Particulars

About Your Organisation

1.1 Name of your organisation

IOI Corporation Berhad

1.2 What is/are the primary activity(ies) or product(s) of your organisation?

☑ Palm Oil Grower
☑ Processor and/or Trader
☐ Consumer Goods Manufacturer
☐ Retailer
☐ Bank and/or Investor
☐ Social and/or Development NGO
☐ Environmental and/or Conservation NGO
☐ Affiliate

1.3 Membership number

2-0002-04-000-00

1.4 Membership category

Palm Oil Processors and/or Traders

1.5 Membership sector

Ordinary
Grower

1. Operational Profile

1.1 Please state your main activities as a palm oil grower:

- [ ] Oil palm grower without palm oil mill
- [ ] Oil palm grower with palm oil mill
- [x] Oil palm grower with palm oil mill and palm kernel crushing plant
- [ ] Smallholder Group Manager

2. Operations and Certification Progress

Information in Section 2 - Operations and Certification Progress - is a mandatory declaration in your ACOP. This includes hectarage data, to enable the RSPO to accurately calculate certification on a member, sector and total level. ACOP reports without reported hectarage data will be considered as incomplete and will not be accepted.

2.1 Land area controlled and managed associated to palm oil

2.1.1 Please state the total number of palm oil estates, certified and uncertified, controlled or managed by the member

99

2.1.7 Land area controlled and managed associated to palm oil

<table>
<thead>
<tr>
<th>Description</th>
<th>Hectares</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1.2 Total land controlled or managed for oil palm cultivation - planted and infrastructure (hectares)</td>
<td>187333.96</td>
</tr>
<tr>
<td>2.1.3 Total land controlled or managed for oil palm cultivation - unplanted (hectares)</td>
<td>3570.9</td>
</tr>
<tr>
<td>2.1.4 Total land designated and managed as HCV areas (hectares)</td>
<td>3655.35</td>
</tr>
<tr>
<td>2.1.5 Other conservation land set aside, excluding HCV areas reported in 2.1.4 (hectares)</td>
<td>11508.95</td>
</tr>
<tr>
<td>2.1.6 Total land under scheme smallholders (hectares)</td>
<td>5346.58</td>
</tr>
<tr>
<td>Total</td>
<td>211415.74</td>
</tr>
</tbody>
</table>

2.2 Certification progress:

2.2.1 Number of management units certified under RSPO P&C Certification

101

2.2.2 Total certified land under the RSPO P&C Certification, excluding scheme smallholders (hectares)

173563.91

2.2.2.1 Certification progress - land under RSPO P&C Certification, excluding scheme smallholders

84.23%

2.2.3 Total certified land under scheme smallholders (hectares)

0.0

2.2.3.1 Certification progress - land under scheme smallholders

0.00%
2.3 In which countries are your estates located?

2.3.1 Indonesia - Please indicate which province(s)
West Kalimantan

2.3.2 Malaysia - Please indicate which state(s)
Johor, Malacca, Negeri Sembilan, Pahang, Sabah, Sarawak

2.3.3 Other - Please indicate which country/countries
-

2.4 New plantings and development (excluding replanting)

2.4.1 How much new land was planted by your company during this reporting period (hectares)?
2982.71

2.4.2 How many New Planting Procedures (NPP) covering the new plantings in this reporting period (Question G.2.4.1) were submitted to the RSPO?
1.0

2.4.3 Please provide links to the NPP Public Notifications reported in Question G.2.4.2
https://rspo.org/certification/new-planting-procedure/public-consultations/page/2?

