

PUBLIC SUMMARY REPORT

External Verification of Sustainability Policy Transparency Toolkit (SPOTT) Palm Oil Assessment

KULIM (MALAYSIA) BERHAD 2022

Contact

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PART 1: SCOPE OF THE CERTIFICATION ASSESSMENT AUDIT
1.1 Company and Contact Details

Company Name:	KULIM (MALAYSIA) BERHAD
Business Address:	Ulu Tiram Estate, K.B 705, 80990 Johor Bahru, Malaysia.
Contact Person:	Pn. Salasah Elias
Office Telephone:	+607-8611611
E-Mail:	salasah@kulim.com.my
Web Site:	www.kulim.com.my

1.2 Assessment Details

Dates Of This verification:	8 th Aug 2022 – 11 th Aug 2022
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1.3 Assessment Type

Third party verification to assess and validate compliance, performance and/or action taken by KMB in relation to its commitment by evaluating the information provided by KMB towards SPOTT concerning the latest SPOTT Palm Oil Indicator Framework 2022 that requires external verification.

1.4 General Description of Kulim (Malaysia) Berhad

Established in 1933, Kulim (Malaysia) is a subsidiary of the Johor Corporation. Kulim is engaged in oil palm cultivation and processing of fresh fruit bunches into crude palm oil and palm kernel. Its oil palm plantation estates are located Malaysia and Indonesia. Kulim is also involved in a variety of other business activities including oil and gas, property development, cattle rearing, pineapple production, and Intrapreneur Ventures, oil and gas, and property sectors.

Across Malaysia operations, Kulim manages 5 palm oil mills (POM) and 23 estates total landbank spans 60,064 hectares, while 2 estates without mill for Indonesia Operation total landbank 14,447 hectares.

All the CPO and PK produced at mills is sold to refineries or kernel crushing plants. Before reaching end-users, it is further refined into products such as biodiesel, cooking oil, oleochemicals, cosmetics, and other palm oil-based products.

1.5 Operational Units under scope

KMB operates processing units of 5 mills and 23 Estates (Kulim Group) operated in Malaysia with 2 estates without mill at Indonesia Operation.

Details of the processing operations are as below:

Operations	Facilities	Location	Certification
Pasir Panjang	Palm Oil Mill	Malaysia	RSPO, MSPO, ISCC, HALAL
Sindora	Palm Oil Mill	Malaysia	RSPO, MSPO, ISCC, HALAL
Sedenak	Palm Oil Mill	Malaysia	RSPO, MSPO, ISCC, HALAL
Tereh	Palm Oil Mill	Malaysia	RSPO, MSPO, ISCC, HALAL
Palong	Palm Oil Mill	Malaysia	RSPO, MSPO, ISCC, HALAL
Pasir Panjang	Estate	Malaysia	RSPO, MSPO, ISCC

Tunjuk Laut	Estate	Malaysia	RSPO, MSPO, ISCC
Siang	Estate	Malaysia	RSPO, MSPO, ISCC
Bukit Kelompok	Estate	Malaysia	RSPO, MSPO, ISCC
Pasir Logok	Estate	Malaysia	RSPO, MSPO, ISCC
Sindora	Estate	Malaysia	RSPO, MSPO, ISCC
Sungai Papan	Estate	Malaysia	RSPO, MSPO, ISCC
REM	Estate	Malaysia	RSPO, MSPO, ISCC
Sedenak	Estate	Malaysia	RSPO, MSPO, ISCC
Kuala Kabong	Estate	Malaysia	RSPO, MSPO, ISCC
Bukit Layang	Estate	Malaysia	RSPO, MSPO
Basir Ismail	Estate	Malaysia	RSPO, MSPO, ISCC
Asam Bubok	Estate	Malaysia	RSPO, MSPO
Tereh Utara	Estate	Malaysia	RSPO, MSPO, ISCC
Tereh Selatan	Estate	Malaysia	RSPO, MSPO, ISCC
Selai	Estate	Malaysia	RSPO, MSPO, ISCC
Mutiara	Estate	Malaysia	RSPO, MSPO, ISCC
Sg Tawing	Estate	Malaysia	RSPO, MSPO, ISCC
Rengam	Estate	Malaysia	RSPO, MSPO, ISCC
Palong	Estate	Malaysia	RSPO, MSPO, ISCC
Mungka	Estate	Malaysia	RSPO, MSPO, ISCC
UMAC	Estate	Malaysia	RSPO, MSPO, ISCC
Labis Bahru	Estate	Malaysia	RSPO, MSPO, ISCC
PT Rambang Agro Jaya	Estate	Indonesia	-
PT Tempirai Palm Resources	Estate	Indonesia	-

PART 2: VERIFICATION PROCESS

2.1 About the Verification Body

Control Union (CU) is an independent, international assurance and certification body. Founded in 1920 in the Netherlands, CU has office in more than 70 countries. CU offer one-stop-shop solution for sustainability reporting and assurance services. CU has more than 4,000 employees working across the globe.

Control Union Certification (CUC) is a part of Control Union – an international inspection and certification body. CUC performs assessments and certification across many sectors including biomass, biofuels, forestry, agriculture, food & feed, fats & oils, minerals, energy and tourism.

In the field of sustainability reporting, we serve our clients by performing sustainability strategy checks, gap analysis and independent assurance. Control Union is also a registered assurance provider for the AA1000 assurance standard.

Control Union (Malaysia) Sdn Bhd is accredited for RSPO (ASI-ACC-069) for the scope of P&C (Single Site & Group) and SCC worldwide and accredited by the Department of Standard Malaysia (DSM) for ISO 17021, ISO 17065, ISO 17020, ISO 9001, ISO 14001, MTCS - FMC, FSMS and MSPO. When requested, a copy of accredited certificates can be obtained from CUC. Control Union also approved in providing verification for POIG verification indicators.

2.2 Verification Team

Lead verifier:	Zulkarnain Ishak
Team member 1:	Muhammad Hariz Bin Abdul Rahman

2.2.1 Qualifications of the Assessors

Name	Qualifications
Zulkarnain Ishak (Lead Assessor)	<p>Project Manager Sustainability, Control Union Malaysia Sdn Bhd</p> <p>Graduate in Bc Science and Technology, University Malaysia Sabah with almost 10 years' experience in a leading plantation company as Assistant Vice President- Sustainability and Quality Management (SQM) for upstream and Downstream Sustainability. Additional 4 years' experience as Environmental Consultant.</p> <p>A senior auditor with international auditing experience in Global Report Initiative (GRI) Standards Assurance, NDPE, Traceability Assurance, PepsiCo Protocol, RSPO, RSPO SCC, MSPO, ISCC, ISCC ISH, ISCC Waste and Residues, Low iLUC, SPOTT, QMS ISO 9001, EMS ISO 14001, FSC-COC, HACCP, SHO, CepSWaM, etc.</p>
Muhammad Hariz Bin Abdul Rahman	<p>Qualification in Master's in Business Administration and bachelor's degree applied Chemistry with 8 years working experience in the plantation industry.</p> <p>Registered Chemist with Institut Kimia Malaysia.</p> <p>Completed and certified in Integrated Management System, endorsed RSPO P&C Lead auditor course, RSPO Supply Chain Certification System, MSPO P&C Auditor Course, MSPO Supply Chain Certification System, TTM and NDPE IRF Verifier.</p>

2.3 Methodology

2.3.1 General Overview

Assurance method included,

- Inquiring and interviewing of management, including senior management at executive and functional levels, and of relevant management responsible for the day-to-day management of sustainability.
- Observing and inspecting management practices, process testing and evidence gathering across the organization on a sample basis.
- Evaluating documentary evidence and management representations that support adherence to the principles.

