

Particulars

About Your Organisation

1.1 Name of your organisation

Lonza Inc.

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

- ☐ Palm Oil Grower
- ☒ Processor and/or Trader
- ☒ Consumer Goods Manufacturer
- ☐ Retailer
- ☐ Bank and/or Investor
- ☐ Social and/or Development NGO
- ☐ Environmental and/or Conservation NGO
- ☐ Affiliate

1.3 Membership number

2-0394-12-000-00

1.4 Membership category

Palm Oil Processors and/or Traders

1.5 Membership sector

Ordinary

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
- ☒ Food and Non-Food Ingredients Producer
- ☐ Power, Energy and Biofuel Processor
- ☐ Animal Feed Producer
- ☒ Oleochemicals Producer
- ☐ Distribution & Logistics
- ☒ Other

Other

Lonza sells our RSPO MB products to both food manufacturers and Personal Care formulators

2. Palm Oil and Certified Sustainable Palm Oil Consumption

Information in Section 2 - Palm Oil and Certified Sustainable Palm Oil Sourcing is a mandatory declaration in your ACOP. This includes volume data on palm oil and palm oil products consumed, to enable the RSPO to accurately calculate uptake on a member, sector and total level. ACOP reports without reported volume data will be considered incomplete and will not be accepted.

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.

Lonza is an oleo chemical producer that supplies our finished products to the food and personal care industry globally from our manufacturing plant in Williamsport, PA in the USA.

2.1.1 In which countries does your company sell goods with palm oil and palm oil products?

Applies globally

2.2 Total volume of all palm oil and palm oil products sourced in the year:

Description	Tonnes
Crude palm oil, including derivatives refined from CPO (tonnes)	6963.651
Crude palm kernel oil, including derivatives refined from CPKO (tonnes)	1422.651
Crude palm kernel expeller (tonnes)	0.0
Total	8386.302

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

Description	Crude Palm Oil (CPO) 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)	1455.8	0.0	0.0
Segregated (SG)	0.0	0.0	0.0
Identity Preserved (IP)	0.0	0.0	0.0
Total	1455.8	0.0	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 and palm oil products uptake is:

17.36%

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

Countries/Regions	Percentage
Europe	6.0
North America	94.0
Malaysia	0.0
Indonesia	0.0
China	0.0
India	0.0
Latin America	0.0
Africa	0.0
Rest of World	0.0

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?

2015

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

2016

3.2.1 If the previous target year for PT.3.2 has not been met, please explain why.

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

2025

3.3.1 If the previous target year for PT.3.3 has not been met, please explain why.

The market demand for RSPO MB products has not grown for our company year over year very much, so the date to switch to 100% RSPO MB certified products has shifted. We believe the the market needs to continue to be educated by the manufacturers and the RSPO organization to push the need to switch sooner. Market demand is what dictates the path forward to switch to 100% RSPO certified raw materials.

3.4 Which year did your company begin (or expects to begin) sourcing only 100% RSPO-certified palm oil and oil palm products.

2025

3.5 If the TimeBound Plan commitments declared above do not cover all countries in which the member sells goods with palm oil or palm oil products, please explain why

Please refer to answer in 3.3.1, and Lonza continues to promote RSPO MB certified products and we have just launched 8 new products in our portfolio that have RSPO MB in the product name.

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

We are an active RSPO member and communicate that to our customer base. In addition, even if the customer is not currently buying we tell them we could provide RSPO MB certified material for the same product. Europe for the Personal Care market is pushing for RSPO MB material in most of the customer's formulations by 2020. Now it is an industry push, but not a requirement.

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)

We promote our RSPO membership and offer RSPO MB certified products to customers to help support their global sustainability efforts. We are also expanding our RSPO options to the food markets.

Late Submission

5. Shared Responsibility

The Board of Governors of the Roundtable on Sustainable Palm Oil (RSPO) 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

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

Yes

5.1.1 Does the policy cover:

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

5.1.2 Has your company previously uploaded or linked its Labour & Labour Rights policy in previous ACOP reporting cycles?

Yes

Ethical Conduct & Human Rights

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

Yes

5.2.1 Does the policy cover:

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

5.2.2 Has your company previously uploaded or linked its Ethical Conduct & Human Rights policy in previous ACOP reporting cycles?