2.4.4 Do the New Planting Procedures (NPP) reported in Question G.2.4.2 cover all new plantings reported in Question G.2.4.1?
Yes

2.4.5 Please explain why
-

2.5 Supply of Fresh Fruit Bunches (FFB)

2.5.1 Total FFB volume produced by estates managed or controlled by your company (tonnes)
3351238.51

2.5.1.1 Total certified FFB volume produced by certified estates managed or controlled by your company (tonnes)
3198471.52

2.5.2 In addition to FFB produced by your company's estates, does your supply base include any of the following?

- Scheme Smallholders
- Independent Smallholders
- Outgrowers
- Other Third-Party Suppliers

2.5.3 Scheme smallholder operations that supply your operations:

2.5.3.1 Total FFB volume supplied (tonnes)
35824.48

2.5.3.2 Total certified FFB volume supplied (tonnes)
0.0
2.5.4 Independent smallholder operations that supply your operations:

2.5.4.1 Total FFB volume supplied (tonnes)
3785.08

2.5.4.2 Total certified FFB volume supplied (tonnes)
0.0

2.5.5 Outgrower operations that supply your operations:

2.5.5.1 Total FFB volume supplied (tonnes)
50992.29

2.5.5.2 Total certified FFB volume supplied (tonnes)
2340.38

2.6 Fresh Fruit Bunches (FFB) processing and production operations

2.6.1 Number of palm oil mills operated
15

2.6.2 Number of palm oil mills certified under RSPO P&C
14

2.7 Palm Kernel processing and production operations

2.7.1 Number of palm kernel crushers and/or palm kernel mills operated
1

2.7.2 Number of palm kernel crushers and/or palm kernel mills certified under RSPO Supply Chain Certification (SCC)
1
3. Palm Oil and Certified Palm Oil Production

3.1 Total Crude Palm Oil produced (tonnes)

<table>
<thead>
<tr>
<th>Countries/Regions</th>
<th>Tonnes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>705581.85</td>
</tr>
<tr>
<td>Indonesia</td>
<td>39673.27</td>
</tr>
<tr>
<td>Latin America</td>
<td>0.0</td>
</tr>
<tr>
<td>Africa</td>
<td>0.0</td>
</tr>
<tr>
<td>Rest of the World</td>
<td>0.0</td>
</tr>
<tr>
<td>Total</td>
<td>745255.12</td>
</tr>
</tbody>
</table>

3.3 CSPO sold as RSPO certified

<table>
<thead>
<tr>
<th>Description</th>
<th>Tonnes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identity Preserved (IP)</td>
<td>25169.82</td>
</tr>
<tr>
<td>Segregated (SG)</td>
<td>352906.4</td>
</tr>
<tr>
<td>Mass Balance (MB)</td>
<td>17385.17</td>
</tr>
<tr>
<td>RSPO Credits</td>
<td>10839.0</td>
</tr>
<tr>
<td>Total</td>
<td>406300.39</td>
</tr>
</tbody>
</table>

3.6 Total CSPO

<table>
<thead>
<tr>
<th>Description</th>
<th>Tonnes</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.3 CSPO sold as RSPO-certified</td>
<td>406300.39</td>
</tr>
<tr>
<td>3.4 CSPO sold under other certification schemes</td>
<td>93537.04</td>
</tr>
<tr>
<td>3.5 CSPO sold as conventional</td>
<td>72257.55</td>
</tr>
<tr>
<td>Total</td>
<td>572094.98</td>
</tr>
</tbody>
</table>

3.7 According to the volume information you have provided in this questionnaire, CSPO represents the following percentage of your total CPO production

76.76%
3.8 Based on total CSPO volumes sold (Question G.3.6), please estimate the percentage of the volumes originating from your operations in the following regions/countries

<table>
<thead>
<tr>
<th>Countries/Regions</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>93.0</td>
</tr>
<tr>
<td>Indonesia</td>
<td>7.0</td>
</tr>
<tr>
<td>Latin America</td>
<td>0.0</td>
</tr>
<tr>
<td>Africa</td>
<td>0.0</td>
</tr>
<tr>
<td>Rest of the World</td>
<td>0.0</td>
</tr>
</tbody>
</table>
3.2 Total Crude Palm Kernel produced (tonnes)

