



# SUSTAINABILITY ACTION PLAN 2024 - 2025

In April 2024, LIPSA launches its **7<sup>th</sup> Sustainability Action Plan for the period April 2024 to March 2025** to implement our Sustainable sourcing commitments on key commodities of our supply chain.

# PALM OIL.

AREA	OUR GOAL	OUR ACTIONS	TIMELINE
VALUES	Expanding the scope of LIPSA's sustainability policies commitments.	<p>LIPSA will do a review of its <a href="#">Responsible Sourcing Policy and Palm Oil Sustainability Policy</a>, to expand the scope of these current policies to include additional aspects of sustainability.</p> <p>LIPSA will publish the updated <a href="#">LIPSA Responsible Sourcing Policy and Palm Oil Sustainability Policy</a> after consulting with Sustainability partners and stakeholders.</p>	June 2024
	LIPSA readiness towards EU Regulation 2023/1115 on deforestation and forest degradation.	<p>To develop a <b>Due diligence approach</b> that covers new regulations and is aligned with our Responsible Sourcing and NDPE policy.</p> <p>To implement tools and procedures to develop a risk assessment to assess potential mitigation needed. To engage with our direct suppliers to assess them and set up an action plan to meet LIPSA commitments and to measure progress on the actions taken by suppliers.</p> <p>LIPSA will consider additional support for its supply chain to meet requirements.</p>	November 2024
	Participate in multistakeholder initiatives to tackle industry-wide social and environmental challenges.	Work as a member of <b>Earthworm Foundation</b> alongside a community of organizations leveraging our value chains to positively impact people and nature.	Since 2019
		Work as member of the <b>RSPO</b> (Roundtable on Sustainable Palm Oil), part of our commitment to promote the use of sustainable palm oil.	Since 2005

AREA	OUR GOAL	OUR ACTIONS	TIMELINE
TRANSPARENCY	Increase <b>transparency</b> in our supply chain.	To publish the <b>2024-2025 Sustainable Action plan and internal and external socialization</b> .	April 2024
		Publish our <b>yearly Sustainability progress report</b> to communicate the implementation of our Sustainability action plan and on the key actions we carried out during the period.	April 2024
		Bi-annual update of our <b>Palm Oil Sustainability Dashboard</b> on our website, including traceability scores, country of origin, % certified volume, % deforestation free volume and main supply chain KPIs: <a href="https://www.lipsa.es/Sostenibilidad">Sostenibilidad (lipsa.es)</a>	September 2024 and March 2025
	Traceability	Publish an <b>updated mill list</b> on our website every six months. To continue supporting the Information System pilot developed by the EU Commission to provide feedback on the data collection for the EUDR compliance.	July 2024 and January 2025/January 2024-August 2024
		To work with our key suppliers to <b>reach 100% traceability to the plantation using polygons (for &gt;4ha area) by the end of 2024</b> .	All year
	Grievance management	To publicly report grievances status on our <a href="#">Public Grievance list</a> .  To include grievance management as part of our risk assessment process and decision-making, based on the new regulations coming.	All year

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SUPPLIER ENGAGEMENT	Assess the <b>Supplier's Maturity level</b> .	<p>Use the Engagement for Policy Implementation (EPI) tool developed by Earthworm Foundation <b>to measure LIPSA's supplier's progress</b> on our NDPE commitments and to strengthen supplier engagement.</p> <p>An action plan is agreed upon to cover the gaps identified with EPI tool.</p>	July–November 2024
	Actively <b>engage and collaborate</b> with our direct suppliers to achieve our goals.	To conduct dialogues meetings with suppliers and follow up on agreements to understand their progress on the action plan established.	November 2024– March 2025
TRANSFORMATION	Support programs in our supply chain that drive transformation and alignment with our NDPE commitments.	<p><b>Promoting Social Excellence in Guatemala.</b> LIPSA is working with other international companies since 2020 on a project partnering with Earthworm Foundation and Grepalma to address key issues in Human Rights within the palm oil industry.</p> <p>This is a multi-stakeholder approach to identify systematic risk within the region and create capacity-building and specific action plans with key palm oil companies.</p>	Since 2019– Continuous