- Data source validation.
- Limited testing of detail on a sample basis (e.g., re-performance of calculations).
- Carrying out analytical procedures (e.g., trend analysis).
- Observing and inspecting on a sample basis management practices, process testing and evidence gathering (from source to aggregation).

All concerned SPOTT indicators 2022: 35, 60, 61, 66, 69, 70, 91, 94, 97, 103, 108, 110, 111, 114, 124, 125, 126, 129, 137, 139, 141, 143, 147, 149, 150, 153, 159, 163, 164, 165, 166, 168 and 180.

For Data source verification sample of site management will be interviewed by the auditors by visiting the operation unit in Johor.

2.3.2 Sampling

For non-traceability related SPOTT Indicators

Where sampling is required for the verification assessment, the sampling design was based on a minimum sample of facilities, where $x = (\sqrt{y})$, where y is the number of facilities under each processing scope. The result always to be rounded “up” to the next whole integer.

Sampled operational units for the evaluation

Palm Oil Mills	Estates
Sedenak	Bukit Layang
Pasir Panjang	Sedenak
Sindora	Basir Ismail
	Pasir Panjang
	Sindora

Explanation of the sample selection

The result for this assessment sampling was derived from 5 palm oil mills and 25 estates

Sampling was derived to be representative covering all operational scopes of KMB.

Total of Palm Oil Mills = 5, Sampled = 3

Total of Estates = 25, Sampled = 5

Traceability related SPOTT Indicators

Verification scope is to all palm oil mills provided for verification which is Sedenak POM, Pasir Panjang POM and Sindora POM. All sites evaluated.

PART 3 ASSESSMENT FINDINGS
3.1 Summary of the findings

Control Union as a third party will assess and validate compliance, performance and/or actions taken by Kulim relative to its commitment by evaluating the information provided by Kulim towards SPOTT for the 33 SPOTT indicators that require verification: All concerned SPOTT indicators 2022: 35, 60, 61, 66, 69, 70, 91, 94, 97, 103, 108, 110, 111, 114, 124, 125, 126, 129, 137, 139, 141, 143, 147, 149, 150, 153, 159, 163, 164, 165, 166, 168 and 180 be verified during the assurance process (subject to any scope changes within KULIM).

Summary of indicators evaluated summary of findings and level of assurance is as in the table below.

Summary of Findings		Scope and Scoring																																
Percentage of fresh fruit bunches (FFB) supply to own mills traceable to plantation level (Indicator 35)																																		
<p>Kulim Malaysia Berhad has SOP Traceability system No: SQD/SMS/2.1 dated 1 Aug 2020 stated on the FFB supplier such as data Information of FFB Origins, Evidence of ownership, MPOB License. Kulim adopts sustainable practices, with all the estates and mills being RSPO certified, and all KMB mills additionally bearing the ISCC stamp of approval. KMB subscribe to the RSPO traceability system, known as RSPO Palm Trace. KMB encourage the outgrowers to be RSPO certified and provide technical expertise towards this end.</p> <p>List of mill traceability:</p> <table border="1"> <thead> <tr> <th>Mill</th> <th>FFB Received</th> <th>FFB Traceability</th> <th>Percentage%</th> </tr> </thead> <tbody> <tr> <td>Sindora</td> <td>234,100.05</td> <td>205,117.94</td> <td>87.62</td> </tr> <tr> <td>Tereh</td> <td>284,505.07</td> <td>284,505.07</td> <td>100.00</td> </tr> <tr> <td>Pasir Panjang</td> <td>298,275.19</td> <td>298,275.19</td> <td>100.00</td> </tr> <tr> <td>Palong</td> <td>180,101.50</td> <td>180,101.50</td> <td>100.00</td> </tr> <tr> <td>Sedenak</td> <td>411,322.11</td> <td>249,698.91</td> <td>60.71</td> </tr> <tr> <td>Estate without Mill - Indonesia</td> <td>26,160.66</td> <td>26,160.66</td> <td>100.00</td> </tr> <tr> <td>Total</td> <td>1,434,464.58</td> <td>1,243,859.27</td> <td>86.71</td> </tr> </tbody> </table> <p>The percentage calculated by HQ.</p> <p>Sedenak Palm Oil Mill – verified the sample weighbridge with the summary receiving at Mill. Sample receiving 31 March 2021 verified from Receipt weighing Listing Report as below:</p> <ol style="list-style-type: none"> Sedenak Estate Ticket No 41170 DO 51555 FFB 11579Kg Asam Bubok Ticket No 411788 DO 155481 FFB 10490Kg Az Iman Ticket No 411763 DO 6131 FFB 21,700kg 		Mill	FFB Received	FFB Traceability	Percentage%	Sindora	234,100.05	205,117.94	87.62	Tereh	284,505.07	284,505.07	100.00	Pasir Panjang	298,275.19	298,275.19	100.00	Palong	180,101.50	180,101.50	100.00	Sedenak	411,322.11	249,698.91	60.71	Estate without Mill - Indonesia	26,160.66	26,160.66	100.00	Total	1,434,464.58	1,243,859.27	86.71	<p>Partial (As noted, the Traceability to Plantation is 86.71%)</p>
Mill	FFB Received	FFB Traceability	Percentage%																															
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Estate without Mill - Indonesia	26,160.66	26,160.66	100.00																															
Total	1,434,464.58	1,243,859.27	86.71																															

Date 21 Dec 2021 verified from Receipt weighing Listing Report as below:

1. Kuala Kabong
Ticket 428264
DO 18609
FFB 30270Kg

2. Ldg Basir
Ticket 428250
DO 58839
FFB 39700Kg

3. Ldg Siang
Ticket 428267
DO 102356
FFB 35610 Kg

Pasir Panjang Palm Oil Mill - verified the sample weighbridge with the summary receiving at Mill. Sampler receiving dated 27 June 2021 verified from Receipt weighing Listing Report as below:

1. Tunjuk Laut Estate
Ticket 113430
DO 30183
FFB 30550Kg

2. Tunjuk Laut Estate
Ticket 113391
DO 30178
FFB 18370

Sample Date 3 June 2021 verified from Receipt weighing Listing Report as below:

1. Basir Ismail Estate
Ticket 112100
DO 57918
FFB 30980Kg

Sample Date 31 Oct 2021 verified from Receipt weighing Listing Report as below:

1. Pasir Logok Estate
Ticket 120593
DO 122585
FFB 12390Kg

2. Pasir Logok Estate
Ticket 12620
DO 122601
FFB 15580Kg

3. Pasir Panjang estate
Ticket 120600
DO 49459
FFB 3600Kg

Mass balance sheet observed that FFB Received by each estate on monthly for year 2021. Total FFB for year 2021 298,275.19MT.