<table>
<thead>
<tr>
<th>Countries/Regions</th>
<th>Tonnes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>158644.05</td>
</tr>
<tr>
<td>Indonesia</td>
<td>4702.73</td>
</tr>
<tr>
<td>Latin America</td>
<td>0.0</td>
</tr>
<tr>
<td>Africa</td>
<td>0.0</td>
</tr>
<tr>
<td>Rest of the World</td>
<td>0.0</td>
</tr>
<tr>
<td>Total</td>
<td>163346.78</td>
</tr>
</tbody>
</table>

3.9 CSPK sold as RSPO certified

<table>
<thead>
<tr>
<th>Description</th>
<th>Tonnes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identity Preserved (IP)</td>
<td>102610.02</td>
</tr>
<tr>
<td>Segregated (SG)</td>
<td>41812.01</td>
</tr>
<tr>
<td>Mass Balance (MB)</td>
<td>13383.8</td>
</tr>
<tr>
<td>Total</td>
<td>157805.83</td>
</tr>
</tbody>
</table>

3.12 Total CSPK sold as RSPO-certified (tonnes)

<table>
<thead>
<tr>
<th>Description</th>
<th>Tonnes</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.9 CSPK sold as RSPO-certified</td>
<td>157805.83</td>
</tr>
<tr>
<td>3.10 CSPK sold under other certification schemes</td>
<td>0.0</td>
</tr>
<tr>
<td>3.11 CSPK sold as conventional</td>
<td>880.88</td>
</tr>
<tr>
<td>Total</td>
<td>158686.71</td>
</tr>
</tbody>
</table>

3.13 According to the volume information you have provided in this questionnaire, CSPK represents the following percentage of your total CPK production

97.15%
3.14 Based on the CSPK sold volumes (Question G.3.12), please estimate the percentage of volumes originating from your operations in the following regions/countries:

<table>
<thead>
<tr>
<th>Countries/Regions</th>
<th>Tonnes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>100.0</td>
</tr>
<tr>
<td>Indonesia</td>
<td>0.0</td>
</tr>
<tr>
<td>Latin America</td>
<td>0.0</td>
</tr>
<tr>
<td>Africa</td>
<td>0.0</td>
</tr>
<tr>
<td>Rest of the World</td>
<td>0.0</td>
</tr>
</tbody>
</table>
4. TimeBound Plan

4.1 Which year did your company achieve (or plans to achieve) its first RSPO P&C certification?
2009

4.2 Which year did your company achieve (or plans to achieve) 100% RSPO certification for all its estates and mills?
2023

4.2.1 If the previous target year for G.4.2 has not been met, please explain why
Delay in achieving 100% RSPO certification is due to the following reasons; 1. Location of Estate(s): IOI-Pelita, in Sarawak. Reason(s): Settlement on the dispute over land ownership in Tinjar Long Lapok is still in progress through the engagement programme headed by the IOI Stakeholder Engagement Team. 2. Location of Estate(s): PT.SKS, PT BNS and PT BSS. Reason(s): As at September 2019, Pre-Assessment (Stage 1) RSPO audit have been conducted under PT.SKS, PT.BNS, PT. BSS and PT. SKS Palm Oil Mill. SNA are in the process of conducting all the necessary corrective actions from the findings of Stage 1 audit. 3. Location of Estate(s): PT. KPAM Reason(s): The estate is currently under development and the planting are still on going. The progress of the certification program for all of the above estates, is progressively updated in our quarterly report as per requirement of RSPO Principle & Criteria Certification Systems-June 2017; Updated information on minimum requirements for multiple managements units, clause 4.5.1.

4.3 Which year did your company achieve (or plans to achieve) 100% RSPO certification of scheme smallholders?
2023

4.3.1 If the previous target year for G.4.3 has not been met, please explain why
-

4.4 Which year did your company achieve (or plans to achieve) 100% RSPO certification for all FFB, regardless of source?
2027

4.4.1 If the previous target year for G.4.4 has not been met, please explain why
-
5. Concession Map

5.1 The RSPO General Assembly Resolution 6G (2013) calls for all members with Grower operations to submit maps of their concessions through ACOP. Has your company submitted concession maps to the RSPO in previous ACOP cycles?

