

Particulars

Organisation Name	Oxiteno S.A. Indústria e Comércio
Corporate Website Address	www.oxiteno.com
Primary Activity or Product	Processor and/or Trader
Related Company(ies)	None
Country Operations	Argentina, Belgium, Brazil, China, Colombia, Mexico, United States, Uruguay, Venezuela
Membership Number	2-0168-10-000-00
Membership Type	Ordinary Members
Membership Category	Palm Oil Processors and Traders

Palm Oil Processors and Traders

Operational Profile

1.1 Please state your main activity(ies) within the supply chain

- Post-refinery processor
- Ingredient manufacturer

Other:

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1.2 Operation and Certification Progress

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1.2.1 Do you have a system for calculating how much palm oil and palm oil products you use?

No

1.3 Total volume of all palm oil products handled in the year (Tonnes)

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1.3.1 Total volume of Crude Palm Oil (CPO) handled in the year

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1.3.2 Total volume of Palm Kernel Oil (PKO) handled in the year

85000.00

1.3.3 Total volume of other Palm Oil Derivatives and Fractions handled in the year

8500.00

1.3.4 Total volume of all palm oil and palm oil derived products handled in the year

93500.00

1.4 Volume handled in the year that is RSPO-certified (Tonnes):

No	Description	Crude Palm Oil (Tonnes)	Palm kernel oil (Tonnes)	All other palm-based derivatives and fractions handled in the year that is RSPO-certified (Tonnes)
1.4.1	Book & Claim			
1.4.2	Mass Balance			
1.4.3	Segregated			
1.4.4	Identity Preserved			
1.4.5	Total volume of Oil Palm handled that is RSPO-certified:			

1.5 Do you plan to ask your suppliers if the palm oil supplied comes from growers who disclose their GHG emissions within the RSPO P&C 5.6 & 7.8?

No

Do you plan to ask your suppliers if the palm oil supplied comes from growers who disclose their GHG emissions within the RSPO P&C 5.6 & 7.8?

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Time-Bound Plan

2.1 Date of first supply chain certification (planned or achieved)

2015

2.2 Time-bound plan - Year expected to achieve 100% RSPO certification of all supply chains

2020

2.3 What are your interim milestones towards achieving this RSPO certification commitment (year and progressive CSPO%)? Please state annual targets/strategies.

Oxiteno is a PKO buyer in the merchant market. We intend to certify our supply chain until the end of 2015. This deadline may change according to the cost and degree of complexity to certify all Oxiteno's facilities that process PKO and its derivatives. Concerning the purchase and use of sustainable PKO in our system, we point out some difficulties which must be overcome: -Availability of certified PKO from suppliers mainly in Indonesia, which is the country that has the best conditions to cope with future demand for PKO. -Development of the Palm Oil Industry in Brazil, increase of local PKO availability and also the certification of new palm oil growers that shall emerge in this market place. In 2013 we started bought Greenpalm certificates by our own initiative and without connection to any customer. A suitable time bound plan for Oxiteno is:

- Q2 2013: Oxiteno bought its first certificates from Agropalma via Greenpalm
- Q3 2013: Oxiteno announced to the market that can offer products with Greenpalm certificates, without reverting in concrete interest from the customers in the region that Oxiteno intensively operates (Latin America).
- Q1 2014: Oxiteno promoted a market survey within its main customers to define which is the most suitable PKO certification model. Defined that the certification system for Oxiteno should be Mass Balance for moment.
- Q2 2014: Internal trainings to increase awareness to the areas related to certification.
- Q4 2014: Pre-audit scheduled to evaluate current conditions and complexity of the supply chain to apply for Mass Balance Certification
- Q1 2015: Start supply chain certification process – Mass Balance. This is an estimate which will be confirmed with the result of pre-audit. Certification conclusion is estimated to Q4 2015.
- Q4 2015 – Estimate period to start targeting acquisition of certified PKO according to the certification model adopted and the interest of Oxiteno's customers

2.4 Timebound plan - Year expected to only "handle/supply" RSPO certified oil palm products

2024

2.5 What are your interim milestones towards achieving this RSPO certification commitment (year and progressive CSPO%)? Please state annual targets/strategies.

Oxiteno is putting efforts and focus to prioritize the certification of its supply chain according to the proposed time bound plan.