Achieving full palm oil traceability requires KMB to track the entire palm oil production process at each step, from planting to trading when KMB distribute CSPO to consumers and product manufacturers. However, challenges remain in reaching full supplier plantation

<p>traceability. KMB aim to achieve 100% traceability to suppliers' plantations by 2025. All of own FFB processed at own mills is fully traceable to our plantations. For supplying mills to be traceable, they are required to provide accurate information on the GPS coordinates of the mill's location, the name of the company and mill, and specific address. KMB have just begun the traceability exercise with the suppliers by requesting them to fill out the forms distributed. By 2021, KMB plan to make it compulsory for all smallholders and traders to provide their traceability information as part of our FFB purchase agreements.</p>	
<p>Evidence of monitoring deforestation and/or ecosystem conversion (Indicator 60)</p>	
<p>KMB has subscribe with the Global Forest Watch system from Sustainability Department dated 21 April 2022. The data started uploaded in Global Forests Watch System starting 21 April 2022 - 8 June 2022.</p> <p>Sample deforestation alert: Deforestation Alert Report Date Month of May 2022. Result investigation conducted by En Muhammad Syam Bin Zakaria date 4-11 June 2022. Resulted no deforestation on filed P89/1 total of 11.27 Ha as Kulim preparing for Farming Project within Ulu Tiram Estate.</p> <p>RSPO certified since 2009 and noted that there has no NPP in the KMB operation.</p>	<p>Comprehensive</p>
<p>Evidence of monitoring deforestation and/or ecosystem conversion in supplier operations (Indicator 61)</p>	
<p>KMB has subscribe with the Global Forest Watch system from Sustainability Department dated 21 April 2022. The data started uploaded in Global Forest Watch starting 21 April 2022 - 8 June 2022. Data updated to Global Forest Watch is in progress.</p> <p>Sample deforestation alert: Deforestation Alert Report date Month of May 2022. Result investigation conducted by En Muhammad Syam Bin Zakaria date 4-11 June 2022. Resulted no deforestation on filed P89/1 total of 11.27 Ha as Kulim preparing for Farming Project within Ulu Tiram Estate.</p> <p>RSPO certified since 2009 and noted that there has no NPP in the KMB operation.</p>	<p>Comprehensive</p>
<p>Implementing a landscape or jurisdictional level approach (Indicator 66)</p>	
<p>KMB has discussion with RSPO team (TOUCH BASE) Mr Daniel RSPO on 4th July 2022 regarding Jurisdictional Approach since April 2022.</p> <p>KMB has attended workshop on the Living Landscape Approached (LLA) in Johor dated 9 Dec 2021.</p>	<p>Limited</p>
<p>Identified species of conservation concern, referencing international or national system of species classification (Indicator 69)</p>	
<p>KMB has certified RSPO since 2009</p> <ol style="list-style-type: none"> 1. Pasir Panjang 2. Sedenak 3. Sindora 4. Tereh 5. Palong <p>HCV Report Sample Basir Ismail Estate conducted by Lewie Dekker (RSPO Assessor, HCV/Biodiversity) dated 28 Feb 2013. The assessment conducted date on 2007.</p> <p>The summary of finding for Habitats, Wildlife, Pond, Wetland and Watercourse is explained in the report. Sample table stated in the section wildlife for immediate action and long term strategies.</p>	<p>Comprehensive</p>
<p>Examples of species and/or habitat conservation management (Indicator 70)</p>	
<p>KMB has certified RSPO since 2009 and the HCV management plan can be referred to the audit report in the RSPO website.</p>	<p>Comprehensive</p>

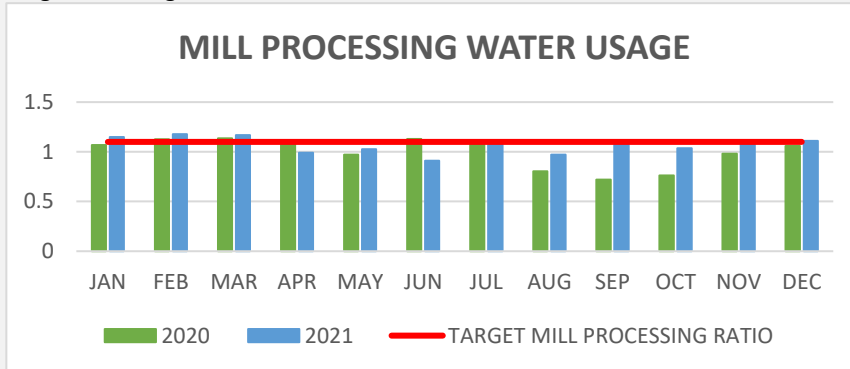
<p>POM has been certified RSPO as below:</p> <ol style="list-style-type: none"> 1. Pasir Panjang 2. Sedenak 3. Sindora 4. Tereh 5. Palong 	
Implementation of commitment to no planting on peat of any depth (Indicator 91)	
<p>KMB has mention on the NDPE in the sustainability Policy. The policy can be found in the KMB website. https://kulim.com.my/storage/2022/02/SUSTAINABILITY-POLICY.pdf</p> <p>Stakeholder engagement on the policy implementation on the NDPE. Refer to operation meeting and training conducted by KMB during operational.</p>	<p>Comprehensive</p>
Evidence of best management practices for soils and peat (Indicator 94)	
<p>KMB has update the RSPO peat inventory to RSPO as requirement certification for the whole KMB operation.</p> <p>Noted that the total Peat in KMB:</p> <ol style="list-style-type: none"> 1. Kuala Kabong Estate 1622.7 Ha (Peat 1274 Ha) <p>SOP Peat - Agricultural manual A18- Water management plan in peat areas to ensure the extensive and effective drainage system in peat soil in order to maintain the water level during dry period and to drain out the excess water in wet period.</p> <p>Peat Subsidence in every six-month A19 Monitoring subsidence of peat soils. To record on peat subsidence in SEA indicate 50cm to 1m in the initial year after reclamation with a subsequent decrease to less 6cm per year.</p> <p>The Drainability assessment conducted by R&D team (Agronomy Advisory Services Department) dated 2 Sept 2020 for replanting 2025.</p> <p>Observed the water level monitoring for peat area taken daily sample July 2022 at Point DP1 resulted 3mm - 4.5mm (Buku Rekod Aras Ketinggian Air)-Kuala Kabong Estate.</p>	<p>Comprehensive</p>
Evidence of fire monitoring and management (Indicator 97)	
<p>KMB has established the Procedure Emergency Response purpose to identify, prevent and control the fire in the Estate. The procedure stated the installation “No Burning” at the strategic location, established the Emergency Response Team, respond emergency and investigation if there have any incident. The report will be sent to BOMBA, POLIS, Department Quality and Sustainability, Estate Operation Department and Safety and Health Department.</p> <p>Monitoring and management for peat, the management has provided the monitoring pos at the strategic location and Fire Danger Rating (FDR) at estate office area. The management need to provide the emergency fire drill and awareness frequently on the danger fire on peat and forest area.</p> <p>KMB has log and report hotspots and fires at own estates as well that those surrounding estates. KMB also subscribe to GeoRSPO – a publicly available platform of RSPO members’ concession areas, which are monitored by satellite technology. There were three fires recorded around estates in 2020 and 2021, that occurred in the vicinity of Sedenak and Kuala Kabong Estate, and Siang Estate. However, upon investigation and verification, found that no fire had broken out within concession areas. To date, due to strict zero-burning practices, none of Kulim’s estates has been affected by fire. Meanwhile, to manage the risk of fire in our operating units, KMG use the Asian Fire Alert app to monitor weather changes that might cause scorching heat and the possibility of fire erupting in the fields.</p>	<p>Comprehensive</p>