Yes

5.2 Has your company acquired any new concession sites or have any concession sites changed ownership since the previous ACOP map submission?

No

6. GHG Footprint

6.1 What is the average GHG footprint for all certified management units by hectare (tCO2e/ha)?

6.03

6.2 What is the average GHG footprint for all certified management units per tonne of crude palm oil (tCO2e/tCPO)?

1.457

6.3 What are the key emission sources identified by your company in certified management units?

- Land use change
- Existing cultivation peatland
- Palm oil mill effluent (POME)
- Fertiliser application
- Others

Others

6.4 Does your company have a baseline for GHG reporting?

No

6.4.2 Please explain why your company does not have an existing baseline, and if it is planning to develop a baseline for GHG reporting?

GHG baseline for IOI will be established in 2020
7. Support for Oil Palm Smallholders

7.1 How is your company supporting Independent Smallholder groups?

- Sourcing of physical FFB
- Training support
- Community development
- Not supporting Independent Smallholder groups
- Others

Others

-
8. Actions For Next Reporting Period

8.1 Outline activities that your company will undertake in the coming year to advance its certification efforts.

Providing suitable partnership and capacity building program with non-certified operating units to improve the ability in implementing the sustainability practices and reduce knowledge gap among staffs. With the support from internal expertise with various experience, in-house training programme could be planned and implemented to suit the needs of the certification process and preparations for the non-certified operating unit. Gap assessment by external auditors will become part of the plan in expedite the certification process.

8.2 Outline activities that your company will undertake in the coming year to promote the uptake CSPO along the supply chain.

IOI is currently publishing the quarterly progress report on our Sustainability Progress Update and as well as Sustainable Implementation Plan (SIP) twice a year. Our SIP will serve as a practical working document that is used as a guidance to implement our long-term sustainability related activities, and to achieve our objective with reliable milestones within the given timelines for each subject or areas of interest that is outlined in our Sustainable Palm Oil Policy.
9. Challenges

9.1 What significant obstacles or challenges has your company encountered in the promotion of certified sustainable palm oil (CSPO)? What efforts has your company taken to address these obstacles or challenges?

- Awareness of RSPO in the market
- Difficulties in the certification process
- Certification of smallholders
- Competition with non-RSPO members
- High costs in achieving or adhering to certification
- Human rights issues
- Insufficient demand for RSPO-certified palm oil
- Low usage of palm oil
- Reputation of palm oil in the market
- Reputation of RSPO in the market
- Supply issues
- Traceability issues
- No challenges faced
- Others

Others

1. Changes in local legal requirements related to plantation management. Our plantation region in Malaysia has subscribed to a legal system that enables our sustainable team to get access to the latest relevant laws and regulations to support the management of our plantation. Meanwhile, in Indonesia, IOI consistently conduct the effort to track if there is any changes of law and regulation. 2. One of the key obstacles that could affect the operation of our plantation, especially on social issues include lack of awareness on the usage of fire in agricultural practices, land rights and access to suitable capacity building. In order to address these issues we have developed a platform for the community to participate or access to the training program, including enhancing the communication between our plantation and the adjacent communities. 3. Standard knowledge or understanding of the current issues such as Labour Law Implementation, HCV management measures and etc. is not standardized among the member of the certification bodies (CBs). There is a need to provide adequate background information to the CBs in order to avoid any misinterpretations in the principle / criteria and indicators during the re-certification process.

9.2 In addition to the actions already reported in this ACOP report, what other ways has your company supported the vision of the RSPO to transform markets to make sustainable palm oil the norm?

