

Palm Progress Report 2025





This report covers the full calendar year 2025 (January 1, 2025 – December 31, 2025) and encompasses all activities related to palm-based raw materials across Clariant's value chain.

Disclaimer

This report has been prepared using data available at the time of publication. While every effort has been made to ensure the accuracy and completeness of the information presented, the data may be subject to updates as methodologies evolve and additional information becomes available.

The report reflects Clariant's current understanding and approach to responsible palm oil sourcing. Clariant reserves the right to update its policies, targets, methodologies, and disclosures in future publications.

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Executive Summary

Our Sustainable Palm Oil Highlights of 2025 and Our Roadmap Ahead


»Palm oil is a critical raw material for our industry.


Our responsibility is to ensure it delivers performance without compromising forests or communities.«





Hermann Bach
Head of Strategy and Innovation
BU Care Chemicals


 **42.9 kt** Total Palm-based Volumes₁

 **54%**₁
of the volumes are sustainably sourced, incl. **47%**₂ RSPO certified volumes

 **83%**₃
of volumes are traceable to plantation

 **93%**₃
of volumes are traceable to mills

 **64%**₃
of the total volumes are verified as DCF

 **96%**₃
of volumes are traceable to refineries

A Ratings₄






Sustainable Palm Index SPI Campaign 2024
Score: A list with 78.6/100



6 Collective Action Projects₅

in partnership with three NGOs, supported

 6 822 smallholders with

 103.5 hectares restored and

 5 987 hectares of forest protected.

 Our Targets Looking Ahead₆

2026 Achieve and maintain at least 95% traceability to mills

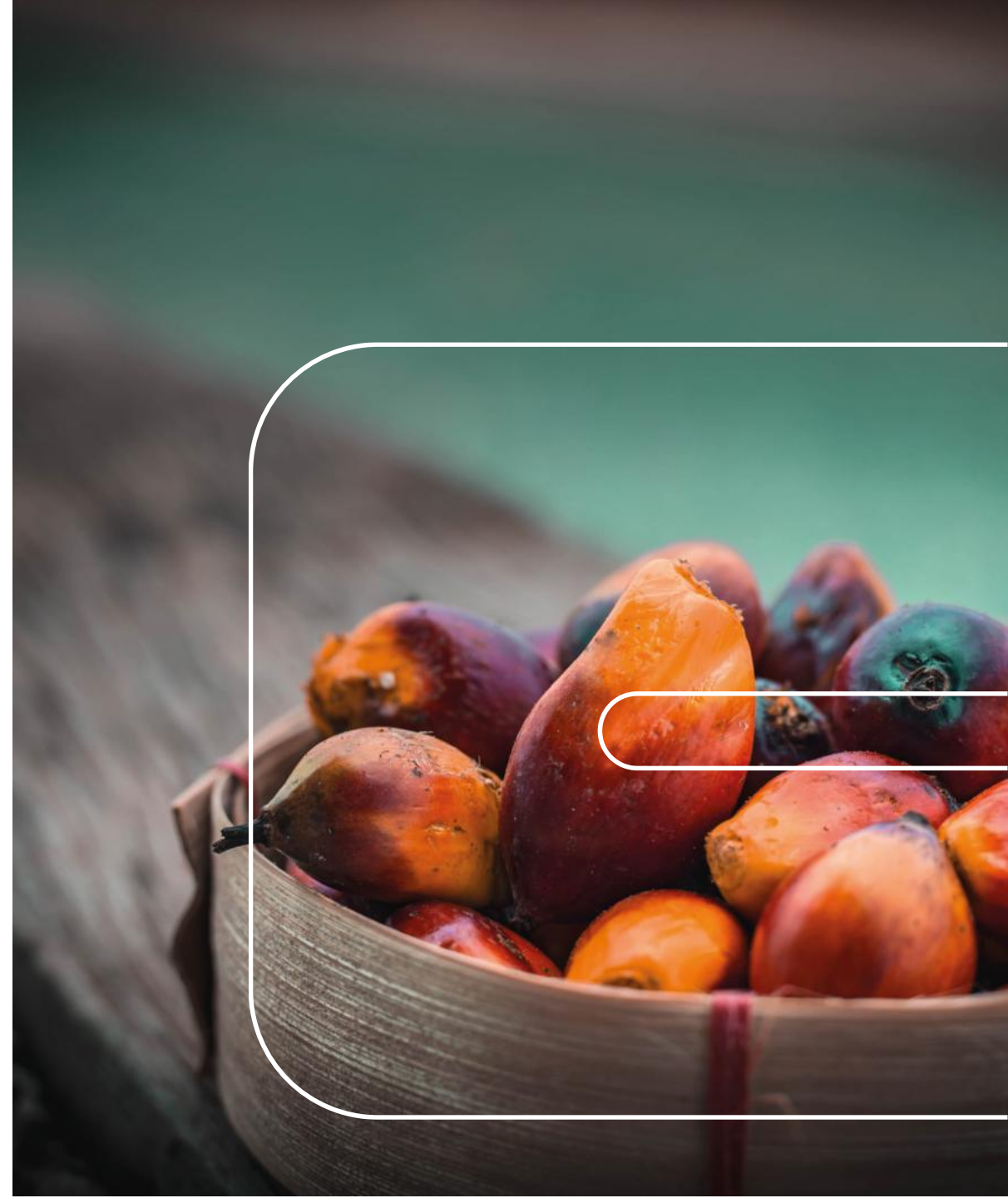
2030 Transition to and maintain 100% sustainably sourced palm-based materials

2032 Establish a fully NDPE- and DCF-compliant₇ supply chain that supports livelihoods and respects human rights

1 Full Year 2025 purchased volumes | 2 RSPO (Roundtable for Sustainable Palm Oil) certified volumes include RSPO Mass Balance (MB) and Independent Smallholder (ISH) credits | 3 2024 ASD Transparency Investigation of 2024 purchased volumes. Results are shared the following year and were made available in October 2025
4 Fine more Information: [Clariant CDP Recognition, CDP Scores and A Lists](#) | 5 Numbers show accumulated impact of supported actions on the ground | 6 Find more information: [Global Policy on Sustainable Palm Oil](#) (November 2025) | 7 No Deforestation, No Peat and No Exploitation (NDPE); Deforestation and Conversion Free (DCF)

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Letter to stakeholders

from Clariant leadership

»Nature is no longer external to business, it is capital we depend on. Our responsibility is to ensure that how we source, produce, and innovate strengthens the ecosystems behind our value chains.«

We are pleased to share our first report focusing on our sustainable palm oil sourcing strategy and progress. Clariant, as a specialty chemicals company committed to creating ‘Greater chemistry – between people and planet’, we recognize both the opportunities and responsibilities that come with using bio-based raw materials.