Progress towards commitment to reduce GHG emissions intensity (<i>Indicator 103</i>)	
<p>Kulim practice management methods prescribed by RSPO that includes the utilisation of the PalmGHG V4 calculator to identify the Group’s gross carbon emissions on an annual basis. KMB publish a Carbon footprint Report biennially, disclosing our performance and initiatives towards reducing emissions. Five biogas plants have already been installed and in operation to reduce our dependency on non-renewable energy. Invest in renewable energy through biogas,biomethane and bio-CNG</p> <p>Sedenak Palm Oil Mill noted that the mill has been certified ISCC the GHG calculation based on ISCC 205. Record 2020 801.32 kgCO2eq/dryton CPO and 2021 787.88 kgCO2eq/dryton. While Sindora Mill certified with RSPO and ISCC. Based on data provided on GHG ISCC for 2020 and 2021 are 944.32 Kg CO2eq/ton CPO and 855.33 Kg CO2eq/ton CPO respectively. It is observed the reduction of GHG.</p> <p>There is reduction noted that from the GHG calculation under ISCC certification.</p> <p>The GHG has calculated.</p> <p>Sedenak Estate has established the objective to minimize environmental impact (pollution and Emission) from all estate operation activities such as:</p> <ol style="list-style-type: none"> 1. Monitoring buffer zone, nitrate and phosphate. 2. Chemical handling and storage procedure training. 3. Grazing Programme 4. Record of reused chemical container for spraying. <p>The management plan are detailed out the status (plan/actual), month implemented, responsibility, prepared by En Abas Abdul Wahad and approved by En Hussni Bin Osman (SM). Record cattle grazing area 2021 and budget record is observed on the reduction of chemical used.</p> <p>Pasir Panjang Estate has established the pollution and Emission Management Plan as below:</p> <ol style="list-style-type: none"> 1. Emission of dark smoke 2. Emission of noise 3. Emission of Air Pollution 4. Emission of greenhouse gas (GHG). <p>The source, action, frequency, record, responsibility and training has been updated. The source of fuel (inspection of vehicle condition) and fertiliser usage (apply bio compost to recycle nutrient from the EFB) has been recorded on daily for inspection and monitoring at worker area to reduce the GHG.</p> <p>Procedure zero burning implemented the early 1990s, KMB have adopted a zero-burning replanting technique. Open burning on estates and mill grounds is strictly prohibited under the 1974 Environmental Quality Act and RSPO regulations. Instead, palms that are no longer viable are subjected to mechanical felling, and felled trees are chipped and shredded to facilitate rapid natural decomposition. The zero-burning practice is part of Kulim’s commitment to minimise global warming through reduced GHG emissions. KMB also brief the employees on fire safety as part of their training programmes.</p>	Comprehensive
Progress towards commitment on water use intensity (<i>Indicator 108</i>)	
<p>Water usage recorded monthly basis for Process, Boiler, Mill Cleaning and domestic usage per FFB Processes (MT). Detail Record for year 2020 and year 2021 is available during the assessment.</p> <p>Management has recorded the water used intensity.</p>	Comprehensive

Sedenak Palm Oil Mill target water usage processing ratio 1.10 and the processing ratio for 2019 is 1.05 and year 2020 0.99.

Pasir Panjang Mill water usage recorded in all operational such as process, boiler, mill cleaning and domestic usage. The target reduce water consumption in KMB is 1.2 m3 per tonne of FFB. Noted that Pasir Panjang Oil mill resulted for year 2020 is 1.09 and year 2021 is 1.18 processing water usage ration. results seem met the target and maintained for best practice.

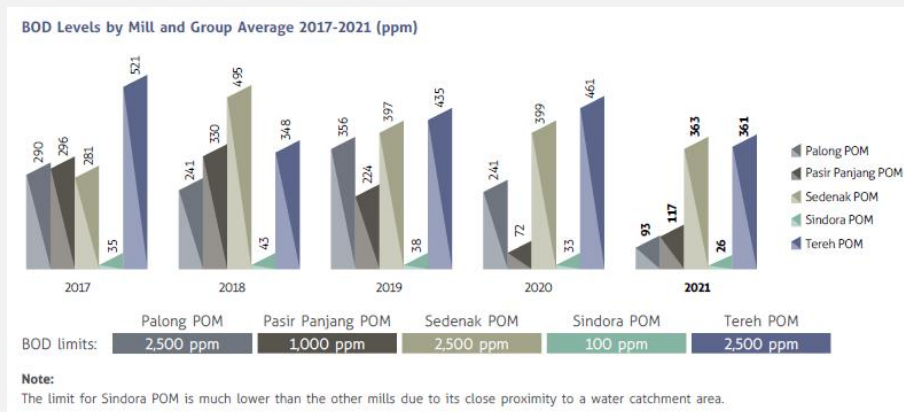
Graph Mill processing water usage for 2021 is available for 2020, 2021 and target mill processing water usage ration



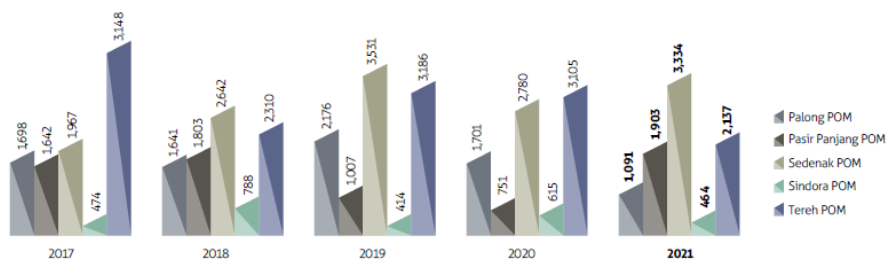
Progress towards commitment on water quality (BOD and COD) (Indicator 110)

To ensure KMB do not pollute water in the vicinity of his operations, KMB monitor the Biochemical Oxygen Demand (“BOD”) of surrounding water bodies. BOD measures the amount of dissolved oxygen needed by aerobic biological organisms to oxidise organic matter (the higher the level of BOD, the higher the level of organic contaminants). The BOD of water bodies surrounding the operations has dropped significantly since KMB started installing polishing plants at our mills, in compliance with Department of Environment (“DOE”)’s requirements. The Palm Oil Mill has established the Effluent Treatment Procedure Doc No SDPOM/SOP/8.13 and zero discharge implemented in the process.

