



# TRANSFORMATION



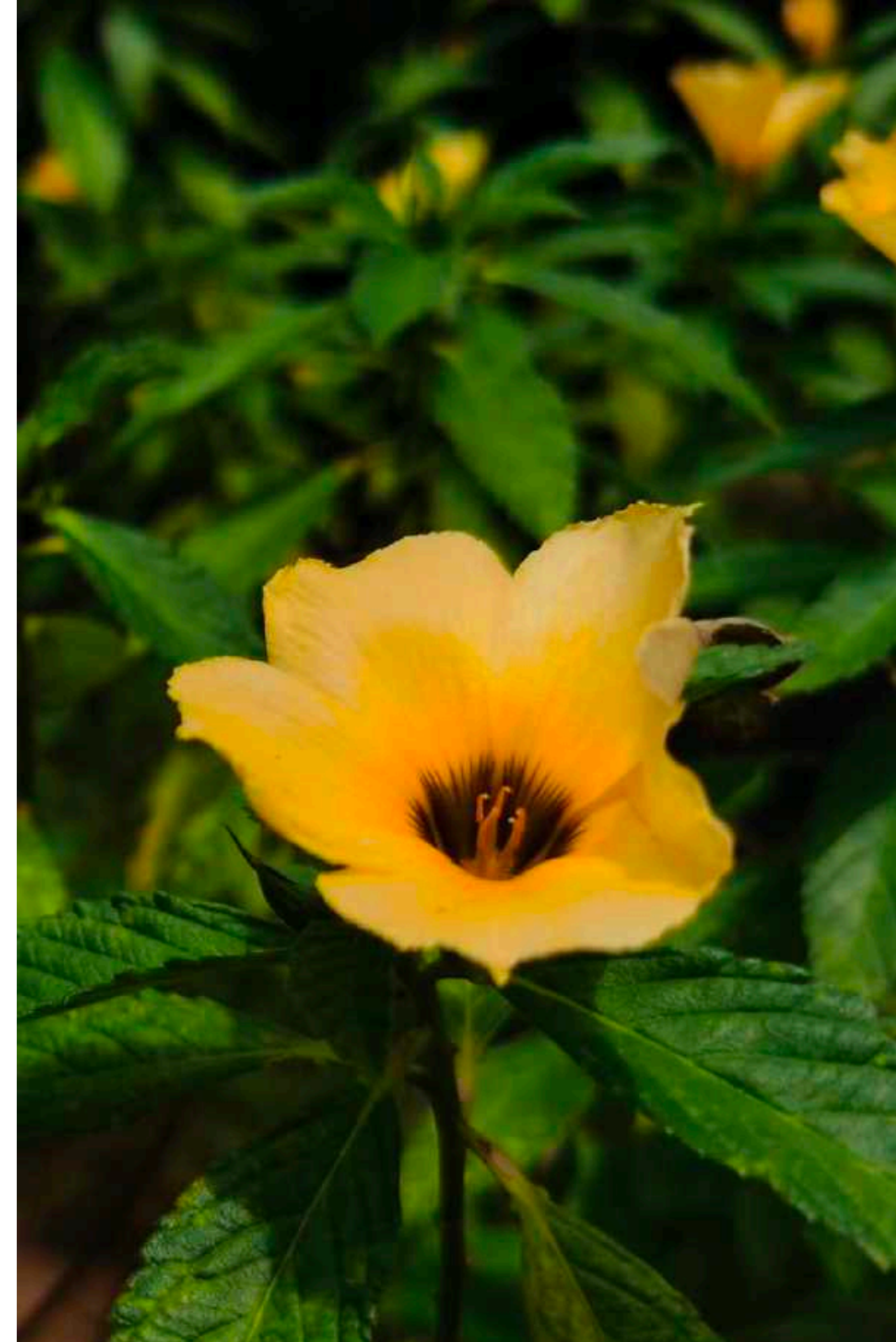
# THROUGH ACTION



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# ABOUT THIS REPORT

## SR2020 Theme and Design

This is Intercontinental Specialty Fats Sdn Bhd's (ISF) second sustainability report, themed **Transformation Through Action**. We are an independent specialty fats business in the palm oil sector that can play a part in driving industry-wide change. Therefore, we feel it is our responsibility to work alongside our industry peers to engage in meaningful action that achieves our shared sustainability goals.