- Engagement with business partners or consumers on the use of CSPO
- Engagement with government agencies
- Promotion of CSPO outside of RSPO venues such as trade workshops or industry associations
- Promotion of physical CSPO
- Providing funding or support for CSPO development efforts
- Research & Development support
- Stakeholder engagement
- No actions taken
- Others

Others

Involve in landscape approach through partnership

9.3 If your company has any other publicly-available reports or information regarding its palm oil-related policies and activities, please provide the links here

Processors & Traders

1. Operational Profile

1.1 Please state your company's main activity within the palm oil supply chain.

- Refiner of CPO and PKO
- Palm Kernel Crusher
- Trader with Physical Possession
- Trader without Physical Possession
- Integrated Refiner-Trader-Processor
- Food and Non-Food Ingredients Producer
- Power, Energy and Biofuel Processor
- Animal Feed Producer
- Oleochemicals Producer
- Distribution & Logistics
- Other

2. Palm Oil and Certified Sustainable Palm Oil Consumption

Information in Section 2 - Palm Oil and Certified Sustainable Palm Oil Sourcing is a mandatory declaration in your ACOP. This includes volume data on palm oil and palm oil products consumed, to enable the RSPO to accurately calculate uptake on a member, sector and total level. ACOP reports without reported volume data will be considered incomplete and will not be accepted.

2.1 Please include details of all operations using palm oil, owned and/or managed by the member and/or all entities that belong to the group.

Fully-owned (100%)

2.1.1 In which countries does your company sell goods with palm oil and palm oil products?

Applies globally

2.2 Total volume of all palm oil and palm oil products sourced in the year:

<table>
<thead>
<tr>
<th>Description</th>
<th>Tonnes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crude palm oil, including derivatives refined from CPO</td>
<td>1999578.0</td>
</tr>
<tr>
<td>Crude palm kernel oil, including derivatives refined from CPKO</td>
<td>377220.0</td>
</tr>
<tr>
<td>Crude palm kernel expeller</td>
<td>126895.0</td>
</tr>
<tr>
<td>Total</td>
<td>2503693.0</td>
</tr>
</tbody>
</table>
2.3 Volume of RSPO-certified palm oil and oil palm products sourced in the year (tonnes):

<table>
<thead>
<tr>
<th>Description</th>
<th>Crude Palm Oil (CPO) and CSPO Derivatives</th>
<th>Crude Palm Kernel Oil (CSPKO) and CSPKO Derivatives</th>
<th>Palm Kernel Expeller (CSPKE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>RSPO Credits from Mill / Crusher</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>RSPO Credits from Independent Smallholder</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Mass Balance (MB)</td>
<td>149913.85</td>
<td>19286.21</td>
<td>0.0</td>
</tr>
<tr>
<td>Segregated (SG)</td>
<td>283276.16</td>
<td>43606.17</td>
<td>0.0</td>
</tr>
<tr>
<td>Identity Preserved (IP)</td>
<td>20258.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Total</td>
<td>453448.01</td>
<td>62892.38</td>
<td>0.0</td>
</tr>
</tbody>
</table>

2.4 According to the volume information you have provided in Question PT.2.2 and Question PT.2.3, your company's certified palm oil and palm oil products uptake is: 20.62%

2.5 What is the estimated percentage of Certified Sustainable Palm Oil in the palm oil and palm oil products sold by your company in the following regions:

<table>
<thead>
<tr>
<th>Countries/Regions</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>90.0</td>
</tr>
<tr>
<td>North America</td>
<td>71.0</td>
</tr>
<tr>
<td>Malaysia</td>
<td>66.0</td>
</tr>
<tr>
<td>Indonesia</td>
<td>9.0</td>
</tr>
<tr>
<td>China</td>
<td>2.0</td>
</tr>
<tr>
<td>India</td>
<td>15.0</td>
</tr>
<tr>
<td>Latin America</td>
<td>2.0</td>
</tr>
<tr>
<td>Africa</td>
<td>3.0</td>
</tr>
<tr>
<td>Rest of World</td>
<td>10.0</td>
</tr>
</tbody>
</table>
3. TimeBound Plan