Palm (kernel) oil and its derivatives are important renewable raw materials for our bio-based chemical products, particularly in our Care Chemicals portfolio. As an efficient vegetable oil crop, palm oil provides a highly versatile and cost-effective renewable feedstock. However, increased palm oil use raises concerns about impacts on biodiversity, and social challenges.

As a value chain player, we recognize that halting and reversing biodiversity loss requires both corporate action and strong, well-designed public policy responsibility to ensure bio-based production supports, rather than undermines, environmental protection, and local livelihoods.

Clariant supports the Kunming-Montreal Global Biodiversity Framework and has adopted clear guidelines to align direct and indirect political engagement activities with the missions of the Global Biodiversity Framework and Paris Agreement.

Through our Global Policy on Sustainable Palm Oil, first published in 2021 and updated in 2025, we publicly communicate our vision of a sustainable palm industry committed to NDPE principles (No Deforestation, No Peat, No Exploitation). Building on our 2025 commitment to RSPO certification and NDPE-compliant sourcing, we are advancing toward 95% traceability to mills by 2026 and 100% sustainably sourced palm oil by 2030.

Already at 64% of palm oil volumes are verified as deforestation- and conversion-free via satellite monitoring, we source exclusively from suppliers compliant with NDPE principles and our [Supplier Code of Ethics](#), with systematic supply chain monitoring to verify compliance.

Our approach builds on structured and organized activities: as an ordinary member of RSPO ([Roundtable on Sustainable Palm Oil](#)) since 2011, and active members of ASD ([Action for Sustainable Derivatives](#)), we collaborate with suppliers, NGOs, and customers through multistakeholder projects that promote sustainable practices and strengthen local communities.



Richard Haldimann
Chief Strategy & Technology
Officer



Our Impact Dashboard

Monitoring progress on sustainability targets in alignment with the UN Sustainable Development Goals

Pillar	Commitment		Progress in %			SDGs
Responsible Sourcing	Sustainable Sourcing	Transition to and maintain 100% sustainably sourced palm-based material volumes by 2030	2030 2025 2021			
	Traceability to Plantation	Progressively increase traceability to plantations	- 2024 ₁ 2021			
Supply Chain Transparency₁	Traceability to Mills	Reach and maintain at least 95% traceability to mills by 2026	2026 2024 ₁ 2021			
	No Deforestation ₃	Aim to build a palm oil supply chain that is free from deforestation and conversion (DCF)	2032 2024 2022			
Nature	Water Intake	Reduce water intake by 20% ₄ in own production by 2030	2030 2025 2023			
	Scope 1 & 2	Reduce absolute emissions by 46.9% ₅ from a 2019 base year - SBTi approved target	2050 Net Zero 2030 2025 2023			
Climate	Scope 3	Reduce emissions from Categories 1 and 12 by 27.5% from a 2019 base year	2030 2025 2023			

¹ 2024 ASD Transparency Investigation of 2024 purchased volumes. Results are shared the following year and were made available in October 2025 | ² ASD SPI Campaign of 2024 | ³ 2024 ASD DCF Satellite Monitoring, DCF is evaluated the year after | ⁴ Impact target (impact per tons of production) | ⁵ Contribute to the reduction of climate target e.g., via sourcing of RSPO certified materials and the support of landscape projects



Our Engagement and Collaboration

Working with various experts to manage environmental and social issues



RSPO-1106234

The **Round Table on Sustainable Palm Oil (RSPO)**, is a global organization discussing sustainability issues around palm oil and its derivatives and setting the framework and standards for sustainability certification in the palm value chain.

Clariant has been an RSPO member since 2011 and annually reports palm-related information through [ACOP](#).



Action for Sustainable Derivatives (ASD) is a collaborative initiative, co-managed and co-facilitated, by BSR and Transitions, driven by derivatives users to transform their supply chains through increasing transparency, monitoring risks, engaging the sector, and generating on-the-ground impacts.

Clariant is a member of ASD since 2020.



Earthworm Foundation, is a non-profit organization built on values and driven by the desire to positively impact the relationship between people and nature.

Clariant is collaborating with Earthworm Foundation since 2023 on landscape initiatives and professional grievance management.



Together for Sustainability (TfS), is a joint initiative and global network of more than 30 chemical companies, which delivers the global standard for environmental, social, and governance performance of chemical supply chains.

Clariant is a member of TfS since 2014 to assess and improve social, labor, human rights, environmental, health & safety, and governance conditions across its supply chain.




The former **Carbon Disclosure Project (CDP)**, is a transparent way for companies to report on progress in sustainable practices for forest-risk commodities.

Clariant reports palm-based raw materials in the CDP Forest assessment, to reflect ongoing efforts in managing and disclosing biodiversity and palm oil-related risks and opportunities.



Our Engagement and Collaboration

Supporting six On-The-Ground Initiatives in our main sourcing countries Indonesia and Malaysia

 Read more in chapter [Our Actions on the Ground](#)

Indonesia

Aceh Landscape

2021 to 2025

Balancing palm production, forest conservation, sustainable livelihoods, social and labor practices.

Supported from 2024 to 2025



Kaleka Mosaik Initiative

2022 to 2026

Advancing sustainable palm via jurisdictional certification and community-based land and forest management.

Supporting since 2022

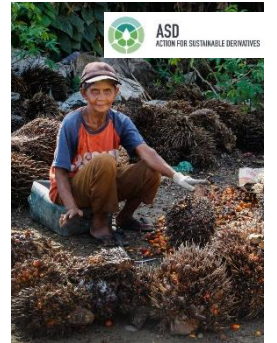


ASD Strengthening Respect in Palm

2022 to 2027

Prevention and response to gender-based violence and sexual harassment.

Supporting since 2022



Malaysia

SPIRAL

2020 to 2025¹

Accelerating regenerative agriculture to improve profitability, ecosystems and carbon sequestration.

Supported from 2015 to 2025



SCFS Landscape

2021 to 2025

Collective action to balance forest conservation, sustainable development and community welfare.

Supported from 2024 to 2025



Sabah Landscape

2021 to 2025

A landscape model balancing conservation, sustainable farming, wildlife protection and community empowerment.

Supporting since 2024



¹ Predecessor project Sustainable Palm Oil and Traceability with Sabah Small Producers (SPOTS) run from 2015-2020 with the same consortium partners.