The report's cover illustrates ISF's core values and depicts the interconnections in the palm oil value chain. It symbolises our commitment to working with government and industry stakeholders, consumers, suppliers, implementation partners, and our people towards the common goal of making sustainable palm oil the norm.

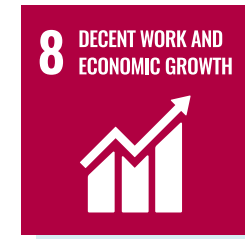
This year's report is a digital document that is structured according to the Global Reporting Initiative (GRI) Standards and demonstrates ISF's sustainability progress to date. We have made it available to our stakeholders as a download on our website.<sup>1</sup>



<sup>1</sup>Our new website was launched in May 2021.

## Contributing to the UN SDGs

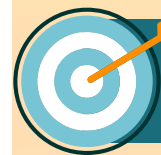
As a private company, we have a responsibility to contribute to the United Nations' Sustainable Development Goals (SDGs). In 2021, we identified the following five goals our business can have an impact upon and contribute to:



We have referenced ISF's respective contributions to the SDG goals throughout the GRI-structured report.

## New 2021 Sustainability Vision

This year, we are also proud to launch our new sustainability vision. This statement of principle is the backbone of our strategic direction going forward. This new direction echoes our parent company's commitment to human, social, and economic development, and will guide ISF's continuing quest to improve our sustainability footprint.



**To be a world leader in high quality specialty oils and fats by integrating innovative solutions and creating meaningful value for a sustainable future.**

## Scope and Boundaries

This web-based GRI report covers material topics related to ISF-owned facilities, specifically our refineries in Port Klang and Dengkil in Malaysia. While we operate a sales office in China and a refinery in Italy (which sources exclusively from ISF Malaysia), the data reported is limited to our operations in Malaysia. Where relevant, we have also provided some data on our suppliers.

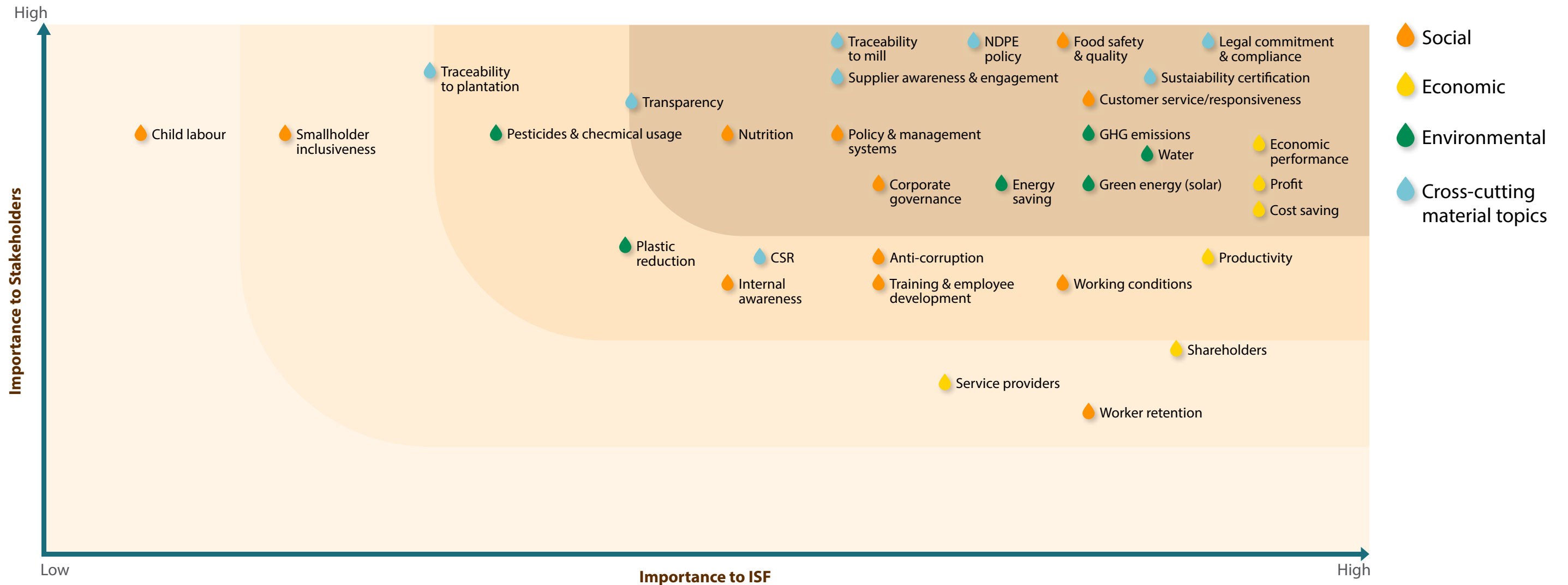
This report covers the 2020 calendar year and is augmented with previous years' data where available.

