

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 MAIN ASSESSEMENT OF KUALA LUMPUR KEPONG BERHAD – SEGAH PALM OIL MILL**

Date | **3/8/2021**

Dear Sir/Madam,

Kuala Lumpur Kepong Berhad – Segah Palm Oil Mill, Indonesia plantation company, has applied to Control Union Malaysia Sdn Bhd to carryout main assessment activities in accordance with the Indonesia National Interpretation of the RSPO Principles and Criteria for the Production of Sustainable Palm Oil (INANI 2020), as endorsed by RSPO Board of Governors on 20th April 2020, of its palm oil production.

The **main assessment** is planned to commence on **6<sup>th</sup> September 2021** and will be completed on **10<sup>th</sup> September 2021**.

<b>Applicant</b>	Kuala Lumpur Kepong Berhad- Segah Palm Oil Mill
<b>Contact details</b>	Suresh A/L Uni Production Director, Marsma Iswahyudi Street, RT 8 Rinding, Teluk Bayur Subdistrict, Berau Regency, East Kalimantan Province, Indonesia. suresh.u@klk.com.my
<b>RSPO membership number</b>	1-0014-04-000-00
<b>RSPO PalmTrace ID</b>	RSPO_PO1000007603
<b>Supply Chain Model</b>	IP
<b>Any NPP Submission?</b>	<b>YES</b> <input type="checkbox"/> <b>NO</b> <input checked="" type="checkbox"/>
<b>NPP Status</b>	If Yes, To check with RSPO
<b>Are there any RaCP?</b>	<b>YES</b> <input checked="" type="checkbox"/> <b>NO</b> <input type="checkbox"/> <b>(This is required to check if there are any liabilities)</b>
<b>RaCP Status</b>	PT Satu Sembilan Delapan concept note in review
<b>Brief information about Applicant</b>	Kuala Lumpur Kepong Berhad ( KLK ) is a Malaysian multinational company involved in plantation, manufacturing, and property development. Started as a plantation company more than 100 years ago, plantations (oil palm and rubber) still lead as KLK's core business activity. Through various strategic acquisitions and sound management, the Group's plantation land bank now stands close to 270,000 hectares spread across Malaysia (Peninsular and Sabah), Indonesia (Belitung Island, Sumatra, Central and East Kalimantan) and Liberia. Since the 1990s, the Group has diversified into resource-based manufacturing (oleochemicals, derivatives and specialty chemicals) and vertically integrated its upstream and downstream businesses. The 1990's also saw the Group capitalizing on the strategic location of its land bank in Peninsular Malaysia by branching into property development.

Palm Oil Mill (POM) for this Assessment (Delete if not applicable)						
Name of Palm Oil Mill	Mill Capacity	Location	GPS reference		Forecasted Annual output (MT)	
(POM)	MT/Hr	Address	Longitude	Latitude	CPO	Palm Kernel
Segah Palm Oil Mill	60	Desa Tasuk, Kecamatan Gunung Tabur, Kabupaten Berau, Provinsi Kalimantan Timur, Indonesia	2.142325	117.299429	60590.25	10233

ASSOCIATED SUPPLY BASE OF FFB TO THE ABOVE POM TO BE INCLUDED IN THIS ASSESSMENT (Delete if not applicable)						
Name of estate / association	Location	GPS reference		Area Summary (Ha)		Annual Estimation FFB (MT)
	Address	Longitude	Latitude	Total	Mature	
Satu Sembilan Delapan	Desa Tasuk, Kecamatan Gunung Tabur, Kabupaten Berau, Provinsi Kalimantan Timur, Indonesia	2.149754	117.316336	5677	5327	129076
Plasma Koperasi Mitra Mandiri	Desa Tasuk, Kecamatan Gunung Tabur, Kabupaten Berau, Provinsi Kalimantan Timur, Indonesia	2.121821	117.318908	976	976	30,276
Plasma Koperasi Hidup Bersama	Desa Tasuk, Kecamatan Gunung Tabur, Kabupaten Berau, Provinsi Kalimantan Timur, Indonesia	2.140785	117.267254	726	726	21,985
Plasma Koperasi Perkebunan Sawit Gunung Sari Mandiri	Desa Tasuk, Kecamatan Gunung Tabur, Kabupaten Berau, Provinsi Kalimantan Timur, Indonesia	2.145078	117.252283	470	470	14,619
Plasma Koperasi Sawit Mekar Sejahtera	Desa Gunung Sari, Kecamatan Segah, Kabupaten Berau, Provinsi Kalimantan Timur, Indonesia	2.160743	117.234884	1,323	1,142	21,203
Plasma Koperasi Perkebunan Sawit Laba Sari	Desa Labanan Makarti, Labanan Makmur, Labanan Jaya - Kecamatan Teluk Bayur, Kabupaten Berau, Provinsi Kalimantan Timur, Indonesia	02° 02' 51"	117° 15' 35"	1,406	1,394	40,131
<b>Total</b>				<b>10,578</b>	<b>10,035</b>	<b>257,290</b>