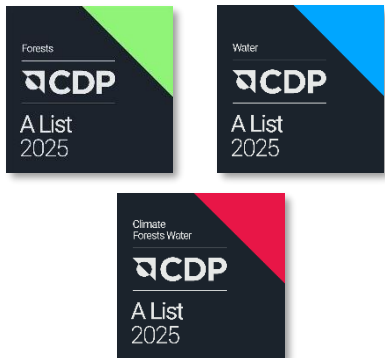
Our Awards and Recognitions

Recognized through industry initiatives, certifications, and sustainability assessments that reflect Clariant’s commitment to responsible palm sourcing, supply chain transparency, and collaboration with key stakeholders.

A Rating₁

Carbon Disclosure Project (CDP) Climate, Forests, Water

CDP is a rating agency for sustainability, used by customers and financial organizations globally to assess companies' environmental performance.



A Rating₂

ASD Sustainable Palm Index (SPI), 2024 Campaign

The SPI is an evaluation scorecard for suppliers of palm-based derivatives. Clariant's performance as supplier was rated with a SPI score of “A”



Top Score₃

10 out of 10 score on the Shared Responsibility (SR) Scorecard by RSPO

The SR scorecard shows where organizations are within their sustainability journey covering the thematic areas, Transparency and Legality, Social, Environment, and Resourcing.



Award₄

Responsible Care award 2025 for Clariant’s people-oriented approach, strong global strategy and clear, measurable results achieved



Our Strategic Approach

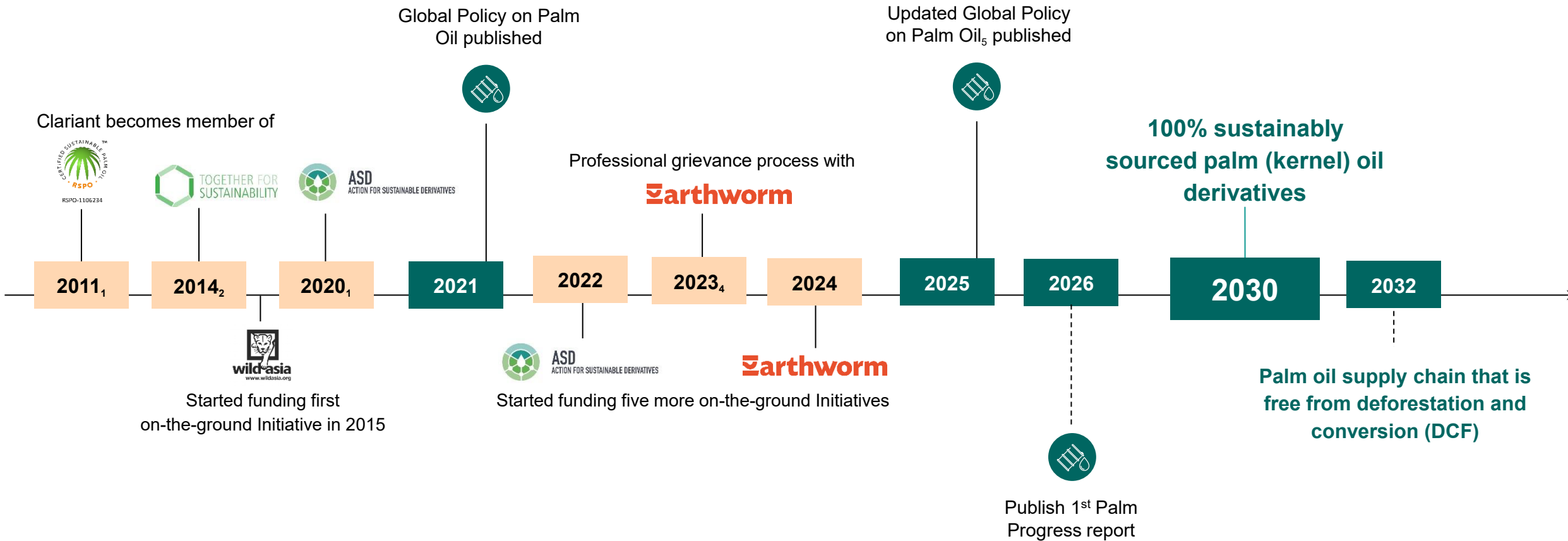
towards sustainable palm oil

- Palm oil and palm kernel oil play an important role as raw material for bio-based chemical products, particularly for producing surfactants, emulsifiers, and preservatives in personal and home care applications.
- Recognizing the environmental and social challenges associated with palm cultivation Clariant commits to the sourcing of sustainable palm oil, palm kernel oil and its derivatives and to collaborating with suppliers to increase transparency across the palm oil value chain.



Our Sustainable Palm Oil Journey

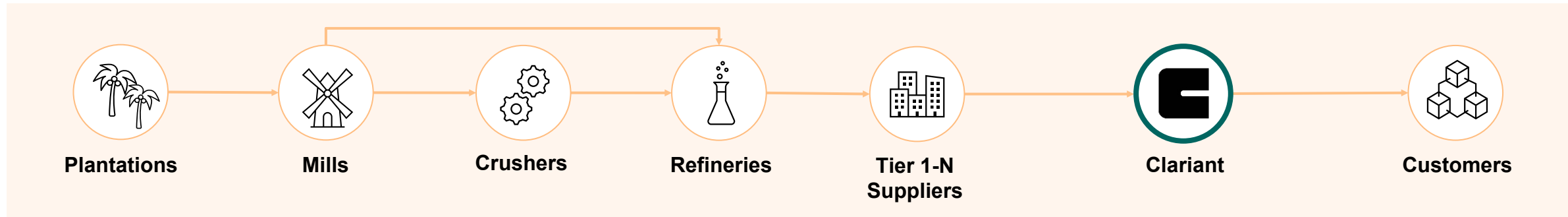
showcases our past and present internal and external activities to achieve our long-term targets



Find more information: **1** [Clariant – Sustainable Palm Oil](#) | **2** [Clariant and Together for Sustainability](#) | **3** [Global Policy on Sustainable Palm Oil \(December 2021\)](#) | **4** [Clariant and Earthworm](#) | **5** [Global Policy on Sustainable Palm Oil \(November 2025\)](#)

Our Supply chain

Overview of our engagement in the global palm oil supply chain



Upstream Supply Chain

Own Operations

1057₁

Mills (Level 1)

- 76 % **Indonesia**
- 19 % Malaysia
- 2 % Thailand
- 29 % RSPO Certified

74₁


Refineries and Crushers

- 39 % **Malaysia**
- 35 % Indonesia
- 8 % Thailand

16

Certified Production Sites

- 6 **Asia Pacific**
- 6 North and Latin America₂
- 3 Europe
- 1 Oceania

 Read more on own operations here page [17](#) and on our [website](#)

1 2024 ASD Transparency Investigation of 2024 purchased volumes. Results are shared the following year and were made available in October 2025 | 2 The site in Zarate, Argentina was closed in the middle of 2025



Our Management of Sustainable Palm

Sustainable Palm Oil is not a program, but a set of decision-making principles embedded in our business model

Fostering a sustainable bio-economy is a strategic priority for Clariant.