While ISF is owned by the Japan-based Nisshin Oillio Group, Ltd., the scope of this report only covers ISF's operations and is not indicative of our parent company's sustainability measures.



# ISF'S MATERIAL TOPICS

Our material topics were identified based on a materiality workshop held with top management, senior executives and other key personnel in April 2019. These topics are most relevant to our business and our stakeholders. We further reviewed these material issues through internal and external stakeholder consultations with ISF's customer base and implementation partners. We plan to review and update our materiality matrix for our next report.



# CEO MESSAGE

Dear valued partners,

Welcome to ISF's second sustainability report. Themed **Transformation Through Action**, this report covers our 2020 progress towards becoming a leading producer of sustainable speciality oils and fats.

## COVID-19 Impacts and Measures

At the time of its publication, we are just over a year into an unprecedented crisis for humanity. The COVID-19 pandemic has forced people and businesses worldwide to rethink and retool how we live and work. From the start of the pandemic, ISF's priority has been our people. We have implemented rigorous safeguards to protect the health and livelihoods of our employees, customers, and business partners. In addition, we have strictly adhered to all guidance from health authorities and continue to provide our employees with personal protective equipment, regularly sanitised workspaces, and free meals.

To weather the COVID crisis, ISF has put managing business risks and building resiliency at the forefront of everything we do. One of our industry's most significant risks is the interruption of transportation between suppliers, production facilities, and customers. We are grateful that ISF has not faced any major disruptions over the past year. However, we recognise the pressing need to map our networks and maintain supply chain visibility at this time of potential disruptions and limited travel. Consequently, we have shifted our focus to implementing a digital transformation strategy and identifying and mitigating risks to our supply chain. We are using smart manufacturing methods and technologies to better interconnect our products, value chains, and business models. All of this will empower our sourcing team to make better-informed choices that adhere to sustainability credentials and frameworks.

ISF must also anticipate changes in production and consumption patterns in the post-COVID era. We must enter into dialogues with our partners to implement institutional and operational policies that will address impacts to production and raise consumption levels to boost the economy. We will continue having these conversations as the situation evolves.

## ISF Priorities and Sustainability Performance

As a company, we have grown increasingly aware of the business risks inherent in neglecting sustainability. That is why ISF has made sustainability a strategic imperative and integrated it into all our business processes, from internal operations to external investments, since we launched our Sustainable Palm Oil Policy in 2017. We recently analysed how we can contribute to the United Nations' Sustainable Development Goals and identified five of the 17 goals to prioritise. You can refer to the alignment with these five goals in our digital [GRI report](#).

ISF places a particular emphasis on SDG 13 on climate action, and we are striving to promote 'green operations'. In 2019, we established our GHG emission baseline and set an initial reduction target of 5% by 2025 and in July 2020, we completed the installation of solar panels at our Dengkil plant. The solar panels are predicted to reduce GHG emissions by 3.5% annually. Although it is a step in the right direction, we recognise the need to do more. We are entering the second phase of our plans by installing more panels for further reductions at Dengkil and then expanding the project to our Port Klang operations. We are also exploring the construction of cogeneration plants in the years to come.

While ISF strives to improve our external impacts, we never lose sight of our internal responsibilities. In recent months, the international community has raised concerns about the labour conditions of migrant workers in Malaysia. Foreign workers comprise less than 1% of the ISF workforce. As a matter of policy and duty, we provide our foreign workers with a decent standard of living and ensure that their employment conditions match those of our local employees. We believe that all actors along the supply chain must work with governments, local communities, and NGOs to find practical solutions to labour issues while fostering responsible economic development.

**As an exporter to over 50 countries, ISF respects government regulations and customer pressure to source responsibly. We strive to keep our supply chain as clean as possible and therefore source from about 50 direct suppliers in Malaysia while working hand-in-hand with them to meet our No Deforestation, No Peat, No Exploitation (NDPE) requirements.**

We are also embarking on two partnerships. The first is with our implementation partner, Proforest, to engage fresh fruit bunch dealers on traceability commitments. The second is working with customers to advance integrated pest management and biodiversity conservation practices at the plantation level for our key palm oil producers. Through these partnerships, we hope to catalyse change and have a tangible impact on the ground.