Comprehensive



COD Levels by Mill and Group Average 2017-2021 (ppm)



Note:
Our COD and BOD commitment on water quality have been externally verified. Refer to Kulim SR 2020-2021 for the verified figures.

Over the last five years, KMB have been successful in maintaining the BOD below DOE’s requirements, while fully complying with the Environment Quality Act 1974. The BOD limit is determined by the DOE. To ensure compliance, we keep track of any changes in the limit set by the department.

Although there is no statutory limit on the Chemical Oxygen Demand (“COD”) of effluents, KMB have been monitoring the COD value of waste water from our mills through a Palm Oil Mill Dashboard for the last three years.

Sample two water sampling for Sedenak Palm Oil Mill

1. Date 22 Dec 2021
BOD 492
COD 2867

2. Date 7 May 2021
BOD 273
COD 4253

Pasir Panjang Palm Oil Mill has received the approval land application towards commitment to water quality. Reference to the written approval from Department of Environmental. The BOD limit is 1000mg/l for farrow system implementation. The wastewater also used for EFB & POME Composting or Bio Composting at Pasir Panjang Palm Oil Mill.

Sample water sampling:

1. Dec 2021
BOD 88
COD 618

2. November 2021
BOD 68
COD 559

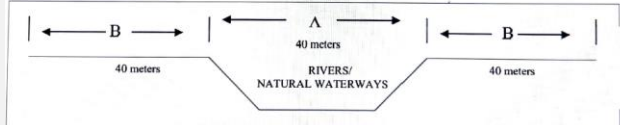
Treatment of palm oil mill effluent (POME) (Indicator 111)

All our mills compost EFB and POME to recycle nutrients back into the soil as mulch and bio-compost for plantation.

Noted Palm Oil Mill has established the Effluent Treatment Procedure Doc No SDPOM/SOP/8.13 dated 1st February 2018 to collect all waste water from mill and retain effluent in ponds for biological activities to take place whereby all solid waste, oil and grease are digested and reacted to form volatile gases and disposable water with BOD within the limit as required by Departmental of Environmental and observed that Sedenak Palm Oil Mill implemented zero discharge to water ways.

KMB has upgrade of biogas plant in Sedenak POM to process all POME produced into biomethane.

Comprehensive

Implementation of commitment to protect natural waterways through buffer zones (<i>Indicator 114</i>)																				
<p>Manual Agricultural KMB A17 Protection of Natural Water Course effective 4 December 2009 and amendment 19 November 2018. Noted that no development allowed in the buffer zone area for either replanting or new planting and only selective weeding is allowed in buffer area.</p> <p>Picture below is the table and figure reserved implemented by KMB.</p> <table border="1"> <thead> <tr> <th>No</th> <th>River Size (A)</th> <th>Reserve Area on Each Side (B)</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>> 40m</td> <td>50m</td> </tr> <tr> <td>2.</td> <td>Between 20m to 40m</td> <td>40m</td> </tr> <tr> <td>3.</td> <td>Between 10m to 20m</td> <td>20m</td> </tr> <tr> <td>4.</td> <td>Between 5m to 10m</td> <td>10m</td> </tr> <tr> <td>5.</td> <td>< 5m</td> <td>5m</td> </tr> </tbody> </table> <p style="text-align: center;">Table A17-1</p>  <p style="text-align: center;">Figure A17-2</p>		No	River Size (A)	Reserve Area on Each Side (B)	1.	> 40m	50m	2.	Between 20m to 40m	40m	3.	Between 10m to 20m	20m	4.	Between 5m to 10m	10m	5.	< 5m	5m	Comprehensive
No	River Size (A)	Reserve Area on Each Side (B)																		
1.	> 40m	50m																		
2.	Between 20m to 40m	40m																		
3.	Between 10m to 20m	20m																		
4.	Between 5m to 10m	10m																		
5.	< 5m	5m																		
Implementation of commitment to minimise inorganic fertiliser use (<i>Indicator 124</i>)																				
<p>Kulim is committed in continuous effort to implement new and strategic initiatives while achieving sustainable awareness and reducing carbon emission across our business spectrum. KMB has published the carbon footprint report for every two years. The report year 2020 has been observed hardcopy and website has updated up to year 2018 https://kulim.com.my/storage/2022/07/KULIM-CR-2018.pdf</p> <p>KMB use of synthetic fertilizers as part of our efforts to reduce both the GHG emissions and impact on the environment. As well as contributing to GHG emissions, synthetic fertilizers can lead to the pollution of rivers and underground water sources when used excessively.</p> <p>The collection of field data is in place and is already offering insights to help KMB understand the footprint left by these compounds, and to optimize the use of both organic and non-organic fertilizers. In addition, all Kulim mills have established composting projects to recycle nutrients from empty fruit bunches and POME back into the fields</p>		Comprehensive																		
Integrated Pest Management (IPM) approach (<i>Indicator 125</i>)																				
<p>Noted that Agricultural manual KMB dated 1st July 2013 J01- Integrated Pest Management (IMP) to ensure that the dedicated equilibrium between the destructive insect pest and the natural biological agents is always maintained. This is achieved through the integrated combination of biological, cultural, physical and the judicious and responsible use of chemical control measures.</p> <p>In 2021, Kulim collaborated with the Sustainable Agriculture Network (“SAN”) on a study to further advance their IPM and biodiversity conservation practices. The study focused on application of the Pesticide and Alternatives app, which integrates IPM practices into good agricultural practices, while carrying out a census on pests, beneficial insects and their host plants.</p> <p>IPM Strategies such as:</p> <ol style="list-style-type: none"> 1. Prevention - Habitat Management 2. Observation - Monitoring Census, early detection 3. Control Measure (Precise targeting of chemical control, biological control, physical control) 		Comprehensive																		
Waste management system in place to avoid negative impacts (<i>Indicator 126</i>)																				
<p>Noted that most of the solid waste we produce is bio-based, and disposed of using environmentally-friendly methods as below:</p>		Comprehensive																		

