

Particulars

About Your Organisation

Organisation Name

Carotino/ JC Chang Group

Corporate Website Address

<http://www.carotino.com/>

Primary Activity or Product

- Processor and/or Trader
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Related Company(ies)

No

Membership

Membership Number	Membership Category	Membership Sector
2-0029-06-000-00	Ordinary	Palm Oil Processors and/or Traders

Palm Oil Processors and Traders**Operational Profile****1.1 Please state your main activity(ies) within the supply chain**

- Refiner of CPO and CPKO
- Post-refinery processor
- Trader
- Ingredient manufacturer
- Biofuel producer
- Animal feed supplier

1.2 Operation and Certification Progress**1.2.1 Do you have a system for calculating how much palm oil and palm oil products you use?**

Yes

1.3 Total volume of all palm oil products processed and/or traded in the year in the year (Tonnes)**1.3.1 Total volume of oil palm and palm oil derivatives processed and/or traded in the year**

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1.3.2 Total volume of palm kernel oil and palm kernel oil derivatives processed and/or traded in the year

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1.3.3 Total volume of other Palm Oil Derivatives and Fractions processed and/or traded in the year

150,197.00 Tonnes

1.3.4 Total volume of all palm oil and palm oil derived products processed and/or traded in the year

150,197.00 Tonnes

1.4 Volume processed and/or traded 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 processed and/or traded in the year that is RSPO-certified (Tonnes)
1.4.1	Mass Balance			17186.00
1.4.2	Segregated	10108.00		497.00
1.4.3	Identity Preserved	15406.34		
1.4.4	Total volume of Oil Palm processed and/or traded in the year that is RSPO-certified:	25514.34		17683.00

1.5 What is the percentage of certified sustainable palm oil in the total palm oil your company sells in:

Europe 4%
 India --%
 China --%
 South East Asia 96%
 North America --%

1.6 What is the percentage of certified sustainable palm kernel oil in the total palm kernel oil your company sells in:

Europe --%
 India --%
 China --%
 South East Asia --%
 North America --%

Time-Bound Plan**2.1 Date of first supply chain certification (planned or achieved)**

2013

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

2018

Comment:

We have conducted pre-assessment for our last Production Unit on 7-10/12/2015 by SGS. Due to SGS withdrawal by RSPO, the main assessment was slightly affected. We should able to conduct our main assessment within the year of 2016. By 2018, we hope that all our internal crops are 100% RSPO certified.

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

Our group have 4 production units. On the day of reporting, 3 production units are RSPO certified with Supply Chain Certification with 1 production unit under IP and 2 production units under MB. Remaining 1 production unit (Takon Production Unit) is still pending for RSPO main assessment. Our Takon Production Unit is deferred due to SGS withdrawal. Our company is in the process of certification transfer for other production units. Once done, we will look into new CB to take over the main assessment for Takon Production Unit which is ready for main assessment.

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

2018

Comment:

By 2018, we should able to achieve "all internal crops are 100% RSPO certified".

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

1. Conduct RSPO Training at customer's premise and have open discussions on setting up the system, documentations, traceability and work flow. 2. Prepare a presentation slide for customer's convenient on what are the steps to be taken for them to be in our RSPO supply chain. 3. Welcome stakeholder visit to our Production Unit and then promote to them the important and logic of RSPO implementation on site.

2.6 Which countries that your organization operates in do the above own-brand commitments cover?

- Australia
 - Japan
 - Malaysia
 - New Zealand
 - United States
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GHG Emissions

3.1 Are you currently assessing the GHG emissions from your operations?

Yes

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

No

Please explain why

The Individual unit's report can be obtained from the Operational Unit through Stakeholder Request.

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**

1. Recommend RSPO SG or IP products to customers. 2. Assist customers to be RSPO members and implement RSPO supply chain system within their organisation and welcome stakeholder visit to our Production Unit and then promote them the important and logic of RSPO implementation on site. 3. Create awareness regarding RSPO trademarks as part of customers' product labels. 4. Ensure and sustain all our RSPO certificates.

Reasons for Non-Disclosure of Information**5.1 If you have not disclosed any of the above information please indicate the reasons why**

Confidential

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
[P-Policies-to-PNC-waterland.pdf](#)
- Land Use Rights
[P-Policies-to-PNC-landuseright.pdf](#)
- Ethical conduct and human rights
[P-Policies-to-PNC-ethicalconducthr.pdf](#)
- Labour rights
[P-Policies-to-PNC-laborrights.pdf](#)
- Stakeholder engagement
[P-Policies-to-PNC-stakeholderengagement.pdf](#)

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

Lack of commitment from out-growers who are non-sustainable. The question of premium still came into our discussion where we can't provide any premium to our out-growers. Currently, we also find it difficult to get any premium from our CSPO buyers. Also, in downstream, not all customers require RSPO products as there is a cost element due to premium charged. In actual fact, market derive on cheap sources still in the mindset of our buyers.

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 specify:

We trade using book and claim for those buyer that less interested to pay high premium of CSPO. We source 100% CSPO through physical supply chain. The figures reported for CSPO received was lower than RSPO products shipped is due to high opening stock for 2015

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

Yes

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

Currently, this is in our marketing strategy.

Concession Map

Do you agree to share your concession maps with the RSPO?

No

Please explain why: Not applicable during reporting period.

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?

Demand for RSPO products is very low whereas we have installed a segregated chain of production tanks and lines to cater for this product. We have intensified marketing of RSPO SG or IP products to minimize downgrading to MB or non-RSPO categories. Difficult to change the "Cheap sources" concept from buyers.

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

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Cost Effective:

No

Robust:

No

Simpler to Comply to:

No

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)

Helping to create awareness among customers and suppliers.

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

Information can be referred to our Group Website at www.carotino.com.