Yes

Land Use

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

Yes

5.3.1 Does the policy cover:

- ☐ Free Prior and Informed Consent (FPIC)
- ☐ Compensation

5.3.2 Has your company previously uploaded or linked its Land Use policy in previous ACOP reporting cycles?

No

Occupational Health & Safety**5.4 Does your company have a publicly-available Policy covering Occupational Health & Safety?**

Yes

5.4.1 Has your company previously uploaded or linked its Occupational Health & Safety policy in previous ACOP reporting cycles?

No

Climate Change & Greenhouse Gas (GHG)**5.5 Does your company have a publicly-available policy covering Climate Change & Greenhouse Gas (GHG)?**

Yes

5.5.1 Does the policy cover:

- ☒ Identification and assessment of GHG
- ☒ Public reporting of GHG footprint
- ☒ Monitored implementation plan to reduce or minimise GHG emissions

5.5.2 Has your company previously uploaded or linked its Climate Change & Greenhouse Gas policy or report in previous ACOP reporting cycles?

No

Complaints & Grievances**5.6 Does your company have a Complaints & Grievances Mechanism?**

Yes

5.6.1 Is your Complaints & Grievances mechanism in line with the RSPO's grievance mechanism? For details of the RSPO's grievance mechanism, please go to <https://askrspo.force.com/Complaint/s/>

Yes

Smallholders**5.7 Does your company support oil palm independent smallholder groups?**

No

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

No

5.7.4 Please explain why you are not planning to support oil palm independent smallholders

Out of our strategy scope

6. Challenges

6.1 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

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6.2 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

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

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Consumer Goods Manufacturers

1. Operational Profile

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

- ☐ Food Good Manufacturer - own brand
☐ Food Good Manufacturer - third-party brand
☐ Home & Personal Care Good Manufacturer - own brand
☐ Home & Personal Care Good Manufacturer - third-party brand
☒ Ingredient Manufacturers
☐ Biofuels
☐ Other

Other

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2. Palm Oil and Certified Sustainable Palm Oil Consumption

Information in Section 2 - Palm Oil and Certified Sustainable Palm Oil Consumption - is a mandatory declaration in your ACOP. This includes volume data on palm oil and palm oil products consumed, to enable the RSPO to accurately calculate uptake on a member, sector and total level. ACOP reports without reported volume data will be considered incomplete and will not be accepted.

2.1 Please list down all operations and subsidiaries using palm oil that are owned and/or managed by the member, including those under Group Membership

We manufacture all RSPO MB certified products in our Williamsport, PA plant in the USA and are primarily manufacturing esters used in food formulations and personal care applications.

2.1.1 In which markets does your company sell goods with palm oil and oil palm products?

Applies globally

2.2.5 Total volume of all palm oil and palm oil products (palm-content only) used in your company's own-brand products and in products produced by your company for third-party brands in the year:

Description	Tonnes
Total volume of crude/refined palm oil (tonnes)	6963.651
Total volume of crude/refined palm kernel oil (tonnes)	0.0
Total volume of palm kernel expeller (tonnes)	0.0
Total volume of palm oil/palm kernel oil derivatives and fractions (tonnes)	0.0
Total	6963.651

2.2.6 Please estimate the percentage of derivatives and fractions (reported in Question CG.2.2.4) derived from palm oil or from palm kernel oil. The default split for volumes is assumed to be 80% palm oil-based derivatives and 20% palm kernel oil-based derivatives.

Description	Percentage
Palm oil-based derivatives and fractions	80.0
Palm kernel oil-based derivatives and fractions	20.0

2.3 Volume of RSPO-certified palm oil and palm oil products used in your company's own brand products and in products produced by your company for third-party brands in the year (tonnes):

Description	Crude/Refined Palm Oil (CSPO)	Crude/Refined Palm Kernel Oil (CSPKO)	Palm Kernel Expeller (CSPKE)	Certified Derivatives and Fractions
RSPO Credits from Mill / Crusher	0.0	0.0	0.0	0.0
RSPO Credits from Independent Smallholder	0.0	0.0	0.0	0.0
Mass Balance (MB)	1422.651	0.0	0.0	0.0
Segregated (SG)	0.0	0.0	0.0	0.0
Identity Preserved (IP)	0.0	0.0	0.0	0.0
Total	1422.651	0.0	0.0	0.0

2.3.1 Please estimate the percentage of RSPO-certified derivatives and fractions (reported in Question CG.2.3) derived from RSPO-certified palm oil or from RSPO-certified palm kernel oil. The default split for volumes is assumed to be 80% palm oil-based derivatives and 20% palm kernel oil-based derivatives.