<ol style="list-style-type: none"> 1. All mills compost EFB and POME to recycle nutrients back into the soil as mulch and bio-compost. 2. More than half the palm fibre and shells produced is used to generate energy in milling operations. The remaining palm fibre is used as biocompost while the shells are sold as biomass. 3. A small amount of boiler ash is produced when palm fibre and shells are burned. This is subsequently recycled into the soil to reduce acidity levels. <p>The mills and estates also generate scheduled waste, which is stored in designated sheds for up to 180 days or until the maximum volume of 20 MT is met. Subsequently, licensed contractors approved by the DOE will dispose of the waste in accordance with Environmental Quality (Scheduled Wastes) regulations.</p> <p>POM has established waste management plan for year 2021. The waste management plan covers all the activities within the POM and also identified the waste source for POM operation.</p> <p>Sighted the waste management plan cover all the activities within the estate. Estate had identified type of waste and categorized as below:</p> <ol style="list-style-type: none"> 1) Schedule waste 2) Non-schedule waste <p>Action taken based on type of schedule.</p> <p>SW collected by Kualiti Alam Sdn Bhd on 27/1/2022 for all types of SW (SW 110,SW410, SW307,SW408, SW 305).</p> <p>Management established "landfill Management Guidelines" on 15/5/2007 and "scheduled waste management guidelines" on January 2016. Domestic waste disposed at internal landfill and collected triweekly. Schedule waste collected by Kualiti Alam, latest disposal on 14/4/2022.</p>	
Progress on human rights commitment (<i>Indicator 129</i>)	
<p>KMB has established Core Labor Standard Policy included the Employment of Child Labour & Young Person, Forced and Trafficked Labour, Occupational Safety & Health, Employment Contract, Remuneration and Working Hours, Housing and Basic Amenities, Rights of Employees dated 1st October 2021. KMB also has established Sexual Harassment Policy. KULIM wishes to maintain a safety and healthy work environment where all employees, irrespective of status, position or gender area treated with dignity and free from any form of harassment, humiliation and intimidation of sexual in nature.</p> <p>KMB respect the right of the employees to join labour unions on a voluntary basis, as part of the commitment to freedom of association. A total of 2,166 (42.33%) of the workers are represented by the MAPA/All Malayan Estates Staff Union ("AMESU)" and MAPA/NUPW. KMB maintain good relations with the union leaders and work collaboratively to sign CBAs which set out the policies on work-related issues such as working conditions, wages and benefits, among others.</p> <p>Under Grievance Policy, KMB provide the employees, suppliers and other stakeholders a platform to air any work-related grievances they may have. Through the policy, KMB also provide guidelines on fair and transparent response to grievances. As a member of the MAPA, moreover, Kulim adheres to grievance procedures as stipulated under the collective agreements. In addition to a shared grievance channel, women employees have recourse to report gender-related issues via the WOW Panel Aduan.</p> <p>KMB has introduce the WOW (Women Onward) at Sedenak POM as Gender Community discussion. The meeting observed conducted at least once a year. Training has been conducted by Sedenak Palm Oil Mill to all worker dated 17 Nov 2021 (Awareness RSPO, MSPO, ISCC, NUPW and Offer Letter). The attendance list and summary training has been observed.</p>	<p>Comprehensive</p>

<p>Training Human Rights Policies Training has been conducted to all workers by shift and by section has been recorded. Noted that the morning briefing conducted by En Muhammad Syahmi Ramli dated 2 May 2021 and the attendance list observed during the assessment. Section recorded such as workshop, Lab, Staff, Grading, Security Guards and process operator (shift A and shift B).</p> <p>Pasir Panjang Complex has coordinated the stakeholder engagement to introduce the certification maintained by KMB and appreciate the stakeholder support and aware the requirement in the certification. During the consultation process dated 10 Oct 2021, the briefing of 22 policies to all participants for KMB's awareness policies via Microsoft Team.</p> <p>The training Core Labour Standard has been briefed to worker dated 2 April 2021 by En Abas Abdul Wahab at Sedenak Estate. While Pasir Panjang Estate noted that the training KMB policies to all workers dated form 10 Feb 2021 to 12 Mac 2021. The Core Labour Standard training dated 11 May 2022.</p>	
Examples of local stakeholder engagement to prevent conflicts (<i>Indicator 137</i>)	
<p>KMB are frequent and proactive engagements with key stakeholders allow KMB to understand and be responsive to stakeholder needs and expectations; subsequently to prioritise what each stakeholder values the most. The nature and quality of these relationships allow them to deliver sustained value to all the stakeholders and determine the continued success, growth and sustainability of our business.</p> <p>KMB continuously engage with the key stakeholders ranging from internal workforce to external parties. Through these engagements, KMB are able to keep abreast of the stakeholders' perceptions and expectations as well as of market trends in the area of sustainability and act on this input to improve KMB practices. The ultimate objective of KMB stakeholder engagement is to put in place various monitoring and grievance mechanisms for proactive and fair assessments, and resolution of potential conflicts of KMB's business that should positively contribute to value creation.</p> <p>The stakeholder and detail engagement platform, frequency, value proposition and key concerns has been described in Integrated report KMB based on:</p> <ol style="list-style-type: none"> 1. Stakeholders 2. Employees 3. Business Partners 4. Workers 5. Media 6. Suppliers 7. Unions 8. Government and Regulators 9. Communities and outgrowers 10. Customers 11. NGOs 12. Management 	<p>Comprehensive</p>
Supports the inclusion of women across palm oil operations, including addressing barriers faced (<i>Indicator 139</i>)	
<p>Sighted the under sustainability statement (Social section), women onwards (WOW) program to upbringing and supports women across palm oil operations. One of the initiatives is Jejari Bestari, which has been established in every estate, women employees are assisted to develop products or services that match their skills such as tailoring, baking or craft-making. Details of the women empowerment agenda can be access in Kulim integrated report 2021.</p> <p>The Grievance Policy and Procedure, as well as Women OnWards ("WOW"), were introduced to allow employees to bring to the attention of the Management any dissatisfaction or feeling of injustice that may exist in respect of the workplace. The</p>	<p>Comprehensive</p>