Innovation and sustainability topics, including biodiversity and bio-based raw materials such as palm, are overseen by the Innovation and Sustainability Committee and reviewed operationally in the Innovation and Sustainability Meeting. Progress, impacts, risks and opportunities are regularly reported by the Chief Strategy & Technology Officer and assessed against annual targets.



Minimum quarterly board-level committee composed of four members of the Board of Directors, chaired by a BoD member, with the CEO and CSTO as permanent guests. Oversees innovation and sustainability priorities, and monitors progress on KPIs and roadmaps.

Quarterly forum composed of the CSTO, innovation and operations heads of the BUs, and key global functions, with the CEO and the ISC BoD delegate as permanent guests. Reviews sustainability KPIs and progress and escalates strategic matters to executive leadership and the ISC.



Our 2021 Global Policy on Sustainable Palm Oil

Established our strategic approach and foundational commitments to sustainable palm oil until 2025

1. Commitments



Sustainable Sourcing

- Transition to source 100% RSPO (or equivalent) certified palm-based materials by 2025 as far as commercially available on the market
- Increase certified material uptake from base year ¹
- Source exclusively from NDPE compliant suppliers considering the RSPO cut-off date of November 2018



Transparency

- Improve palm oil traceability across the supply chain
- Increase transparency from suppliers to plantations
- Report progress through annual RSPO ACOP submissions



Collaboration

- Work closely with our direct supply chain, critical stakeholders, and customers to promote transparency
- Contribute to NGO-led multistakeholder on-the-ground and smallholder inclusion projects
- Contribute to several scientific, technical and industrial bodies

2. Key achievements by 2025

- **13%₁ to 54%** Certified material uptake
- **Since 2016** all our relevant production sites are RSPO MB certified
- **21%₂ to 64%** DCF verified volumes
- **32%₁ to 83%** Transparency to Plantations
- **83%₁ to 93%** Transparency to Mills
- **86%₁ to 96%** Transparency to Refineries
- Supporting 6 collective action projects coordinated by three NGOs supported
- Member of RSPO, ASD and Together for Sustainability

¹ Progress until 2025 is compared to figures of the base year 2021 | ² Base year is 2021, but DCF evaluated the year after

3. Bringing our commitments to 2030

Clariant has strengthened its palm oil policy, paving the way to 100% sustainably sourced palm by 2030 through a comprehensive, multi-pillar approach. Developed with extensive stakeholder engagement, including NGOs and industry experts, this enhanced commitment moves beyond single-certification to embrace holistic sustainability and full NDPE compliance. The evolution provides a clear, achievable roadmap that brings our ambitious environmental commitments into reality while maintaining commercial viability.

Our Global Policy on Sustainable Palm Oil

Bringing us to 2030

- Clariant's strengthened palm oil policy commits to 100% sustainably sourced palm by 2030 through a comprehensive, multi-pillar approach going beyond single certification to full NDPE compliance.
- Developed with extensive stakeholder engagement, the updated policy provides a clear and commercially viable roadmap turning ambitious environmental commitments into real impact





Our Global Policy on Sustainable Palm Oil

Read more on our policy on our [website](#)

Building on our commitments to reach our vision of a sustainable business with the commodity palm by 2030

Sustainably sourced palm-based material

transition to and maintain 100% sustainably sourced palm-based material (palm oil, palm kernel oil and their derivatives) volumes by 2030

Work closely with critical stakeholders such as suppliers, NGOs, and customers

to promote greater transparency in the supply chain, with the aim to reach and maintain at least 95% traceability to mills by 2026 and to increase traceability to plantations progressively

Contribute to several scientific, technical and industrial bodies

e.g., as a member of ASD and the RSPO and support the development of relevant public-private partnerships in this field. With the goal to increase the inclusion of smallholders in the value chain and support a positive impact on social wellbeing by reducing human rights risks in the labor force of smallholders



Grow the certified products market share
together with different value chain partners

Source exclusively from NDPE compliant suppliers

which consider the RSPO cut-off date of November 2018 and are adherent to Clariant's Supplier Code of Ethics

Contribute to the reduction of GHG emissions

in the value chain, e.g., via sourcing of RSPO certified materials and the support of landscape projects

Contribute to NGO-led multistakeholder on-the-ground projects

promoting sustainable palm oil practices, such as protecting ecosystems, enabling farmers to achieve RSPO certification, fostering smallholder inclusion and strengthening local communities

This approach combines worker livelihood improvements through capacity building and economic development with biodiversity conservation, demonstrating our commitment to balanced environmental and social sustainability in palm oil value chains



Sustainable Palm Materials through RSPO Certification

Our commitment and actions to reach sustainable sourced palm and palm-based materials through certification

RSPO Membership since 2011

Clariant is a member of the **Round Table on Sustainable Palm Oil (RSPO)**, a global organization setting standards for sustainability certification in the palm value chain.

