

From | Control Union Malaysia Sdn Bhd,
B-3-1, Block B, Prima Avenue Klang,
Jalan Kota/KS1,
41000 Klang, Selangor,
Malaysia

Subject | **PUBLIC ANNOUNCEMENT OF RE-ASSESSMENT AUDIT OF KL-KEPONG (SABAH) SDN BHD – Bornion POM**

Date | **06-07-2020**

Dear Sir/Madam,

KL-KEPONG (SABAH) SDN BHD – Bornion POM, Malaysia plantation company, has applied to Control Union Malaysia Sdn Bhd to carryout re-assessment activities in accordance with the Malaysia National Interpretation (MYNI 2019) of RSPO Principles and Criteria 2018, as endorsed by RSPO Board of Governors on 7th November 2019, of its palm oil production.

The re-assessment audit is planned to commence on 13 July 2020 and will be completed on 15 July 2020

Applicant	KL- Kepong (Sabah) Sdn Bhd
Contact details	Mr. Sin Chuan Eng Head of Sustainability KL – KEPONG (SABAH) SDN. BHD., Batu 42, Jalan Tawau-Semporna, Beg Berkunci No. 3, 91009 Tawau, Sabah, Malaysia ce.sin@klk.com.my
RSPO membership number	8-0025-06-000-00 KL – KEPONG (SABAH) SDN BHD
Brief information about Applicant	<p>KL-Kepong Berhad is amongst the largest plantation companies in Malaysia, with a land bank of close to 285,000 hectares, spread across Malaysia (Peninsular and Sabah), Indonesia (Belitung Island, Sumatra, Central and East Kalimantan) and Liberia. In terms of geographical distribution, approximately 51% of the plantation landbank is located in Indonesia, 26% in Peninsular Malaysia, 15% in Sabah and 8% in Liberia. Oil palm as the predominant crop covers 95% of the planted area and rubber covering 5%.</p> <p>Processing of the FFB crop is carried out at KLK's own mills and KLK also operates four (4) refineries which process crude palm oil into RBD palm oil, RBD olien, RBD stearin, and PFAD.</p> <p>Bornion POM is located in Kinabatangan, Sabah and have two (2) supply bases which are Bornion Estate and Segar Usaha Estate.</p>

Palm Oil Mill (POM) for this Assessment						
Name of Palm Oil Mill	Mill Capacity	Location	GPS reference		Forecasted Annual output (MT)	
(POM)	MT/Hr	Address	Longitude	Latitude	CPO	Palm Kernel
Bornion POM	60	KM 101, Jalan Lahad Datu – Sandakan, Kinabatangan, Sabah	102° 42' 18" E	5° 36' 34" N	20,573.00	5,018.00

ASSOCIATED SUPPLY BASE OF FFB TO THE ABOVE POM TO BE INCLUDED IN THIS ASSESSMENT						
Name of estate / association	Location	GPS reference		Area Summary (Ha)		Annual Estimation FFB (MT)
	Address	Longitude	Latitude	Total	Mature	
Ldg. Bornion	KM 101, Jalan Lahad Datu – Sandakan, Kinabatangan, Sabah	117°47'0.0 1"E	5°36'55"N	3,181	2586	67,843.00
Ldg. Segar Usaha	KM 101, Jalan Lahad Datu – Sandakan, Kinabatangan, Sabah	117°41'59. 74"E	5°35'59.55 "N	2,740	1585	41,233.00
Total				5,921	4,171	109,076

Details on the audit team:

LEAD ASSESSOR

MOHD EZANI BIN ABDUL AZIZ

He possessed a bachelor's degree in Biological & Agricultural Eng. of UPM in 2005. With 12 years, of working experience in plantation from 2006 to 2017 with various plantation company. With 4 years working experienced with Sime Darby Plantations Sdn. Bhd and 6 years in KOSMA Plantations Berhad as the Assistant Manager. He served 2 years serving KOSMA Plantations Berhad as the KOSMA Complex Affair Executive managing whole KOSMA complex in term of facilities, utilities and social. He attended and successfully completed ISO 9000, RSPO P&C and RSPO SCCS lead Auditor Course in 2017. He involved in RSPO assessment since August 2017 as the member of Control Union RSPO audit team. He involved in audits conducted in Malaysia, Indonesia and Papua New Guinea.