<p>Management will attempt to resolve the grievance in a manner which is acceptable to the employee concerned and the Group.</p> <p>KMB fully appreciate the benefits of having equal representation of the two genders and have a policy against free discrimination on women throughout our operations, including estates. However, the nature of plantation operations naturally attracts more men, and has led to a much higher male representation throughout the Group. There are only 789 women in Company, making up 12.40% of the workforce. As per Malaysia's Minimum Wage Order, the basic salary for men and women is the same.</p> <p>Total women in workforce as below:</p> <table border="1" data-bbox="336 548 1098 712"> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>2019</td> <td>11.26</td> </tr> <tr> <td>2020</td> <td>11.85</td> </tr> <tr> <td>2021</td> <td>12.40</td> </tr> </tbody> </table>	Year	Percentage	2019	11.26	2020	11.85	2021	12.40	
Year	Percentage								
2019	11.26								
2020	11.85								
2021	12.40								
<p>Progress on commitment to mitigate impacts on food security (<i>Indicator 141</i>)</p>									
<p>All prices monitored by Estate Management. Community easy to get the supplier from outsiders since the operational nearby town.</p> <p>Mill has canteen and monitor the price and type of food provided. The agreement with the canteen shop agreed by both parties with the detail price, opening hours, cleanliness, inspection by management etc.</p> <p>The agreement between Pasir Panjang Estate with En Junaidi dated 1st Jan 2021 with detail of food and grocery price.</p> <p>Other than monitor and maintain the prices of essential items, KMB also allocating areas for workers and communities to cultivate their own fruits and vegetables at certain estates as part of KMB Green Book Program.</p> <p>KMB seek to further grow the Agro Farming businesses by focusing on high-demand, value products that will provide sustainable revenue as well as profit that will enable Kulim to enhance the cash flow. While leveraging the Group's own business capabilities to expand the operations, KMB will also seek strategic partnerships with players, including technology experts, from the public and private sectors in order to minimise the new-entrance risk. In the long-term, KMB seek to establish a high-value agro food brand and establish the position as a flagship organisation that supports the national food security programme.</p>	<p>Comprehensive</p>								
<p>Progress on commitment to provide essential community services and facilities (<i>Indicator 143</i>)</p>									
<p>Based on annual report 2021, under stakeholder engagement section which KMB's provision of fully equipped housing, clinics and schools. All estates under KMB supply with clean and drinkable water either government supply or own water treatment plan. Commitment KMB to "Akta 446: Akta standard minimum perumahan, penginapan dan kemudahan pekerja 1990".</p>	<p>Comprehensive</p>								
<p>Progress on a commitment to respect all workers' rights (<i>Indicator 147</i>)</p>									
<p>KMB has established Core Labor Standard Policy included the Employment of Child Labour & Young Person, Forced and Trafficked Labour, Occupational Safety & Health, Employment Contract, Remuneration and Working Hours, Housing and Basic Amenities, Rights of Employees dated 1st October 2021. KMB also has established Sexual Harassment Policy. KULIM wishes to maintain a safety and healthy work environment where all employees, irrespective of status, position or gender area treated with dignity and free from any form of harassment, humiliation and intimidation of sexual in nature.</p>	<p>Comprehensive</p>								

<p>KMB respect the right of the employees to join labour unions on a voluntary basis, as part of the commitment to freedom of association. A total of 2,166 (42.33%) of the workers are represented by the MAPA/All Malayan Estates Staff Union (“AMESU”) and MAPA/NUPW. KMB maintain good relations with the union leaders and work collaboratively to sign CBAs which set out the policies on work-related issues such as working conditions, wages and benefits, among others.</p> <p>Under Grievance Policy, KMB provide the employees, suppliers and other stakeholders a platform to air any work-related grievances they may have. Through the policy, KMB also provide guidelines on fair and transparent response to grievances. As a member of the MAPA, moreover, Kulim adheres to grievance procedures as stipulated under the collective agreements. In addition to a shared grievance channel, women employees have recourse to report gender-related issues via the WOW programme.</p> <p>KMB has introduced the WOW (Women Onward) Kelab WOW at Sedenak POM as Gender Community discussion. The meeting observed conducted at least once a year. Training has been conducted by Sedenak Palm Oil Mill to all workers dated 17 Nov 2021 (Awareness RSPO, MSPO, ISCC, NUPW and Offer Letter). The attendance list and summary training has been observed.</p> <p>Training Human Rights Policies Training has been conducted to all workers by shift and by section has been recorded. Noted that the morning briefing conducted by En Muhammad Syahmi Ramli dated 2 May 2021 and the attendance list observed during the assessment. Section recorded such as workshop, Lab, Staff, Grading, Security Guards and process operator (shift A and shift B).</p> <p>Pasir Panjang Complex has coordinated the stakeholder engagement to introduce the certification maintained by KMB and appreciate the stakeholder support and aware the requirement in the certification. During the consultation process dated 10 Oct 2021, the briefing of 22 policies to all participants for KMB's awareness policies via Microsoft Team.</p> <p>The training Core Labour Standard has been briefed to workers dated 2 April 2021 by En Abas Abdul Wahab at Sedenak Estate. While Pasir Panjang Estate noted that the training KMB policies to all workers dated from 10 Feb 2021 to 12 Mar 2021. The Core Labour Standard training dated 11 May 2022.</p>	
<p>Commitment to eliminate gender related discrimination with regards to employment applies to all suppliers (Indicator 149)</p>	
<p>KMB also has established sexual harassment policy. KULIM wishes to maintain a safety and healthy work environment where all employees, irrespective of status, position or gender area treated with dignity and free from any form of harassment, humiliation and intimidation of sexual in nature.</p> <p>Training to all suppliers conducted in stakeholder meeting dated 27 Oct 2021. The detail slide and training attendance has been observed. Noted that all policies have been briefed to stakeholders. Noted that the mill frequently has engaged sessions with External FFB supplier. Record attendance and invitation has been observed during the assessment.</p> <p>Noted that the training to Contractor has been conducted dated 9 April 2021 by En Bussra Bin Shahrom. Detail of training summary is available during verification.</p>	<p>Comprehensive</p>
<p>Progress on a commitment to eliminate gender related discrimination with regards to employment (Indicator 150)</p>	
<p>KMB has established Core Labor Standard Policy included the Employment of Child Labour & Young Person, Forced and Trafficked Labour, Occupational Safety & Health, Employment Contract, Remuneration and Working Hours, Housing and Basic Amenities, Rights of Employees dated 1st October 2021. KMB also has established sexual harassment policy. KULIM wishes to maintain a safety and healthy work environment where all employees, irrespective of</p>	<p>Comprehensive</p>

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Progress on commitment to pay a Decent Living Wage (<i>Indicator 153</i>)	
<p>KMB has sent to all operational on the implementation of minimum wages order 2020 (MWO 2020). All manager has been informed stating 1st Feb 2020 the minimum wage RM1200 per month as MWO 2020.</p> <p>Noted that KMB has established the prevailing wages for average monthly salary per workers included housing, electricity & water, Education, crèche facilities, healthcare, transport, clothing, food, sport and recreation facilities.</p> <p>Palm Oil Mill Based on the prevailing wages calculation mentioned about the average monthly take home salary per worker is MYR 2376.21 for year 2021.</p> <p>Estates Sighted the DLW calculation for Bukit Layang estate, the calculation based consist of housing, electricity & water, education, creche facilities, healthcare, transport, food and sports and recreation facilities. Average monthly take home salary per worker is MYR 1200. While the DLW calculation for Basri Ismail estate, the calculation based consist of housing, electricity & water, education, creche facilities, healthcare, transport, food and sports and recreation facilities. Average monthly take home salary per worker is MYR 1587.</p>	Comprehensive
Provision of personal protective equipment and related training (<i>Indicator 159</i>)	
<p>KMB has established the Occupational Safety & Health Policy signed by Managing Director dated 1st October 2021. Kulim accepts the main responsibility for implementation of the policy, individuals have an important role in cooperating with those responsible to ensure a healthy and safe working environment.</p> <p>Noted that the Work Instruction on the PPE Usage - Sample Usage of Hearing Devices Doc No:SDM/WI/11 dated 1 July 2007 is available and implemented in KMB. The record PPE Equipment observed by each employee with the detail for PPE type, Date Receive and Signature by employees. Sample procedure for PPE usage observed for Boiler House. Section 9 stated on the Safety and Precaution which is all operators must wear proper PPE during operation.</p> <p>The safety training, LOTO system, working at height, confined space and PPE has been conducted dated 3 Mac 2021 by En Sheikh Ibrahim Sheikh Awab. The attendance list and detail slide presentation has been observed during the verification.</p> <p>Record PPE receiving form observed (Surat Akuan/ Terima Peralatan Keselamatan (PPE). Detail by each employee, type of PPE, date received, quantity and signature by receiver.</p>	Comprehensive

