Impact of ISCC Certification in SEA

Chew Jit Seng, VP - Sustainability, Genting Plantations Berhad, Malaysia.
ISCC’s growth potential in South East Asia

• ISCC certification started in SEA with ISCC DE in 2011.
• In 2012, palm based companies expanded into ISCC EU certification.
• By 1st Qtr 2013, there were already 200 valid ISCC certificates in SEA.
• By mid-2014, total valid ISCC certificates in SEA increased to more 550.
• ISCC certificates continues to grow strongly and steadily into 2015.
• Upward growth trajectory boosted by recent interests in waste oils and residues.
Status of ISCC certification in SEA as at 13th Jan 2015

- 1053 certificates for palm worldwide
- 379 certificates in Malaysia (palm)
- 553 certificates in Indonesia (palm)
- 69 certificates in Singapore (mostly palm)
- 6 certificates in Thailand (2 UCO, 4 (5) sugar cane)

- at least 300 operations are palm related
- 199 palm oil mills actually ISCC certified

- total of 5.6 million tons of ISCC certified palm oil sold/year.
ISCC (EU-RED)’s Guiding Principles

• Protection of high nature value areas

• Protection of areas with high carbon stocks

• GHG savings

• Sustainable Agriculture

• Social Standards
Mitigating environmental impacts

DIRECT IMPACTS

1. Field & Mill Operations
2. Land Use Change
3. Peat Management

Growers
1.1 Operations at replanting and immature / mature fields

**Zero Burn**
- Zero-burn policy for new land development and replanting

**Soil protection**
- Leguminous cover crops controls soil erosion, fixes nitrogen and improves soil organic matter & soil texture

**EFB Mulching**
- Frond stacking
- Empty fruit bunch & fronds recycled in-situ to return nutrient & biomass to the soil
1.2 Operations for field upkeep and maintenance

**Protection of riparian zone**
Set aside riparian buffer zones according to Dept Irrigation & Drainage to avoid and to minimize run-off of fertilizers and chemicals into waterways.

**Integrated Pest Management**
Reducing risk of pesticides exposure and impact on operator and environment through use of non-chemical measures e.g. IPM using biological control of pests.

**Optimization of agrochemicals usage**
Usage of specific and selective agrochemicals, adequate training to staff on proper handling & application, storage of agrochemicals in secure facility.
1.3 Operations to minimize other adverse environmental impacts

- **Reduce, Reuse, Recycle**: Waste segregation implemented for better waste management and reduction of environmental impact.
- **Effluent Treatment**: Improved effluent treatment to reduce BOD$_3$ level before discharge for land application.
- **Mill By-Product Recycling**: POME recycled as nutrients for soil enrichment.
1.4 Milling Operations – mitigation of environmental impacts

- All Genting Plantations POMs are certified to ISO 14001 EMS besides ISCC EU & ISCC PLUS, RSPO certification is in progress.
- Renewable energy – use of EFB, shells & fibre to replace diesel.
- New (more) efficient boiler management system reduces use of diesel per ton CPO.
- Dust collector, smoke density meters and scrubbers to reduce PM emissions.
- Co-composting and methane gas capture (pilots).
- Improved mixing & aeration efficiency for POME digestion.
- Continuous de-sludging system (using geo-tubes).
- Improve effective HRT at conventional effluent ponds.
- Advanced effluent treatment system e.g. bioflow plant and membrane reactor.

Genting Tanjung Oil Mill, Sabah.
2.1 Land Use Change

- Certified growers adhere to ISCC’s Sustainability Principles including monitoring of GHG emissions.

- Environment and Sustainability Policies in place.

- New expansion projects now include HCS assessments in addition to HCV assessments.

- Environmental Impact Assessments (regulatory requirement).

- Set asides and conservation projects will be a common feature in the near future.
Reduction of Green House Gas Emissions*

* This is an illustration only.
2.2 Land Use Change

- Kinabatangan Corridor of Life Project
- Environmental Impact Assessment
- HCV Assessments
- Conservation area
- Wildlife Sanctuary
- Pygmy elephants
3. Peat Management

• Good water management and optimum agronomic inputs.

• Peat management in existing estates according to BMPs and MPOB guidelines.

• Policy to avoid new expansion on peat-lands.
Workers and communities welfare

• Sustainability and People Policies in place.
• Social and Environmental Impact Assessments (SEIA).
• Free, Prior & Informed Consent (FPIC) being put into practice.
• Support for smallholders e.g. plasma schemes in Indonesia.
• Employee & Community welfare.
• Provision of basic amenities.
• Equal opportunity & non-discrimination policies.
• Fair & transparent dealings with employees & 3rd parties.
• Consultation with internal & external stakeholders.
• Complaints & Grievances Procedure.
• Whistle Blower Policy.
CSR Initiatives and Impacts

Children Education  Healthcare  Childcare

Workers Quarters  House of Worship  Celebration of Festivals
Benefits from certifications

1. Corporate Reputation and Management:
   • Improved corporate image and reputation.
   • Driver for corporate strategy and management system.

2. Economic
   • Improved operational efficiency / productivity.
   • Creation and use of BMPs.
3. Social

• Change in mindset and attitude of management, staff and workers; better team work.

• Better OSH risk management.
• Improved communication and relationship with workers and local communities.
• Improved communication and engagement with stakeholders.
Benefits from Certifications...

4. Environmental
- Greater awareness and stewardship for HCV & HCS areas.
- Better assessment, management and monitoring of wastes and pollution (including domestic waste).
- Responsible use of pesticides and implementation of IPM.

5. Governance
- More systematic documentation and access to information on operational and non-operational aspects.
- Improved compliance of regulatory requirements.
- Improved relationship with local government authorities and regulators.
- Better understanding of stakeholder engagement.
it ain’t easy being green
Thank you

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