## New Sustainability Vision

I am proud of ISF's achievements to date, but we must continue to scale new heights. Therefore, I am pleased to announce our new vision: **To be a world leader in high-quality specialty oils and fats by integrating innovative solutions and creating value for a sustainable future.** This new direction echoes our parent company's commitment to human, social, and economic development, and guides ISF's continuing quest to improve our sustainability footprint.

To realise this vision and take it to the next level, ISF needs to embrace bold new ways of thinking. Our next challenge is to build momentum for a company-wide transformation by cultivating a work culture that educates, engages, and incentivises our employees to assume a greater role in meeting our social, environmental, and economic targets. It is the best way to move forward and focus on ISF's future success and impact.

## Concluding Remarks

I should like to conclude by expressing my gratitude to our employees and partners, who have worked closely with us to overcome the challenges of this arduous year. I hope we can continue to lead the industry as a company that embeds sustainability in our culture, values, and business practices everywhere ISF operates.

**Takashi Ishigami**  
CEO of ISF



# 2020 SUMMARY AND HIGHLIGHTS

## Target List and Progress

Year	Target	Status as of 31 December 2020, unless otherwise stated
<b>Overall</b>		
2020	Assess and align business operations with the United Nations' Sustainable Development Goals (SDGs)	<b>Completed</b> in 2021
<b>Certification and Supply Chain</b>		
2020	Achieve 100% traceability to plantation for CPO and CPKO	<b>Needs improvement</b> (New target year: 2025) Achieved 75.6% traceability to plantation for CPO
2020	Achieve 100% RSPO or MSPO certification for all direct suppliers	<b>Achieved</b> All 52 direct suppliers are MSPO certified (100%); 30 out of 52 direct suppliers are RSPO certified (58%)
Ongoing	Engage with all non-RSPO-certified direct suppliers on Sustainable Palm Oil Policy requirements through workshops	<b>Achieved</b> in 2020 15 suppliers attended a virtual workshop organised by ISF in September 2020
<b>Environment</b>		
2020	Launch solar energy project at our Dengkil operations	<b>Achieved</b>
2025	Reduce GHG emission intensity by 5% against 2019 baseline of 322.92 kg CO <sub>2</sub> e/MT product	<b>In progress</b> GHG emission intensity of 307.6 kg CO <sub>2</sub> e/MT product, 4.75% lower than 2019 baseline
2025	Reduce energy consumption intensity by 5% against 2019 baseline of 3.15 GJ/MT product	<b>In progress</b> Energy consumption intensity of 3.03 GJ/MT product, 3.9% lower than 2019 baseline
2025	Reduce water consumption intensity by 5% against 2019 baseline of 0.85 m <sup>3</sup> /MT product	<b>In progress</b> Water consumption intensity of 0.90 m <sup>3</sup> /MT product, 5.6% higher than 2019 baseline
2025	Reduce waste intensity by 5% against 2019 baseline of 30.11 kg/MT product	<b>Need improvement</b> Waste intensity of 32.44 kg/MT product, 7.7% higher than 2019 baseline
Ongoing	Maintain zero environmental legal non-compliances	<b>Achieved</b> in 2020
<b>Health and Safety</b>		
Ongoing	Zero fatalities	<b>Achieved</b> in 2020
Ongoing	Zero accidents	<b>Need improvement</b> 9 accidents recorded in 2020
<b>Social</b>		
2020	Establish a programme to be inclusive of smallholders and uptake of their physical oil into ISF supply chain	<b>Delayed</b> (New target year: 2023) Delayed due to COVID-19 restrictions



# 2020 SUMMARY AND HIGHLIGHTS

## Sustainability Highlights

APR 2020

### Honoured 2020 Long-service Award Recipients

In 2019, ISF launched a long-service award recognising employees who have reached the 10-year mark with the company. The eligible service period began in 2006—the year the Nisshin OilliO Group acquired ISF—and recognises workers for their first and every subsequent decade of service. In 2020, we rewarded 18 employees for long-time service. As of December 2020, the programme has recognised a total of 205 employees.