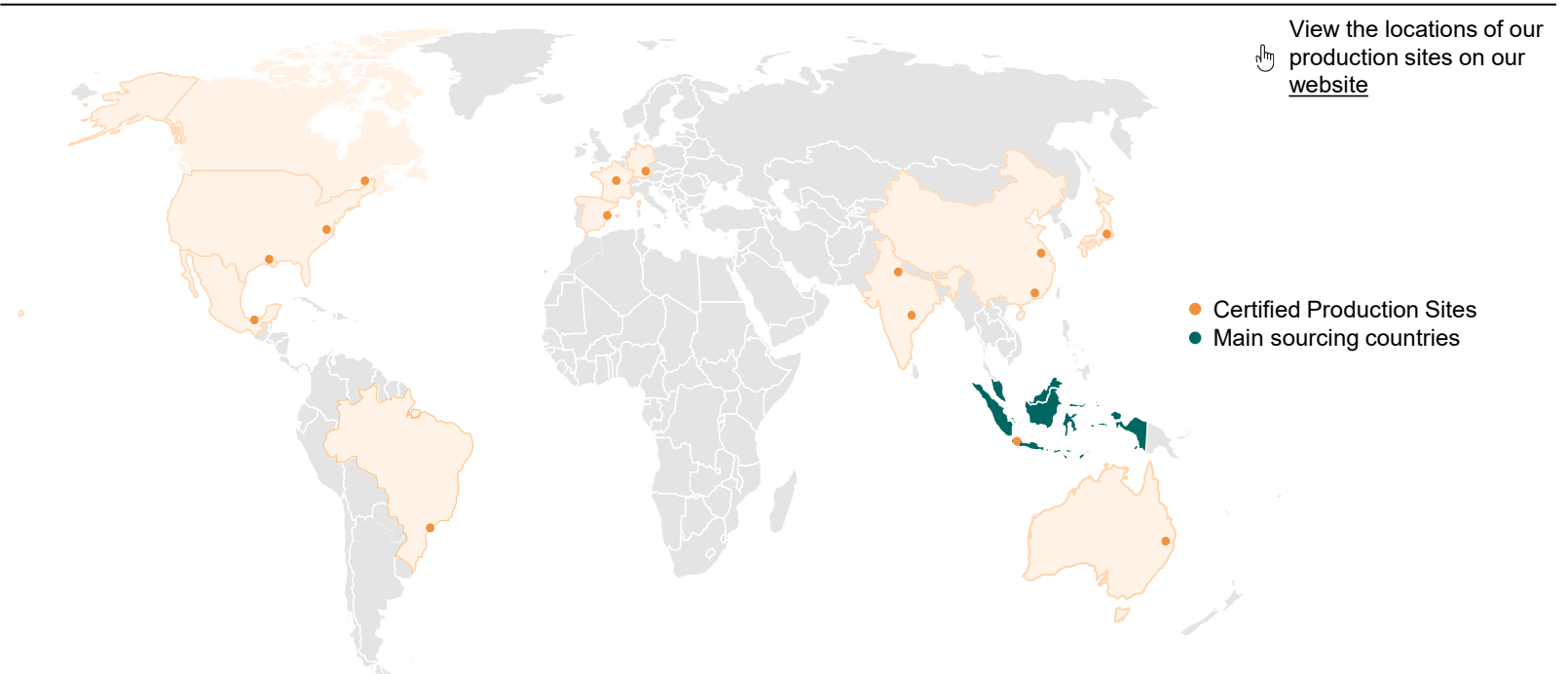
To maintain our membership and verify compliance, we undergo **regular external third-party audits according** to RSPO Supply Chain Certification Systems requirements.

Number of audits conducted: 11

Following successful audits, Clariant obtained RSPO Mass Balance (MB) certification across multiple sites, enabling supply of certified palm oil and palm kernel oil derivatives.

A **RSPO MB certification** permits mixing certified and conventional palm oil while maintaining administratively monitored balance between input and output quantities.

All relevant Clariant production sites are RSPO MB certified



16¹ RSPO MB Certified Sites

- 12 Clariant Sites
- 1 Joint Venture CISC Site
- 3 LMC Sites

Purchased palm material

42.9 kt	Total volume
31.1 kt	PO and Derivatives
11.8 kt	PKO and Derivatives

Certified Volumes Purchased

47%	Total RSPO volumes
35%	thereof certified PKO
80%	thereof certified PO

¹ The production site in Zarate, Argentina was closed in the middle of 2025.



2025 Policy covers Multiple Criteria to Sustainable Palm Materials

Strengthening our commitment from certified to sustainably sourced palm oil by 2030

EUDR-compliant material



Compliance with EU Regulation 2023/1115 requires deforestation-free materials (no deforestation / degradation after Dec 31, 2020) produced per local laws (labor, human rights, safety, environment, land use). Each shipment needs a due diligence statement (mandatory from Dec 30, 2026).

3rd party certification



Clariant offers RSPO-certified palm-derived products and uses RSPO independent smallholder credits to increase coverage, support livelihoods, and boost certified volumes.

Sustainably sourced

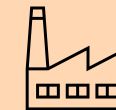
are all raw materials which are covered by at least one of the following criteria

On-the-ground projects




Clariant supports NGO-led landscape projects in supply chain regions for holistic environmental and social impact.

Sourcing from low-risk mills



Volumes from mills in low-risk areas (verified via 50 km radius analysis) with supplier written confirmation.

In addition, Clariant's sourced volumes undergo satellite monitoring via a third-party tool for verification of deforestation and conversion-free (DCF) volumes.

 Read more on DCF on [page 24](#)



Supplier Requirements

Our approach to ensure the continuous improvement of the entire palm oil value chain



No Deforestation /No Conversion

No production, sourcing, or investments causing deforestation, conversion to agriculture/non-forest use, tree plantations, or severe degradation.

No development, conversion, or degradation of High Carbon Stock (HCS) or High Conservation Value Areas (HCVA) per HCSA, complying with RSPO November 2018 cut-off date.



No Peat

No development on peat (any depth), including oil palm planting or burning. Protection and restoration of HCS, HCVA, and peatlands. Good management practices per RSPO for existing peat plantations. New plantings per HCS Approach Toolkit.



No Exploitation

Adhere to international human rights and labor standards, ensuring freedom of association, elimination of forced/child labor, prevention of discrimination, ethical recruitment.

Respect indigenous peoples' and local communities' rights through FPIC implementation, land rights protection, and transparent conflict resolution.



Supporting local livelihoods

Include independent smallholders in supply chain via market access and fair prices. Support sustainable practices, increased yields, and improved livelihoods.



Transparency & Traceability

Supply chain transparency with traceability to mill and plantation levels. Continuous traceability improvement. Cooperation with Clariant, sharing information for third-party verification. Prompt grievance disclosure.

Clariant requires suppliers to comply with above outlined requirements of the **Global Policy on Sustainable Palm Oil**, and **Supplier Code of Ethics**², including NDPE compliance (RSPO November 2018 cut-off), supply chain transparency, breach reporting, third-party verification, and participation in grievance resolution.



Monitoring and Verification

Systematic supply chain monitoring to assess and verify compliance with NDPE commitments

Verification mechanisms

Supplier assessment



Suppliers are engaged through a Responsible Sourcing program, which includes a **structured Supplier Sustainability Journey** and a **Consequence Management Framework**.

Supplier engagement occurs through bilateral meetings, digital platforms, and TfS membership (Ecovadis assessments and TfS Audits). Performance is evaluated on environment, labor/human rights, ethics, and sustainable procurement, tracked via corrective action plans.

Satellite monitoring



Deforestation and conversion-free and NDPE compliance, is verified through satellite monitoring using the **Nusantara Atlas tool**.

Methodology is based on the Carbon Disclosures Project (CDP) and the Consumer Goods Forum Forest Positive Coalition (CGF-FPC) approaches to calculate DCF volumes.