SUPPORTING ASSESSORS

Bede Bin Lidi

He graduated with Diploma of Business Studies (Management) with 10 years' experience in Forest Plantation Industries from development to harvesting and milling for sawn timber also pulp wood. He has completed and pass the Lead Auditor Courses for ISO 14001, RSPO P&Criteria, MSPO, FSC Forest Management, FSC Chain of Custody, MTCS-PEFC Forest Management and PEFC Chain Of Custody.

Abd Hamid Binsin

He has 15 years working experience in forestry industry mainly on social forestry management and Corporate Social Responsibility (CSR). Two years consulting work for Social Impact Assessment and social/workers management for forestry and oil palm companies. Successfully completed endorsed RSPO lead auditor training in 2018 and SA8000 training in year 2019.

Paramjit Singh Gill

Having professional background in Forestry, Fish and Wildlife with a BSc Degree in Environmental Science, BCs Degree in Fish and Wildlife, and MSc Degree in Entomology from Montana State University, Bozeman. Has successfully completed ISO 9001, ISO 14001, FSC Forest Management and Chain of Custody Lead Auditor Training and RSPO P&C Lead Auditor Training Course

Control Union Malaysia Sdn Bhd is a member of the Control Union - an international inspection and certification body. CUC performs assessments and certification in many agricultural based fields such as FSC, RSPO, and Organic production, Sustainable Textile Production, Organic Exchange, GLOBALGAP, HACCP, BRC, GMP. Control Union Malaysia Sdn Bhd is accredited for RSPO (RSPO-ACC-021) for the scope of P&C (Single Site & Group) and SCCS worldwide. When requested, a copy of the accreditation certificate can be obtained from CUC.

Stakeholder consultation is one of the most important parts in certification process; during which relevant national, regional as well as local stakeholders are asked to give their views and opinions as to whether the applicant's certification units comply with the requirements of the applicable National Interpretation.

We invite all stakeholders to take part in this consultation procedure as you can make a positive contribution to the certification decision. We ask you to raise any issues, both positive and negative, by sending a written response by mail, fax or by E-mail to our Control Union Malaysia Sdn Bhd office as indicated below.

For your guidance, you may consider the following points:

- Environmental protection.
- Biodiversity conservation.
- Opportunities for employment.
- Provision of housing, sanitation, amenities and educational support.
- Company approach to community development.
- Participation in decision making.
- Any other issue, both positive and negative that you consider may be of relevance to the assessment.
- Issues relating to other plantations owned by the company not included in this assessment.
- A copy of the applicable RSPO standard for the country, in which the assessment is being conducted, is available from www.rspo.org. Alternatively please ask Control Union Malaysia Sdn Bhd for a copy.

Your responses will be dealt with in complete confidentiality and will only be distributed to the appropriate persons within the organizations of CUC, ASI and RSPO.

When required your reply will remain confidential. Please add "Confidential" in your response and when preferred your response can be added as anonymous in the public summary of the report. In that case please also add "Anonymous" in your response.

If requested by you, the audit team will make the necessary arrangements to allow you to meet with them during the evaluation.

Please direct your comments to:

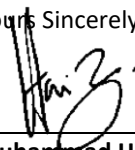
Control Union Malaysia Office	
Muhammad Hariz, Asst. Program Manager, B-3-1, Prima Klang Avenue, Jalan Kota KS/1, 41100 Klang, Selangor, Malaysia	
E-Mail: hariz@controlunion.com	
Fax: +603 3377 1800	

Comments received within 30 days from the date of this letter will be considered in this Assessment. Please include the following information should we need to contact you for clarification on any issues raised:

Name : _____
Address : _____
E-Mail : _____
Phone Number : _____
Summary of Issue :

We thank you for the participation and feedback.

Yours Sincerely,



Muhammad Hariz
Asst. Program Manager,
Control Union Malaysia Sdn Bhd