### Long-service Awards Presented in 2019 and 2020 (no.)

	Port Klang	Dengkil	Total
2019	79	108	187
2020	12	6	18



MAY 2020

### Established Anti-Bribery and Corruption Policy

ISF established an Anti-Bribery and Corruption (ABC) policy in May 2020, which is also guided by our Ethical Policy. The document outlines our adherence to prohibit all forms of corruption, extortion and embezzlement while continuing to uphold ethical standards in conducting business. This includes ensuring sufficient protection of our whistleblowers from retaliation for complaints raised through the whistleblowing channels, which are made available on our [website](#).



JUL 2020

### Completed Installation of Solar Panels

ISF completed the installation of solar panels at our Dengkil operations that will generate over 1 million kWh of energy a year and supply 3.5% of our total annual energy needs.



# 2020 SUMMARY AND HIGHLIGHTS

SEP 2020

## Consolidated RSPO Membership with Nisshin

ISF and the Nisshin OilliO Group have consolidated our membership in the Roundtable on Sustainable Palm Oil (RSPO). Moving forward, we will issue joint decisions and jointly report on the Annual Communication of Progress (ACOP). Our combined membership formalises the current, unified approach ISF and the Nisshin OilliO Group have adopted in our sustainable palm oil practices. For more details, please refer to this [link](#).

## Workers' Representatives Election Day

On 15 September 2020, ISF successfully coordinated the independent selection of employee representatives at both of our facilities. This sets a new precedence for our company and is in line with our commitments to uphold the rights of our employees. A total of 264 employees were qualified as voters and voted for their preferred candidate to represent them. Through the voting process, 6 employees were elected to represent ISF workers to be their voice. The elected employees will represent all ISF workers in consultation meetings with the company's management on matters such as compensation, benefits and health and safety issues.

DEC 2020

## Risk Management Team adopted Formal ERM Framework

Risk Management Team at our HQ assess and review our strategic, financial, operational and compliance-related risks. This dedicated unit works with relevant departments to identify company risks before developing and implementing mitigation and management action plans. In 2021, ISF engaged an independent consultant to adopt a formal Enterprise Risk Management (ERM) Framework based on ISO:31000 2018 guidelines and establish a risk escalation structure that ensures the prompt communication of risks to our management team.

## Supporting Customer and Producer on Integrated Pest Management Pilot

In 2020 we signed an agreement supporting our customer Ferrero's pilot project advancing integrated pest management (IPM) and biodiversity conservation practices at the farm level for palm oil producers. ISF will facilitate a partnership on the ground by connecting Ferrero with one of our suppliers' plantations. This project is set to launch in 2021.

## Talent Management Internship Programme

ISF has an established initiative to develop professional capacities of university students and recent graduates. In 2020, 6 local university students from both public and private higher education institutions have undergone internship training at ISF from different educational majors, including occupational safety and health, food science and technology, chemistry and chemical engineering. The interns were provided exposure to the different functions related to their field of studies at our ISF facilities. One of these interns, Kay Yi, was interviewed by ISF on her experience. Kay Yi, whose major is in chemical engineering, was the only female engineer stationed at our Dengkil operations for 12 weeks, from December 2020 to February 2021. Supervised by the production department, she assisted the process engineer at our semi-deodorizing plant in optimising and improving our primary process system. "The internship programme helped me gain real-world experience of what it takes to drive plant operations forward," said Kay Yi. "Being the only female in the department, I was treated as any other worker and was provided equal opportunity in terms of training, advice, and practical experience. I believe a diverse and inclusive working environment benefits the company's overall innovation and performance goals." ISF will continue to look for promising students to intern with at our operations.





# 2020 SUMMARY AND HIGHLIGHTS

2020

**In 2020, our priority was to safeguard the health and safety of our employees and contractors.**

### ISF's Business Continuity Plan

In March 2020, ISF launched our Business Continuity Plan (BCP) in recognising the need to maintain transparency and openly communicate during a crisis like the COVID-19 pandemic. ISF's BCP guides us to be resilient and synchronise business processes and employee welfare. This is undertaken by accelerating our responses to the pandemic while reshaping our strategies for our continued operations. As part of the BCP, we launched a dedicated policy to prevent infection and spread of COVID-19 in our operations. We will continuously monitor and review the implementation of the BCP as needed.