Grievance mechanism



Grievances are managed through a professional grievance process carried out together with an external partner and documented in an internal SOP as guidance document.

Grievance cases are **assessed with 3rd party** support to confirm supply chain links and evaluate actions. This process is governed by a cross-functional team across Sustainability Affairs, Business Units and Procurement, which handles case documentation, verification, resolution, reporting, and monitoring.

On-the-ground assessment



3rd party assessment includes **3rd party audits**, such as NGO-led field work, **TfS audits**, and **on-site evaluation** through certification schemes such as RSPO.



Monitoring and Verification

Systematic supply chain monitoring to assess and verify compliance with NDPE commitments

Non-compliance measures

Clariant expects suppliers to comply with requirements and ensure upstream supply chain alignment to improve the entire palm oil value chain.

To enable all internal and external stakeholders to bring any concerns to Clariant's attention, the company established the Clariant Integrity Line, which enables stakeholders to report actual or suspected breaches of Clariant's Code of Ethics and Policies without retaliation. Suppliers and their workers are encouraged to use it, with the option to remain anonymous.

Supplier Engagement



In case of unsatisfactory assessment results, suppliers must work on corrective action plans and demonstrate improvements in reassessments.

Through TfS, Clariant accesses EcoVadis assessment scorecards and audit reports with scores for environmental topics, labor/human rights, ethics, and sustainable procurement, plus detailed feedback on improvement areas.

Satellite monitoring results



Mills with detected deforestation or conversion are classified as non-compliant with DCF requirements.

In cases of non-compliance Clariant engages Tier 1 suppliers linked to affected mills to work with upstream supply chains to improve DCF results.

Grievance management



Focuses on supplier engagement and industry collaborations to resolve complaints and conduct mitigation measures, covering social and environmental grievances (including land-use change).

A Grievance Steering Committee oversees monitoring results, reviews cases, and decides on consequence management. Social issues escalate to the Ethics & Risk Management Committee; environmental findings to the Innovation & Sustainability Meeting.



Grievance Management

How we receive, assess and act on grievances across our palm supply chain

Receive & Assess

Grievances are logged internally and assessed for materiality — including supply chain connection, affected volumes, and potential policy non-compliance.

Engage

We engage directly with the grievance raiser and relevant suppliers to gather information and understand the situation on the ground.

Implement & Monitor

The approved action plan is implemented and monitored in consultation with external parties. Progress and results are documented in the Grievance Log. The case is closed once resolved.

Develop & Approve Action Plan

A corrective action plan is developed with input from stakeholders and reviewed by the Grievance SteerCo where required.

56 Active Grievance Cases Logged¹

23 Suppliers with Grievances **27** Mills with Grievances



- 74% Indonesia
- 13% Malaysia
- 7% Latin America
- 4% Africa
- 2% Oceania

¹ Detailed grievance data including case-specific information, timelines, and resolution status are maintained in Clariant's internal Grievance Log and tracking systems.



Traceability and Transparency

Our commitment to maintain and improve transparency in our supply chain



Traceability & Monitoring Framework

Through the ASD membership, Clariant conducts annual traceability investigations mapping supply chain connections to mills and plantations with province-level risk classifications. DCF verification, also conducted by ASD, is performed through satellite-based monitoring via Nusantara Atlas using multi-source imagery, aligned with CDP and CGF-FPC₁ approaches.



Methodology Parameters

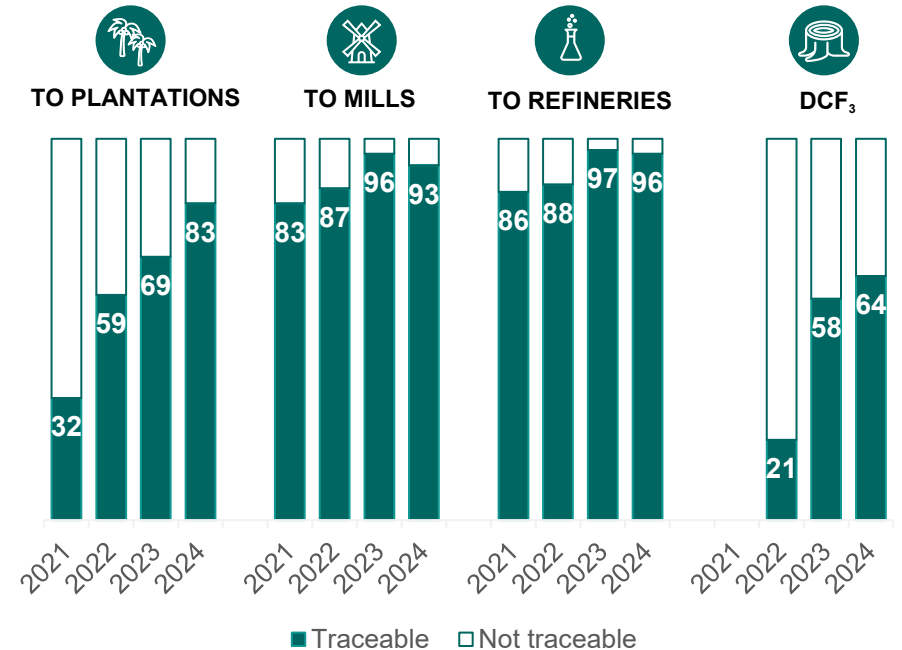
The assessment uses the RSPO November 2018 cut-off date and monitors deforestation and conversion of primary forests, peatlands, and High Conservation Value areas within a 10 km radius around each palm oil mill, aligned with WRI methodology. Geographic coverage focuses on Indonesia and Malaysia, representing the majority of ASD member sourcing volumes.



Tracking & Disclosure

Annual deforestation trends are tracked from 2000 onwards with alerts integrated into ASD's grievance management process. Based on the investigation results, Clariant maintains an internal mill-list with mill-level DCF status to support supplier engagement and due diligence under EUDR.

Progress from the base year 2021 to the results of the 2024 transparency investigation₂



Highlights:

- **Plantation traceability more than doubled** from 2021 to 2024 due to sector engagement and regulatory developments
- **Refinery and mill traceability slightly decreased** in 2024 due to increased number of non-transparent and new suppliers
- **DCF verified volumes tripled** from 21% (2022) to 64% (2024), on track for 100% DCF supply chain by 2032

¹ Carbon Disclosures Project (CDP) and the Consumer Goods Forum Forest Positive Coalition (CGF-FPC) | ² 2024 ASD Transparency Investigation of 2024 purchased volumes. Results are shared the following year and were made available in October 2025 |

³ The DCF base year is 2021 and DCF evaluated the year after, thus no data for 2021 available



Our Human Rights Policy

Promoting Human Rights respect across operations and value chain globally

We ensure Human Rights respect in all activities per International Bill of Human Rights and ILO Declaration standards. Our approach is guided by UN Guiding Principles, UN Global Compact, OECD Guidance, Responsible Care Charter.