AREA	OUR GOAL	OUR ACTIONS	TIMELINE
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">VERIFICATION</p>	<p>Independent verification of our No Deforestation commitments across our supply chain.</p>	<p>LIPSA will continue verifying our deforestation free with, a satellite tool, <a href="#">Starling</a>. LIPSA will cover 90% of the volume sourced under the industry commitment with a cut of date of 31 December 2015.</p> <p>LIPSA will verify its H2 2023 supply chain under the EUDR requirements (data collection and cut of date).</p>	<p>All year</p>
		<p>Based on the monitoring results, LIPSA <b>engage their suppliers</b> to ensure there is a plan in place and progress towards our no deforestation commitments goals, which can include investigating Starling deforestation alerts, increasing transparency, or any other actions identified.</p> <p>LIPSA will use its decision trees to address deforestation alerts to determine the action needed.</p>	<p>Quarterly</p>

# SOYBEAN OIL.



AREA	OUR GOAL	OUR ACTIONS	TIMELINE
VALUES	LIPSA readiness towards EU Regulation 2023/1115 on deforestation and forest degradation.	<p>To develop a <b>Due diligence approach</b> that covers new regulations and is aligned with our Responsible Sourcing and NDPE policy.</p> <p>To implement tools and procedures to develop a risk assessment to assess potential mitigation needed</p> <p>To engage with our direct suppliers to assess them and set up an action plan to meet LIPSA commitments and to measure progress on the actions taken by suppliers</p> <p>LIPSA will consider additional support for its supply chain to meet requirements</p>	November 2024
TRANSFORMATION	Address soy supply chain challenges.	<p>Increase awareness within the industry on the challenges identified in soy responsible sourcing within Europe.</p> <p>Considering the new regulations coming LIPSA will assess the transparency impact within the supply chain and will do a review of their supplier's maturity level in this regard.</p>	January-December 2024

# COCONUT OIL.

AREA	OUR GOAL	OUR ACTIONS	TIMELINE
VALUES	Expanding the scope of LIPSA's sustainability policies commitments.	<p>LIPSA will do a review of its <a href="#">Responsible Sourcing Policy and Coconut Sustainability Policy</a>, to expand the scope of these current policies to include additional aspects of sustainability.</p> <p>LIPSA will publish the updated <a href="#">LIPSA Responsible Sourcing Policy</a> and <a href="#">Coconut Oil Sustainability Policy</a> after consulting with Sustainability partners and stakeholders.</p>	June 2024
	Developing a procedure to onboard new suppliers considering sustainability criteria.	LIPSA will expand the scope of our current procedure for onboarding new suppliers to address <b>responsible sourcing, traceability and transparency, and supply risk</b> for both environmental sustainability and respect for human rights.	June 2024
	Participate in multistakeholder initiatives to tackle industry-wide social and environmental challenges.	To continue working with <a href="#">Proforest</a> an independent mission-driven not-for-profit organization working in the field of agricultural production and sourcing.	Since 2022
		We are a <a href="#">member of the Sustainable Coconut Partnership</a> , a multi-stakeholder platform that helps companies sourcing coconut to harmonize principles and focus on areas important to improving the sustainability of coconut farming.	Since 2022

AREA	OUR GOAL	OUR ACTIONS	TIMELINE
TRANSPARENCY	<p>Supply Chain Mapping/Traceability.</p> <p>100% traceability to crusher mill.</p>	<p>LIPSA will start working on <b>mapping and traceability within our supply chain.</b></p> <p>LIPSA will start work with our suppliers to implement traceability flow back to the crusher mill and beyond.</p>	<p>April 2024-December 2024</p>
	SUPPLIER ENGAGEMENT	<p>Extension of engagement with 2 key suppliers.</p>	<p>LIPSA will <b>continue on the supplier engagement work undertaken in 2023 with two key suppliers</b>, aiming to drive continuous improvement in compliance with LIPSA’s coconut sustainability policy and wider responsible sourcing policy.</p>
<p>Proforest will guide and mentor these suppliers in the development of <b>customized roadmaps to address gaps in sustainability</b>, with a particular focus on improving traceability, and will assist them in upgrading their systems and processes on their continuous sustainability improvement.</p>		<p>April 2024-December 2024</p>	

AREA	OUR GOAL	OUR ACTIONS	TIMELINE
TRANSFORMATION	<p>Support programs in our supply chain that drive transformation and alignment with our Coconut Oil Sustainable Policy.</p>	<p>LIPSA will look to <b>support an impact project</b> aligned with the coconut charter.</p> <p>LIPSA will explore possibilities to work on common projects with other members of the Sustainable Coconut Partnership and stakeholders to uphold the principles of the charter and drive positive impact in origin.</p>	<p>June 2024- December 2024</p>

“A World of  
Vegetable Oils”



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