



# BUNGA GROUP

## SUSTAINABLE PALM OIL POLICY

### Scope

This policy applies to all Bunga Group operations, including Sungei Kahang Palm Oil Sdn. Bhd., Sayong Plantation Sdn. Bhd. and other companies under our management control. All our relevant stakeholders and third-party suppliers are also to commit and comply to this policy.

### Our Commitments

We at Bunga Group will ensure that our products are produced in a sustainable manner by adhering to the sustainability principles throughout the company for the benefit of present and future generations. We are committed to:

- Comply to all applicable local, state, national, and international laws and regulations
- Conserve the environment and promote positive environmental impacts
- Respect the rights of workers and local communities
- Build a transparent, traceable, and sustainable palm oil supply chain
- Produce quality products and provide good services to customers

### 1. Legal Compliance

- We will ensure that all our operations, including our suppliers of the palm oil supply chain, will comply with all applicable local, state, national, and international laws and regulations.
- We will ensure a fair and ethical conduct of business and prohibit all forms of corruption, bribery, and fraudulent use of funds and resources.

### 2. Environmental

- We adhere to environmental laws and regulations.
- We will conserve the environment by mitigating the negative impacts and promoting the positive ones through systematic planning and procedure.
- We will generate plans and implement programmes to reduce Greenhouse Gas (GHG) emission from all our operations.
- Training will be provided to all workers on environmental awareness and pollution prevention, and take on the responsibility to preserve the environment.
- High Conservation Value (HCV) area will be maintained, together with the protection of rare, threatened, and endangered species.
- No development of High Carbon Stock (HCS) Forests.
- All forms of open burning are prohibited within our premises
- No new planting is to be done on peat land as per MSPO guidelines.



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- Co-operate with the community, contractors, suppliers, and government agencies to improve the environment.

## 3. Social

- The process of recruitment and promotion will be solely based on individual qualification and performance, regardless of race, caste, nationality, religion, physical disability, gender, sexual orientation, age and political affiliation. We will ensure that equal opportunities are provided to all personnel.
- All recruitment fees or costs of the workers will be borne by the company for any job placement.
- We prohibit the use of child labour with preventive measures. Remedial action shall be taken when any of such case is uncovered to provide assistance and protect the child's welfare.
- We prohibit the use of forced or bonded labour and human trafficking with preventive measures. Remedial action shall be taken when any of such case is uncovered to provide support and assistance to the victim.
- A written employment contracts with details of their duties, rate of pay, working hours, leave, and all other benefits of employment are given to all workers in a language they understand.
- All workers are being paid with a wage equal to or exceeding the legal minimum wage.
- Working hours for all workers, including overtime hours (on a voluntary basis), are in accordance with national legislation, and each worker is entitled to one rest day each week.
- We will not tolerate any type of sexual harassment and violence in our workplace and the management will take the lead in preventing it.
- With a robust grievance mechanism in place, we ensure all workers have access to judicial remedy without the fear of recrimination and dismissal.
- We will ensure a safe and healthy working environment to all our workers according to our Occupational Safety and Health Policy.
- We will provide a safe and hygienic accommodation to all our workers.
- We respect land tenure rights.
- We respect native or customary rights of indigenous and local communities.

## 4. Transparency and Traceability

- With a transparent grievance system in place, we will improve the level of engagement with our stakeholders for them to inform us when there are issues with our palm oil supply chain. The e-grievance form is available on our mill side or by sending an e-mail to both [skposb@gmail.com](mailto:skposb@gmail.com) and [skposdnhhd@gmail.com](mailto:skposdnhhd@gmail.com)
- We will endeavour to source FFB from suppliers who are committed to our Sustainable Palm Oil Policy.



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- We will engage with our smallholders to promote our Sustainable Palm Oil Policy, and if necessary, provide support and guidance to comply with our policy.
- We are open to any engagement with NGOs, communities, governments, workers, experts, and other relevant stakeholders to assist us on the policy implementation and continuous improvement of Bunga Group's sustainability practices.

## 5. Quality

- We are committed to produce quality products and provide good services with competitive pricing to meet industry expectations and customer requirements.
- We will remain innovative and consider new technologies for continual improvement and to cater for changing needs.

## Implementation and Monitoring

This policy will be implemented throughout the company with immediate effect and we will continue to monitor the implementation process. Taking into account of new developments of the industry and feedbacks from the public, we will have this policy reviewed periodically to strengthen our commitment towards sustainable palm oil production.

**MR. KHOO CHEE HONG**

MANAGING DIRECTOR – BUNGA GROUP

Revised on 18<sup>th</sup> January 2021