businesses, Å products containing palm derivatives were converted to RSPO certified Mass Balance. Our target is 100% by the end of 2019 subject to availability of RSPO SCC Mass Balance and Segregated feedstocks.

3.5 Which countries do these commitments cover?Applies globally

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

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. The 14 plants for which we have RSPO SCC handle 99% of our total PO/PKO derivatives volume. During the reporting period we have systematically continued implementation of our program to convert our finished ingredients based on PO/PKO derivatives to Mass Balance and segregated and changed our trademark nomenclature and SAP codes to reflect this. 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 in over 20 industry presentations, panel debates and media interviews on the issues around sustainable palm.

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:

As an intermediary supplier of ingredients for H&PC and other industries we promote the RSPO trademark in our marketing literature & on packaging but this is one step removed from the consumer goods industry.

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 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 industry meetings in Europe, North America, Asia and Latin America to our customers and supermarket 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. We are continuously converting products in our portfolio to use CSPO in manufacture. 14 manufacturing sites RSPO Supply Chain Certified (SCC) to handle Sustainable Palm based raw materials to provide our customers with certified products. During the reporting period: 90% of consumer businesses, " products containing palm oil converted to RSPO certified. Over 8, 000 customer product combinations of Certified Sustainable Palm Oil (CSPO) derivatives available, covering all geographical regions, 99% of the volume of palm based raw materials coming into our manufacturing site at Rawcliffe Bridge, UK, is RSPO Supply Chain Certified (SCC). We have participated in over 20 industry presentations, panel debates and media interviews on the issues around sustainable palm.

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 footprints

File: [2018 Sustainability Report.pdf](#)

Link: We have calculated our land use footprint for all crop based raw material feedstocks

7.1.B Land use rights

File: [Croda Supplier Code of Conduct.pdf](#)

Link: --

7.1.C Ethical conduct and human rights

File: [Croda Supplier Code of Conduct.pdf](#)

Link: --

7.1.D Labour rights

File: [Croda Supplier Code of Conduct.pdf](#)

Link: --

7.1.E Stakeholder engagement

File: [2018 Sustainability Report.pdf](#)

Link: --

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?

We constantly promote RSPO physically certified ingredients via Mass Balance and Segregated across all the industry sectors we serve from the 14 Croda RSPO Supply Chain Certified (SCC) plants and ca 40 distribution warehouses globally. All literature and engagement is in local language, there are no language barriers to the issues.

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: [2018 Sustainability Report.pdf](#)

Link: --

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

Link:

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?

CDP reporting: Scope 1, 2 & 3 emissions together with LCA according to ISO14067.
We request our major suppliers to report and provide GHG emissions via the CDP Supply Chain

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?

2019

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:

For the wide range of complex ingredients we manufacture which are derivatives of derivatives, Mass Balance (and some segregation) is currently the only feasible way to physically support CSPO. Not all suppliers have RSPO SCC but the number is increasing with 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.

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 consistently support the RSPO in all our engagement with customers, press, industry meetings, NGOs, social media and across all industries. We sponsor to EURT meetings each year. While not without criticism, the RSPO continually strives to improve the sustainability of palm supply chains and has created the tools to do this. Over the last 7 years Croda has lead the transformation in the complex derivative supply chain particularly in Home & Personal Care and other consumer businesses.

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

See Pages 22 and 38 in 2018 Sustainability Report