Clariant requires compliance with international, national, and local laws and regulations. Standards based on recognized international Human Rights reflecting relevant operational issues. Where laws conflict with international standards, comply locally while honoring principles.

 Find more information in our [Clariant Group Human Rights Policy](#)



Child Labor

Prohibits child labor per ILO Conventions 138 and 182; no hiring below legal minimum/school age; young workers only in approved safe programs.



Forced Labor

Prohibits all forced labor, slavery, trafficking, debt bondage; no violence or coercion; clear written employment terms; zero tolerance in supply chain.



Harassment & Discrimination

Values diversity; prohibits discrimination and harassment based on protected categories; suppliers must share diversity, equity, and inclusion commitment.



Working Hours

Maximum 60-hour workweek (48 regular, 12 overtime); minimum 8 hours daily rest, 24 hours weekly; suppliers must comply with local laws.



Health and Safety

Prioritizes employee and community safety and well-being; EHS Guidelines maintain injury-free workplaces; suppliers must apply ISO Health and Safety standards.



Right to Water and Sanitation

Recognizes water and sanitation as human rights; improves water efficiency and prevents pollution; suppliers must manage water and wastewater responsibly.



Freedom of Association & Collective Bargaining

Respects workers' rights to unionize and bargain collectively; prohibits intimidation or retaliation; supports alternative mechanisms where legally restricted.



Land Rights

Conducts fair land negotiations per IFC Standards; implements FPIC for indigenous peoples; suppliers must respect local and indigenous communities' rights.



Wages and Benefits

Commits to fair wages meeting/exceeding legal minimums for decent living standards; suppliers must comply with wage and benefits laws.

Our Actions on the Ground

to support collective landscape and
community initiatives

- Clariant collaborates with NGOs in priority sourcing areas to protect and restore landscapes while supporting workers, communities, and smallholders.
- These on-the-ground initiatives promote sustainable land management and strengthen biodiversity, livelihoods, and community resilience



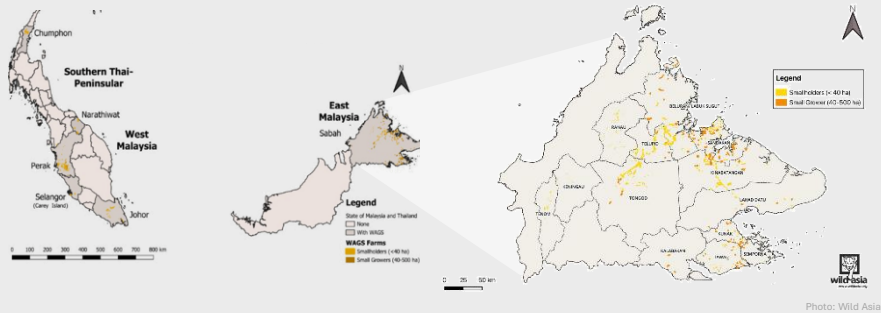


[Read more about SPIRAL](#)

SPIRAL Program, Malaysia



Accelerating regenerative agriculture in oil palm to improve farm profitability, ecosystem services and carbon sequestration



SPIRAL (Small Producer Inclusivity & Resilience Alliance) aims to connect global key players in the palm oil industry to support the inclusion of small farmers in the global supply chain and promote sustainable farming methods.

The key objectives of the project are to ensure sustainable livelihoods and environmental conservation and improve local biodiversity. Further are farmers supported in regenerative farming transformation through WAGS BIO.

Clariant has been supporting Wild Asia from 2015 to 2025, firstly, with the predecessor project SPOTS (Sustainable Palm Oil and Traceability with Sabah Small Producers).

Key Achievements Full Year 2025

Vision: Support smallholders while enhancing biodiversity, reducing monoculture and GHG emissions through sustainable practices



Supply chain Transformation

426 k mt

of Fresh Fruit Bunch (FFB) are 100% traceable to farm

406.7 k mt

of Fresh Fruit Bunch (FFB) are 95% traceable to buyers



Human Rights and Inclusive Sourcing

3 834

small producer members supported, out of which 2 821 are RSPO-certified

3 749

farmers supported, 1 233 are women and 2 263 are native



Climate Action

10 284 Kg of CO₂ emissions avoided



Sustainable Land Management

41.9 k ha are under Sustainable Land Management, with 32.2 k ha certified

214

BIO Farms applied regenerative practices across 174 ha



Aceh Landscape, Indonesia

Balancing palm production, forest conservation, sustainable livelihoods, social and labor practices



The Aceh Landscape is home to the highly biodiverse Leuser Ecosystem, where orangutans, tigers, elephants, and rhinoceros coexist alongside old-growth tropical forests and peat soils that serve as important carbon sinks.

The rapid expansion of the palm oil industry, poses significant challenges calling for collective action.

From 2024 to 2025, Clariant has contributed, alongside various industry leaders, to Earthworm Foundation's initiative to address these challenges through collective action.

1The numbers reported on hectares were rounded to two significant figures

Key Achievements 2021- 2025

[Read more about Aceh](#)

Vision: By 2030, the second phase of the project aims to transform the landscape into a responsible sourcing area that delivers benefits for nature, soil health, and social wellbeing, while securing a sustainable supply across 100.000 hectares and benefiting 3 400 people.



Forest protection and Restoration

- 87.67k ha₁** of forest outside concession under protection through 33 village regulations
- 10.18k ha₁** of protected area inside concessions through 8 companies



Workers and Families

- 2 315** workers directly impacted by improved working conditions
- 5 000** people indirectly impacted by improved working conditions



Stakeholder Support

- 3** collective Action Plans implemented in 3 districts



Resilient Farmers

- 2 397** trained on Good Agricultural Practices
- 3** farmers business units empowered to produce alternative livelihood commodities, manage, and market sustainable products



Community Rights

- 8** communities improved their land tenurial status, 40 additional are in the process of it
- 5** village conflicts are managed through a conflict resolution process

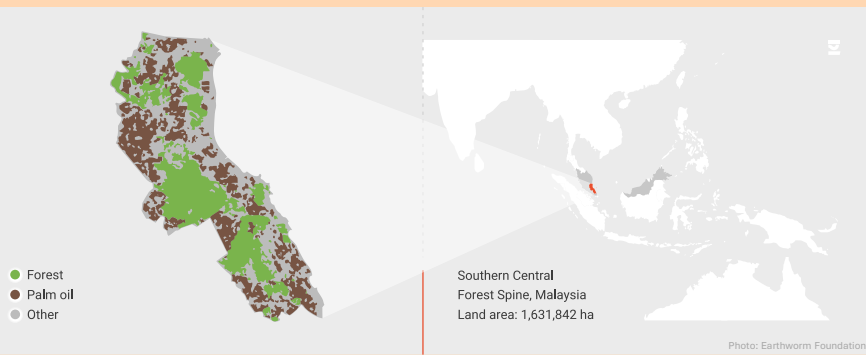


[Read more about SCFS](#)



SCFS Landscape, Malaysia

Collective action to balance forest conservation, sustainable development and community welfare



The SCFS (Southern Central Forest Spine) Landscape is one of the most important palm oil sourcing regions in Malaysia, playing a crucial role in the industry.