2.6 How do you promote RSPO and RSPO certified sustainable palm oil to your customers proactively?

2010- Oxiteno becomes a member of the RSPO -2010 - Official and main sponsor of the II RSPO Latin America Conference, Pará state – Brazil -Q1 2012 - Participation on RT8 in KL Malaysia, representing other LATAM producers and processors -Q4 2012 - Support to the Imazon Proforest Institute -Q2 2013 : acquisition of PKO certificates (Book & Claim) -500 certificates from Agropalma via Greenpalm -Q3 2013: Oxiteno announce to the market that can offer products with Greenpalm certificates. -Supporting RSPO meetings: RT, GAs,

GHG Emissions

3.1 Do you publicly report the GHG emissions of your operations?

No

Please upload related report:

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Add link to website

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Please explain why:

We have internal commitment and are monitoring of GHG emissions.

3.2 Does your company have a public commitment to only purchase palm oil from suppliers that disclose their GHG emissions?

No

Please upload related report:

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Add link to website

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Please explain why:

We have internal commitment and are monitoring of GHG emissions.

Actions for Next Reporting Period

4.1 Outline actions that you will take in the coming year to promote CSPO use along the supply chain

Please refer to the multi-year time boundplan

Reasons for Non-Disclosure of Information

5.1 If you have not disclosed any of the above information please indicate the reasons why

Oxiteno is a public listed company and belongs to the ULTRA group within 3 others business. Although the group already has a internal sustainability report according to GRI (Global Report Initiative), the group decide to keep this information confidential once is gathering more critical mass of data to disclose those KPI in the future.

Application of Principles & Criteria for all members sectors

6.1 Related to your sourcing, do you have (a) policy/ies, that are in line with the RSPO P&C such as:

- Water, land, energy and carbon footprints
- Ethical conduct and human rights
- Labour rights
- Stakeholder engagement

Water, land, energy and carbon footprints

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Land Use Rights

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Ethical conduct and human rights

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Labour rights

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Stakeholder engagement

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6.2 Where relevant, what prevents you from trading/processing only CSPO?

Availability of certified PKO from suppliers mainly in Indonesia, which is the country that has the best conditions to cope with future demand for PKO, but not with the main RSPO P&C; -Price: Home and Personal Care customers are extremely price sensitive and do not want to pay any premium to have product certified.

-Non-sustainable palm derivatives should have a penalty a higher price, not the other way around. To increase demand palm suppliers should offer sustainable product under a discount over the regular one. -Availability of CPKO in Brazil: Development of the Palm Oil Industry in Brazil is still very poor compared to Oxiteno's needs and only Agropalma really cares about certification until know, what reduces tremendously the availability in the region.

Commitments to CSPO uptake

As you don't source 100% CSPO through physical supply chains (IP/SG/MB), please answer the following questions: Do you have plans to?

Yes

- Please explain why:

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- Please specify:

Oxiteno does not consume Palm Oil, and all of its Palm Kernel Oil is bought from RSPO members. According to our time bound plan we intend to get the Mass Balance certification in Q3 2015, and then start processing certified material.

- Do you have plans to immediately cover the gap using Book & Claim?

No

- How and when do you plan to immediately cover the gap using Book & Claim?

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- Please explain why:

However, in 2013 we bought certificates via Book&Claim and also announced to the Market that we were doing that. The feedbacks that we received from the Market in South America region showed that the customer prefer Mass Balance (physical products) and are not interested in this type of certificates neither sharing any additional cost.

To cover the difference with Book&Claim certificates, specially in the beginning, is a great challenge once the certificate is getting more and more expensive and customers are not willing to pay or share any additional cost. The arena that Oxiteno plays, supplying commodities to the Home and Personal Care Markets, is extremely competitive.

Challenges

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?

- Availability of certified PKO from suppliers mainly in Indonesia, which is the country that has the best conditions to cope with future demand for PKO, but not with the main RSPO P&C; -Price: Home and Personal Care customers are extremely price sensitive and do not want to pay any premium to have product certified.
- Non-sustainable palm derivatives should have a penalty a higher price, not the other way around. To increase demand palm suppliers should offer sustainable product under a discount over the regular one.

2 How would you qualify RSPO standards as compared to other parallel standards?

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Cost Effective:

Yes

Robust:

Yes

Simpler to Comply to:

similar

3 How has your organization supported the vision of RSPO to transform markets? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

By supporting and announcing RSPO's vision and criteria, please see below some examples: -2010 Official and main sponsor of the II RSPO Latin America Conference, Pará state – Brazil -Q4 2012 Support to the Imazon Proforest Institute -Q2 2013 : acquisition of PKO certificates (Book & Claim) -Q3 2013: Oxiteno announce to the market that can offer products with Greenpalm certificates. -Oxiteno company profile and website shows that we are RSPO member and supporters.

4 Other information on palm oil (sustainability reports, policies, other public information):

Not Applicable.