Description	Percentage
Certified Palm oil-based derivatives and fractions	80.0
Certified Palm kernel oil-based derivatives and fractions	20.0

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

20.43%

2.4.1 If your company has not reached 100% usage of sustainable palm oil through the four supply chain models (RSPO Credits, MB, SG or IP), do you have any plans to cover the gap using RSPO Credits?

No

2.4.2 Please explain why you do not intend to cover the gap using RSPO Credits

Our customer demand for RSPO MB certified products is a small portion of our overall demand for palm based products to date and therefore the business case does not justify the additional cost when our customers will not pay more for our products.

2.5 Please estimate the regional distribution of your company's RSPO certified palm oil and palm oil-products usage (as declared in Question CG.2.3) in the following countries/regions:

Countries/Regions	Percentage
Europe	6.0
North America	94.0
Malaysia	0.0
Indonesia	0.0
China	0.0
India	0.0
Latin America	0.0
Africa	0.0
Rest of World	0.0

3. TimeBound Plan

3.1 Which year did your company achieve (or expects to achieve) the RSPO supply chain certification?

2015

3.2 Which year did your company begin (or expects to begin) using RSPO-certified sustainable palm oil and palm oil products in own-brand products

2016

3.2.1 If the previous target year for CG.3.2 has not been met, please explain why.

-

3.3 Which year did your company begin (or expects to begin) using 100% RSPO-certified sustainable palm oil and palm oil products from any supply chain option in own-brand products.

2025

3.3.1 If the previous target year for CG.3.3 has not been met, please explain why.

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3.4 Which year did your company begin (or expects to begin) using 100% RSPO-certified sustainable palm oil and palm oil products from physical supply chain options (Identity Preserved, Segregated and/or Mass Balance) in own-brand products.

2025

3.4.1 If the previous target year for CG.3.4 has not been met, please explain why.

Market demand has not supported the switch to 100% RSPO certified palm products and therefore we have to delay our plans waiting for market response. Support from RSPO in the market regarding importance for this global initiative.

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

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4. Trademark Use**4.1 Does your company use or plan to use the RSPO Trademark in own-brand products?**

Yes

4.2 Please select the countries where your company uses or intends to use the Trademark

Applies globally

4.2.1 Which year did your company begin (or expects to begin) using the RSPO Trademark

2018

Late Submission

5. Actions for Next Reporting Period

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

Continue to promote our RSPO membership and capabilities to produce RSPO MB certified products in our plant. We just launched 8 new products in our portfolio that are RSPO MB certified and will continue to look for new opportunities that are generally driven by customer demand.

Late Submission

6. Shared Responsibility

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Labour & Labour Rights

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

Yes

6.1.1 Does the policy cover:

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

6.1.2 Has your company previously uploaded or linked its Labour & Labour Rights policy in previous ACOP reporting cycles?

No

Ethical Conduct & Human Rights

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

Yes

6.2.1 Does the policy cover:

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

6.2.2 Has your company previously uploaded or linked its Ethical Conduct & Human Rights policy in previous ACOP reporting cycles?

No

Land Use

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

Yes

6.3.1 Does the policy cover:

- ☐ Free Prior and Informed Consent (FPIC)
- ☐ Compensation

6.3.2 Has your company previously uploaded or linked its Land Use policy in previous ACOP reporting cycles?

No

Occupational Health & Safety**6.4 Does your company have a publicly-available Policy covering Occupational Health & Safety?**

Yes

6.4.1 Has your company previously uploaded or linked its Occupational Health & Safety policy in previous ACOP reporting cycles?

No

Climate Change & Greenhouse Gas (GHG)**6.5 Does your company have a publicly-available policy covering Climate Change & Greenhouse Gas (GHG)?**

Yes

6.5.1 Does the policy cover:

- ☒ Identification and assessment of GHG
- ☒ Public reporting of GHG footprint
- ☒ Monitored implementation plan to reduce or minimise GHG emissions

6.5.2 Has your company previously uploaded or linked its Climate Change & Greenhouse Gas policy or report in previous ACOP reporting cycles?

Yes

Complaints & Grievances**6.6 Does your company have a Complaints & Grievances Mechanism?**

Yes

6.6.1 Is your Complaints & Grievances mechanism in line with the RSPO's grievance mechanism? For details of the RSPO's grievance mechanism, please go to <https://askrspo.force.com/Complaint/s/>

Yes

Smallholders**6.7 Does your company support oil palm independent smallholder groups?**

No

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

No

6.7.4 Please explain why you are not planning to support oil palm independent smallholders

Not in line with strategy

7. Challenges

7.1 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

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7.2 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

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

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