

Sustainability Statement on Palm Oil

2021



Britz Statement on Sustainability

Britz is committed to sourcing materials only from suppliers that do business ethically and responsibly. This commitment means working only with suppliers that share Britz's core values, including supply chain transparency and social responsibility. Britz takes this commitment as an important part of our Corporate Social Responsibility (CSR) program and everyday working practices.

Our Approach

Our business is heavily entrenched in the palm oil industry. In view of this, we recognise our responsibility in ensuring that materials in our supply chain do not contribute to environmental harm. We, however, understand the limitations of our impact as a midstream operator in the industry for enforcing sustainable practices. We adopt a pragmatic approach to sustainability and place our effort in influencing our suppliers to take on the best practices for social and environmental sustainability.

Act Local, Think Global

With a clear understanding of where we stand in the industry, our approach to implementing sustainable practices can best be described as "Act Local, Think Global".

We work closely with our suppliers to make tangible impact on the development of local communities. Faced with limited resources and overlooked by the industry as a whole, smallholders are struggling to put sustainability into practice and unable to undertake exhaustive certifications. This puts smallholders in an unfortunate standing where sustainability is concerned. We prioritise our sourcing and push our suppliers to engage and work with smallholders in their vicinities, to promote and implement our idea of sustainability in a practical way.

CASE IN POINT

Britz has been working closely with our partner in Indonesia, with whom we formed a joint venture, to source from and actively engage with smallholders for their upstream operations. Currently, at least 50% of our partner's input is coming from smallholding farmers who typically inherit their land. These farmers are generally only able to offer their harvest to the nearest refinery, with that being the only income for the family. They are unable to afford the certifications demanded internationally, given their situation. However, with a little help, most of these farmers are able to practise traditional agriculture which is in accordance with modern sustainable practices.

Promoting Sustainability

Britz is committed to supporting domestic and international organisations such as RSPO, MPOB, MSPO and ISPO in their efforts to promote and improve the sustainability standard of participants of the palm oil industry, through certifications and beyond.

Britz supports certified sustainable palm oil (CSPO) by being a member of RSPO since September 2010. As a company established in Malaysia, we are always looking to work with local governmental or industrial bodies such as MPOB and MPOC in providing our practical views on potential changes or new measures to help push forward long term and widespread enforcement of sustainable practices along the supply chain and throughout the industry.

Through our presence in Malaysia and Indonesia, we recognise the reality that the ideal conditions for sustainability certifications and production of CSPO materials as required by RSPO increase the cost of products and their affordability in developing countries. Thus, while advocating full adoption of CSPO in the long term, we take the practical steps in working with various participants in the industry to ensure that our practices are upholding our values, reinforcing development of local communities and conserving the environment.

Everyday Commitments

In our daily operations, we are guided by the following three commitments:

TRANSPARENCY	Britz is committed to disclosing to our customers and partners upstream participants in our supply chain.
TRACEABILITY	Britz is committed to cooperating with our customers to ensure traceability of Britz Wax all the way to mills.
ENGAGEMENT	Britz is committed to working closely with our suppliers to ensure adherence to sustainability measures that include but not limited to labour rights, responsible production and environmental protection.

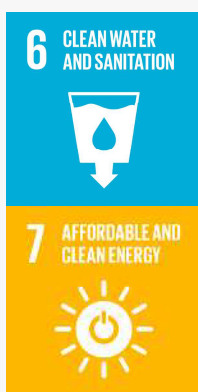
United Nations Sustainable Development Goals

Britz supports United Nations (UN) 17 Sustainable Development Goals to address the global challenges we face, including those related to poverty, inequality, climate, environmental degradation, prosperity, and peace and justice. Here we highlight the specific goals on which Britz focuses through its operations.



GOAL 1: NO POVERTY GOAL 2: ZERO HUNGER

Smallholders account for about 40 percent of all palm oil produced globally. Palm oil is the main source of income for majority of these smallholders. Britz aims to empower smallholders, by promoting the adoption of Best Management Practices and working towards the implementation of RSPO standards, which may potentially increase their income which in turn improve livelihoods. Britz is committed to contributing to the sustainable development as well as the wellbeing of local communities.



GOAL 6: CLEAN WATER AND SANITATION GOAL 7: AFFORDABLE AND CLEAN ENERGY

Britz's Green Technology business unit is engaged in the promotion of innovative and environmentally friendly alternative technologies for water treatment and management, and energy conservation. These technologies significantly reduce the use of harmful chemicals and their subsequent release into the environment, and also help to conserve energy consumption for both commercial and industrial applications.



GOAL 8: DECENT WORK AND ECONOMIC GROWTH

Having been engaged in international trade for two decades, Britz works with partners, customers and suppliers around the globe to develop sustainable economic growth for all parties. Britz also advocates entrepreneurship within the company as employees at all level are encouraged to take charge and start new ventures leveraging on company resources. Britz believes that sustainable growth for all will be the driver to improved adoption of higher sustainability standards.



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