3.1 Which year did your company achieve/obtain (or expects to achieve/obtain) the RSPO supply chain certification or RSPO trader/distributor licence?
2011

3.2 Which year did your company start (or expect to start) to source any RSPO-certified palm oil and oil palm products?
2011

3.2.1 If the previous target year for PT.3.2 has not been met, please explain why.
-

3.3 Which year did your company achieve (or expects to achieve) 100% RSPO certification of all palm product processing facilities.
2013

3.3.1 If the previous target year for PT.3.3 has not been met, please explain why.
-

3.4 Which year did your company begin (or expects to begin) sourcing only 100% RSPO-certified palm oil and oil palm products.
-

3.5 If the TimeBound Plan commitments declared above do not cover all countries in which the member sells goods with palm oil or palm oil products, please explain why
-

3.6 How does your company proactively promote RSPO and RSPO-certified sustainable palm oil and oil palm products to your customers?

1. Producing information materials such as brochures and flyers for customers. 2. Quarterly update of our dashboard and publish in IOI website. 3. Provide training to overseas sales agents and customers. 4. Able to provide traceable data (Traceability to In-house mills and Plantation) 5. Availability of Sustainable Palm Oil Policy (SPOP) which serve as the guiding document for our operations and to show commitments on protecting the communities and environment 6. Fully committed to the No Deforestation, No planting on Peat and No Exploitation (NDPE)
4. Actions For Next Reporting Period

4.1 Please outline activities that your company will take in the coming year to promote the production or consumption of certified sustainable palm oil (CSPO)

1. Continue sourcing of RSPO materials. 2. Created information materials such as brochures and flyers for customers, including information on RSPO and our RSPO-certified products. 3. Quarterly update of our dashboard and publish in IOI website. 4. Consistently promote RSPO-certified products to global buyers.
5. Shared Responsibility

The Board of Governors of the Roundtable on Sustainable Palm Oil (RSPO) approved new Shared Responsibility rules on 31 October 2019, requiring all members to share sustainability requirements and obligations. Reporting of Shared Responsibility indicators will be done through several channels, including ACOP. As the implementation of Shared Responsibility reporting is still on-going and in development, the Shared Responsibility section in ACOP is not yet final and may change in future ACOP cycles. For more information on Shared Responsibility, please go to https://rspo.org/news-and-events/news/what-are-the-new-shared-responsibility-rules or email the ACOP team at acop@rspo.org

Labour & Labour Rights

5.1 Does your company have a publicly-available policy covering Labour & Labour Rights?
Yes

5.1.1 Does the policy cover:
- ✓ No discrimination
- ✓ Wage and working conditions
- ✓ Freedom of association
- ✓ No child labour
- ✓ No harassment
- ✓ No forced or trafficked labour

5.1.2 Has your company previously uploaded or linked its Labour & Labour Rights policy in previous ACOP reporting cycles?
Yes

Ethical Conduct & Human Rights

5.2 Does your company have a publicly-available Policy covering Ethical Conduct & Human Rights?
Yes

5.2.1 Does the policy cover:
- ✓ Recruitment
- ✓ Contractors
- ✓ Sub-Contractors & Third-Party Contractors

5.2.2 Has your company previously uploaded or linked its Ethical Conduct & Human Rights policy in previous ACOP reporting cycles?
Yes

Land Use

5.3 Does your company have a publicly-available Policy covering Land Use?
Yes

5.3.1 Does the policy cover:
- ✓ Free Prior and Informed Consent (FPIC)
-    Compensation

5.3.2 Has your company previously uploaded or linked its Land Use policy in previous ACOP reporting cycles?
Yes
Occupational Health & Safety

5.4 Does your company have a publicly-available Policy covering Occupational Health & Safety?
Yes

5.4.1 Has your company previously uploaded or linked its Occupational Health & Safety policy in previous ACOP reporting cycles?
Yes

Climate Change & Greenhouse Gas (GHG)