Significant land conversion to palm oil plantations has resulted in a fragmented forest ecosystem and remaining forest complexes serve as vital wildlife corridors for endangered animals.

From 2024 to 2024, Clariant has contributed, alongside various industry leaders, to Earthworm Foundation’s SCFS initiative to address these challenges through collective action.

¹The numbers reported on hectares were rounded to two significant figures

Key Achievements 2021- 2025

Vision: By 2030, the second phase of the project aims to drive industry led collective actions to foster an enabling environment that supports lasting change towards a responsible palm oil production landscape.



Supply chain Transformation

85

mills have a timebound NDPE action plan

40

mills are 100% traceable to plantation



Workers and Families

8 395

workers benefited from improved working conditions



Resilient Farmers

1 671

farmers reached through capacity building and field visits

1.34k ha¹

mapped and submitted to competent authorities to facilitate the land ownership approval process



Forest protection and Restoration

8.39k ha¹

of elephant range are managed by community-led initiatives

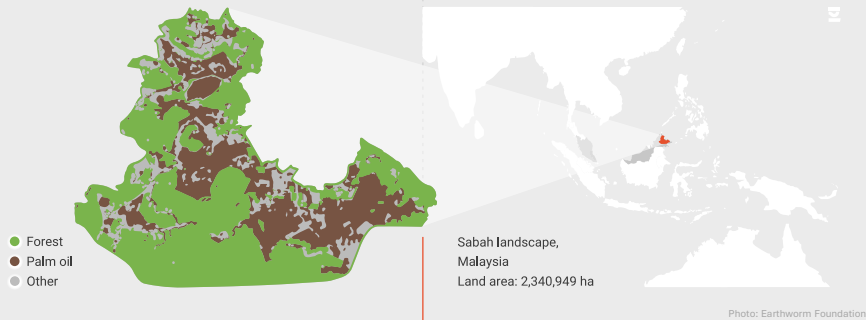
75 %

decrease in deforestation shown by continuous monitoring



Sabah Landscape, Malaysia

A landscape model balancing conservation, sustainable farming, wildlife protection and community empowerment.



The Sabah Landscape covers the world's most biodiverse forests and is the second largest area of oil palm plantations in Malaysia. Sabah relies heavily on migrant workforce often livening in the plantations and is the home to 30 000 independent farmers, which dependent on their land and oil palm trees for their livelihoods.

Clariant has been contributing alongside various industry leaders to Earthworm Foundation's Sabah Landscape to address challenges through collective action since 2024.

¹The numbers reported on hectares were rounded to two significant figures

Key Achievements 2021- 2025

Vision: By 2030, the second phase of the project aims to harness locally led partnerships to cultivate resilient ecosystems to inspire positive transformation within a regenerative palm oil landscape.

[Read more about Sabah](#)



Supply chain Transformation

69

mills have a timebound NDPE action plan

47

mills are 100% traceable to plantation

8

mills were engaged in smallholder inclusion programs



Workers and Families

8 271

workers impacted by employer engagement on responsible labor practices and working conditions

2 222

children indirectly benefited from improved working conditions and better protection



Resilient Farmers

5 007

farmers reached through capacity building and field visits

20 %

of the total farmers engaged are implementing at least one transformative action



Forest protection and Restoration

15.94k ha¹

of elephant range are managed by community-led initiatives

5 %

decrease in deforestation inside and outside the concession



Kaleka Mosaik Initiative, Indonesia

Advancing sustainable palm oil through jurisdictional certification and community-based agroforestry, forest protection and land restoration



The Mosaik Initiative, supported by the ASD Impact Fund, works in partnership with the Indonesian NGO Kaleka in two of the largest palm-producing districts in Central Kalimantan.

The aim of this initiative is to improve the welfare of farmers and indigenous people by simultaneously protect and restore the landscape and drive sustainable economic growth. Seven actions under two thematic fields are carried out within this initiative.

The Clariant Foundation, alongside various industry leaders, has been supporting this initiative since 2022.

Key Achievements 2024 - 2025

Vision: Improve the welfare of farmers and indigenous people by simultaneously protecting and restoring the landscape and drive sustainable economic growth

[Read more about Kaleka](#)



Sustainable Palm Oil

260

Smallholders (472 ha) supported by RSPo certification process



Sustainable Agriculture

15

villages met requirements for sustainable agriculture and received benefits



Land Restoration

104 ha

restored across five villages and agroforestry development



Forest Conservation

5 k ha

of forest protected, fulfilling total target one year ahead



ASD Respect in Palm, Indonesia

Prevention and Response to Gender-Based Violence and Sexual Harassment in Palm Oil Concessions in Indonesia




ASD Strengthening Respect in Palm is a comprehensive program supported by workplace initiatives to prevent and address violence and harassment in both workplace and home settings.

The aim of this program is to improve worker safety and well-being by simultaneously strengthening workplace policies and empowering individuals through education and support mechanisms.

The Clariant Foundation, alongside other industry leaders, has been supporting this initiative since 2022.

Key Achievements 2022 - 2025

Vision: Address and prevent gender-based violence in Indonesian palm plantations through workplace training and capacity building.

 [Read more about ASD Strengthening Respect in Palm](#)



Phase 1 (2022 – 2024)

140

Direct participants in workspace training

28%

more workers now step up when they see violence



Unanimous agreement that any form of violence is unacceptable



Exploratory Phase (2025)



Addressed open questions and scoping for project continuation



Phase 2 (2026 – 2027)

Objective:

Refine training model towards a scalable approach that can be applied to palm sites across the Indonesian palm sector



On-Site Training Refinement:

- Refine training approach based on learnings from Phase 1
- Execute on-site trainings to capture impact and best practices



Program Scaling:

Publish and amplify training program materials to support uptake of additional training programs across multiple sites and suppliers