<p>Sedenak Estate has established the procedure (Panduan Kerja Selamat) Doc No:KULIM/PKS/OSH-1 dated 1 Mac 2021. The objective of the procedure to ensure the safe method for harvesting to avoid incident and safe working place. Detail procedure stated the implementation before, during and after workers has been implemented. Personnel Protective Equipment (PPE) master list observed by each employees received the PPE. The type of PPE, date received and initial by receiver stated/ recorded as evidence.</p> <p>The training PPE for spraying has been conducted to Pasir Panjang Estate dated 29 Mac 2022. The record training detail with the attendance list has been observed during verification.</p> <p>PPE Record is observed and maintained by name of receiver. The type of PPE by section and initial received is available. Sample observed for filter, glove received by the sprayer.</p>	
<p>Programme to support scheme smallholders (Indicator 163)</p>	
<p>KMB also provide advisory and technical support for the smallholders to attain the RSPO certification through the Smallholder Inclusion Programme. As a result, three of 30 outgrowers have been certified while another 27 are working towards it. KMB target is for all of our outgrowers to be certified by 2025.</p> <p>KMB commitment to support smallholder by providing:</p> <ul style="list-style-type: none"> - Premium payment for per tan of certified FFB supply to respective mill - Technical support and consultation related to smallholders such Internal audit for Felda Paloh and YPJ under Tereh Mill, management plan consultation (HCV, SIA and environment issue). - other on-going exercise such as engagement with others FFB suppliers such as re-treat program, forum and etc. 	<p>Comprehensive</p>
<p>Percentage of scheme smallholders involved in programme (Indicator 164)</p>	
<p>Kulim supports independent smallholders and traders on their certification journeys by introducing them to certification bodies and programmes to assist with the progress. KMB also provide technical support wherever possible. Since 2013, they have provided economic incentives to smallholders and traders that sell RSPO-certified FFB. Noted that 10 % (42,744.00 Mt) of KMB outside crop purchase are RSPO certified under smallholder program.</p>	<p>Comprehensive</p>
<p>Programme to support independent smallholders (Indicator 165)</p>	
<p>Sighted the Smallholder inclusion programme as part of KMB to support independent smallholders for operation in terms of technical assistance and economical wise. KMB provide premium on the certified FFB provide to KMB Mills. These incentives provide to smallholder since 2013. In year 2021, 10% of outgrowers indicated willingness to participate in activities towards RSPO certification.</p>	<p>Comprehensive</p>
<p>Percentage of independent smallholders / outgrowers involved in programme (Indicator 166)</p>	
<p>KMB are committed to engaging with smallholders to help them gain RSPO certification through the Smallholder Inclusion Programme. KMB SID team conducts annual RSPO awareness programmes for all smallholders and engages with them on the practices they need to adopt to obtain RSPO compliance.</p> <p>The participants benefit from economic incentives such as premium pricing and improvements to farm yields – resulting from the palm oil supply chain management outlined in the RSPO requirements. They also gain a better understanding of how to adopt good agricultural practices and efficient palm growing techniques for better yield.</p> <p>In year 2021, three out of 30 local outgrowers or 10% indicated willingness to participate in activities towards RSPO certification. This encouraged KMB to allocate significant resources to help all 30 outgrowers to obtain the RSPO certification.</p>	<p>Comprehensive</p>


<p>To date, KMB have supported two of our smallholders to achieve RSPO certification – FGVPM Paloh Estate an Wawasan Estate. Since they were certified in 2014, the SID team monitors and helps them maintain compliance through annual audits. In 2019, one of our trader suppliers, Eng Lee Heng (“ELH”) Trading, was successfully certified against the MSPO standards and went on to achieve RSPO certification in May 2020 through the Wild Asia Group Scheme (“WAGS”). In 2021, the total output from these three outgrowers contributed to 7.16% of our RSPO-certified FFB.</p>	
<p>Number or percentage of suppliers assessed and/or engaged on compliance with company's policy and/or legal requirements (<i>Indicator 168</i>)</p>	
<p>KMB support the suppliers by building a sound supply chain management system in order to expand their market access. Through the ESG practices, which are shared with suppliers, KMB encourage them to adopt ESG principles while continuing to provide quality products and services thus enhance their market value.</p> <p>KMB influencing the suppliers and are able to ensure the principles of sustainability are imbued along the entire supply chain KMB established procurement and contract policy to act as guidelines for transparent dealing with all vendors. Noted that 100% assessed and engaged with FFB supplier via FFB purchase agreement. Refer to clause 15 (rules and regulations) and 16 (representations and warranties)</p>	<p>Comprehensive</p>
<p>Progress on a commitment to ethical conduct and prohibition of corruption (<i>Indicator 180</i>)</p>	
<p>Sighted the anti-bribery and corruption policy for KMB which committed to adopting the anti-bribery and corruption policy and conducting activities and business dealing with highest ethical standards to ensure any possibilities for corruption can be addressed effectively and efficiently. The policy signed by KMB subscribed with ABMS (ISO 37000:2016) and certified by SIRIM since 2021. KMB's integrity unit responsible for continually promoting good governance, strengthening integrity, monitoring compliance and dealing with improper conduct.</p>	<p>Comprehensive</p>

3.2 Signing by the Client

I the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents and audit findings as presented in this document.


I also confirm:

- Acceptance of liability in execution of the instructions given.
- That this company was made aware that the findings of the audit team are tentative; pending review and decision making by the duly designated representatives of Control Union Certifications.
- That during the closing meeting all agenda items was covered by the Lead Verifier.

Acknowledged by:		 Signature
Name:	Wan Adlin Wan Mahmood	
Position:	General manager	
Date:	03-09-2022	

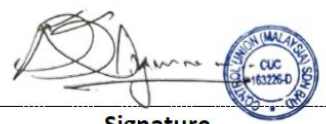
3.3 Signing by the Lead Assessor

I the undersigned, being the Lead verifier, confirm that this report is an accurate record of the findings and of the closing meeting. I further confirm that the summary of the findings as presented in this report are a true representation of the actual findings of the audit team.

Acknowledged by:		 Signature
Name:	Zulkarnain Ishak	
Position:	Lead Assessor	
Date:	29-08-2022	

3.4 Signing by the Certifier

I the undersigned, being the Certifier, confirm that the information and conclusions included in this report have been prepared in good faith and that the certification decision has been based upon this information.

Acknowledged by:		 Signature
Name:	Supun Nigamuni	
Position:	Certifier	
Date:	12-09-2022	