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Sustainable Sourcing of Palm Oil Derivatives

Sasol Performance Chemicals (PC) is committed to be an engaged partner towards a sustainable palm oil industry. We provide solution oriented chemicals and feedstocks to our customers to enable them to produce sustainable and fit for purpose products.

Which palm oil derivatives are used by Sasol PC?

Sasol PC uses derivatives from palm oil (PO) pressed from the flesh of the fruits or the oil palm tree as well as palm kernel oil (PKO) produced from the kernel (stone) of the fruit. These derivatives are used in our production plants to produce fatty alcohols and their derivatives like surfactants and esters. Sasol purchases PO and PKO derivatives from [Roundtable for Sustainable Palm Oil](#) (RSPO) members only.

Why sustainable sourcing of palm oil matters?

The production of palm oil and palm kernel oil increases the risk of destruction of tropical rainforest and drainage of peat land areas causing major impacts on biodiversity, climate change and the land rights of local people. Sustainability standards and independent processes for verifying production and supply chain implemented by the RSPO are incremental to eliminate this risk. Sasol PC is fully supporting the RSPO code of conduct and the respective rules.

What is Sasol PC's position with respect to High Carbon Stock (HCS) Forests, High Conservation Value (HCV) Areas and the development of palm plantations on peat lands?

Sasol PC is not engaged in the cultivation of any sort of feedstock. Our oleo chemical feedstock is sourced from the global market and we make sure to only engage with suppliers that are members of the RSPO.

Due to the complexity of the global supply chain and the many challenges that the aforementioned topics impose, Sasol PC currently sees little leverage for a direct influence. Our approach is to support the RSPO to further specify its standard and the underlying Principle and Criteria (P&C). These P&C and the resulting requirements are part of the Supply Chain Certification System (SCCS) and the adherence is third party verified on a regular basis.

Sasol Germany GmbH

Anckelmannsplatz 1, 20537 Hamburg Postal address: Postfach 26 18 05, 20508 Hamburg
Telephone: +49 40 63 684-1000 Telefax: +49 40 63 684-3700 info@de.sasol.com www.sasolgermany.de

Managing Directors: Dr. Kay Luttmann Chairman of the Supervisory Board: Christian Schindler
Registered Office: Hamburg Register Court: Amtsgericht Hamburg HRB 78475

Where and how Sasol PC sources sustainable palm oil?

Based on the demand of our customers we decided to implement mass balance (MB) supply chain certifications for the production sites in Marl, Germany (achieved in May 2014) as well as Brunsbüttel, Germany (achieved in December 2015), Terranova, Italy (achieved in September 2015) and Novaky, Slovakia (achieved in June 2016). In mid-2017 our production site in Nanjing, China also completed the certification process.

For more information (e.g. current certificates, the annual communication of progress, etc.), please visit Sasol PC's respective RSPO member profiles via the following web links:

- Sasol China (<http://www.rspo.org/members/5666/Sasol-China-Chemical-Co.-Ltd>)
- Sasol Germany (<http://www.rspo.org/members/1542/Sasol-Germany-GmbH>)
- Sasol Italy (<http://www.rspo.org/members/3756/Sasol-Italy-S.P.A>)
- Sasol Slovakia (<http://www.rspo.org/members/3774/SLOVECA-Sasol-Slovakia-spol.-s-r.-o>)

What is the target and what is the challenge?

Significant amount of activity is underway to address the sustainability issues surrounding palm oil production. The RSPO and the WWF are key actors taking the lead. Sasol PC decided to participate via the RSPO and has set itself ambitious targets for procuring 100% certified PO and PKO only, by 2020.

Sasol PC wants to support this target throughout the whole value chain by increasing the amount of certified and traceable palm oil. The challenge will be to develop a reliable and fair value chain with our customers as well as suppliers. Planning security and cost coverage are necessary conditions for sustainable sourcing of palm oil.


Via life cycle assessments Sasol strives to get a deeper insight into environmental externalities and analyzing marketable alternatives.

Sasol PC continues to cooperate with other companies which are members of the RSPO and those that committed themselves to sustainable PO and PKO sourcing in order to follow the way towards a sustainable palm oil industry.

Senior Manager Global Product Safety & Sustainability

i.V. 
Dr. Hans Certa

Specialist Sustainability

i.A. 
Björn Miller

Sasol Germany GmbH

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