<b>DETAILS OF THE AUDIT TEAM</b>		
<b>AUDIT ROLES</b>	<b>NAME</b>	<b>BACKGROUND &amp; QUALIFICATION</b>
<b>LEAD AUDITOR</b>	Fadly Ahmad	Graduated in BSc Plantation Technology and Management from UiTM. 6 years' experience in oil palm plantation as Assistant Manager in Genting Plantations Sabah. Qualified for Lead Auditor course training for ISO14001:2015. Have attended RSPO, Global Gap, USDA NOP, JAS audits in Malaysia, Indonesia, and Sri Lanka. Fluent in English and Bahasa Malaysia/Indonesia
<b>SOCIAL AUDITOR</b>	Siti Salmah Abu Bakar	Master Holder in Plantation Industry Management with 5 years working experience in social research in oil palm industries involve with independent smallholders, collection centers, oil palm mills, oleochemical manufacturers and entire palm oil supply chain. Qualified Lead Auditor in Intergrated Management System (IMS) ISO 9001,14001 and 45001 Exemplar Global Certified, Lead Auditor course MSPO, SA8000, RSPO Lead Auditor Course and Certified RSPO Master Trainer for RSPO Smallholder Trainer Academy.
<b>BMP AUDITOR</b>	Mohd Khamim Bin Abdul Rahman	Experience more than 7 years as an Estate Assistant Manager and Quality Assurance Executive. Responsible on operation improvement, also implementation of RSPO/MSPO and ISO 9001. Graduated with BSc. Plantation Technology and Management also a diploma in Planting Industry and Management from UITM. Completed and certified in Integrated Management System (ISO 9001,14001 and 45001), endorsed RSPO P&C Lead auditor course and MSPO Supply Chain Certification System. Fluent in English and Bahasa Malaysia / Indonesian.
<b>ENVIRONMENT AUDITOR</b>	Abd. Hamid bin Md Binsin	Graduated in BSc of Human Sciences in Political Science. 20 years' working experience in various sector. Qualified for Lead Auditor course training for ISO14001:2015. Have attended RSPO, MSPO lead auditor course. Experienced audits in Malaysia, Indonesia, and Sri Lanka. Fluent in English and Bahasa Malaysia/Indonesia.
<b>AUDITOR FACILITATOR (1)</b>	Fakhrudin	Graduted in Bachelor Degree Physics Science from Riau University. More than 20 years working experince with multiple function and level. Qualified to conduct RSPO and ISPO audit. Had undergo RSPO and ISPO lead auditor training.
<b>AUDITOR FACILITATOR (2)</b>	Wahyu	Graduted in Master Degree of Manufacturing Enginerring Management, University of Pancasila, Jakarta. Qualified to conduct RSPO and ISPO audit. Had undergo RSPO and ISPO lead auditor training.

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](http://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, <b>Asst. Program Manager,</b> B-3-1, Prima Klang Avenue, Jalan Kota KS/1, 41100 Klang, Selangor, Malaysia	
E-Mail: <a href="mailto:hariz@controlunion.com">hariz@controlunion.com</a>	
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	:	<div style="border: 1px solid black; height: 100px; width: 100%;"></div>

We thank you for the participation and feedback.

Yours Sincerely,



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