5.5 Does your company have a publicly-available policy covering Climate Change & Greenhouse Gas (GHG)?
Yes

5.5.1 Does the policy cover:
- ✔ Identification and assessment of GHG
- ✔ Public reporting of GHG footprint
- ✔ Monitored implementation plan to reduce or minimise GHG emissions

5.5.2 Has your company previously uploaded or linked its Climate Change & Greenhouse Gas policy or report in previous ACOP reporting cycles?
Yes

Complaints & Grievances

5.6 Does your company have a Complaints & Grievances Mechanism?
Yes

5.6.1 Is your Complaints & Grievances mechanism in line with the RSPO's grievance mechanism? For details of the RSPO's grievance mechanism, please go to https://askrspo.force.com/Complaint/
Yes

Smallholders

5.7 Does your company support oil palm independent smallholder groups?
Yes

5.7.1 Does this support cover:
- ✔ Fair and transparent dealings with Smallholders
- ✔ Improved Smallholder livelihoods

5.7.2 How is your company supporting them?
By providing training, technical advices, consultation services etc. For example, IOI together with Bunge Loders Croklaan, Kerry Group and the Fortuna Mill initiated a collaborative smallholders' programme called the Initiatif Lestari Untuk Hasil Agrikultur Mampan (ILHAM). Project ILHAM aims to support smallholder farmers to improve their yields, thereby increasing production, without the need for additional land and helping to improve the livelihoods of smallholders.
6. Challenges

6.1 What significant obstacles or challenges has your company encountered in the promotion of certified sustainable palm oil (CSPO)? What efforts has your company taken to address these obstacles or challenges?

- Awareness of RSPO in the market
- Difficulties in the certification process
- Certification of smallholders
- Competition with non-RSPO members
- High costs in achieving or adhering to certification
- Insufficient demand for RSPO-certified palm oil
- Low usage of palm oil
- Reputation of palm oil in the market
- Reputation of RSPO in the market
- Supply issues
- Traceability issues
- No challenges faced
- Others

Others

- Customers who want to purchase RSPO oil/products but not willing to bring themselves to register as member. We would provide them with info on how to register and be a member.
- Smallholders that supply FFB to our mill, not prepared to undergo RSPO audits. We have provided some of them with training and subsidise/sponsor the audit costs.
- Lack of awareness among suppliers and buyers on importance of sustainability. We conducted a supplier engagement programme to expose about Sustainability and encourage them to source sustainable products.
- The complexity of downstream oleochemical processes and fractions complicates market entry. IOI Oleo leads the ASEAN Oleochemicals Manufacturers Group (AOMG) in drafting rules for RSPO oleochemicals to promote growth of RSPO-certified oleochemical derivatives and ensure manageable entry cost to spur demand.
- Insufficient demand for RSPO-certified palm oil. The current demand for palm oil and palm kernel oil derivatives does not justify the economical implementation of the RSPO supply chain models especially SG and IP models which are not economically viable. Hence, IOI Oleo promotes the MB model for oleochemicals as the first step to physical transition models and SG-certified products are also offered for specific product groups.
- Reputation of palm oil in the market

6.2 In addition to the actions already reported in this ACOP report, what other ways has your company supported the vision of the RSPO to transform markets to make sustainable palm oil the norm?

- Engagement with business partners or consumers on the use of CSPO
- Engagement with government agencies
- Promotion of CSPO outside of RSPO venues such as trade workshops or industry associations
- Promotion of physical CSPO
- Providing funding or support for CSPO development efforts
- Research & Development support
- Stakeholder engagement
- No actions taken
- Others

Others

- Commited on traceability to plantation. -Being a fully integrated company (eg. Producers, traders, processors, manufacturers, wholesalers), we utilise our role in the sustainable palm oil supply chain to exercise influence in market, by progressively increasing or try to maintain the sales volume of RSPO certified palm oil as high as a high proportion of the total volume of palm oil we produce.

6.3 If your company has any other publicly-available reports or information regarding its palm oil-related policies and activities, please provide the links here

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