### COVID-19 Measures

- Offered 'work from home' options and implemented work rotations to reduce number of employees on site
- Implemented one-point entry and temperature screening protocols
- Regularly sanitised and disinfected surfaces
- Installed protective partitions in work spaces, canteens, and meeting rooms
- Provided Personal Protection Equipment (PPE), including masks, for all employees
- Promoted frequent and thorough hand-washing among workers, customers, and visitors by providing handwashing facilities and hand sanitisers at various locations across the operations
- Minimised contact between employees, customers and business partners by replacing face-to-face meetings with virtual communications and implementing remote work
- Raised awareness and issued reminders about COVID-19 through notices and posters

### Face Masks and Free Meals Provided to Employees and Contractors 2020 (RM)

Item	Port Klang	Dengkil	Total
Masks	RM 56,587	RM 82,911	<b>RM 139,498</b>
Meals	RM 147,586	RM 172,602	<b>RM 320,186</b>

*Note: Face mask expenditures are in addition to the base requirements issued by Malaysian National Security Council.*

### One-time Payment to Employees

ISF offered a one-time payment to help alleviate the financial burden of COVID-19 on employees and family members affected by the pandemic. We also covered the monthly cost of door-to-door delivery of essential provisions directly to our migrant workers during the national Movement Control Order to reduce their risk of exposure when getting supplies.

### One-time Payment provided to Employees 2020 (RM)

Port Klang	Dengkil	Total
RM 132,500	RM 137,500	<b>RM270,000</b>



### Improved Sustainability Capacity and Communication

In the last year, we have grown the capacity of our sustainability team. We are continually improving our sustainability communications and remain transparent through the dedicated sustainability section of our newly launched website and have begun circulating a new internal newsletter updating ISF employees on our sustainability initiatives. These efforts support our newly announced vision to bridge our employees' information gap on sustainability and foster an engaging environment.

### Launched New Programme to Engage FFB Dealers on NDPE Commitments

Fresh fruit bunch (FFB) dealers are critical to linking growers and immediate markets in Malaysia. Currently, not all FFB dealers are included in current sustainability certification schemes such as Malaysian Sustainable Palm Oil (MSPO) and RSPO and are not always bound to the sustainability commitments adopted by the industry. To address the gap in extending No Deforestation, No Peat, No Exploitation (NDPE) policy commitments to FFB dealers in the palm oil supply chain, Proforest drafted a 2020 concept note on engaging with these dealers and promoting NDPE requirements and certification. This engagement will comprise a series of workshops, site visits and the development of long-term strategies in collaboration with identified FFB dealers. ISF will support this project as a partner in 2021 and onwards.


2020-2021





# ISF GRI CONTENT INDEX REPORT 2020

# GRI 102: GENERAL DISCLOSURES 2016

Disclosure		Section, Page or Reason for Omission	SDG Goals													
<b>Organisational Profile</b>																
102-1	Name of organisation	Intercontinental Specialty Fats Sdn Bhd														
102-2	Activities, brands, products, and services	<a href="#">Applications</a>														
102-3	Location of headquarters	Port Klang, Malaysia														
102-4	Location of operations	ISF operates in three countries. We own and operate refining and downstream processing facilities, with factories located in Port Klang and Dengkil, Malaysia. We also have a sales and distribution office in Shanghai, China and operate a refinery in Italy. <sup>3</sup> <a href="#">Contact Us</a>														
102-5	Ownership and legal form	<a href="#">About Us</a>														
102-6	Markets served	<a href="#">About Us</a> <a href="#">About Us</a>														
102-7	Scale of the organisation	<a href="#">About Us</a> <a href="#">Base Data</a>														
102-8	Information on employees and other workers	As of December 2020, we employ 576 employees across our Port Klang and Dengkil operations. All employees, including workers, are hired on a permanent full-time basis. We do not employ any temporary or part-time workers.  <table border="1"> <thead> <tr> <th colspan="3">Permanent employees by gender and region 2020 (no.)</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Gender</td> <td>Male</td> <td>453</td> </tr> <tr> <td>Female</td> <td>123</td> </tr> <tr> <td rowspan="2">Region</td> <td>Port Klang</td> <td>304</td> </tr> <tr> <td>Dengkil</td> <td>272</td> </tr> </tbody> </table>		Permanent employees by gender and region 2020 (no.)			Gender	Male	453	Female	123	Region	Port Klang	304	Dengkil	272
Permanent employees by gender and region 2020 (no.)																
Gender	Male	453														
	Female	123														
Region	Port Klang	304														
	Dengkil	272														
102-9	Supply chain	<a href="#">Traceability</a>														
102-10	Significant changes to the organisation and its supply chain	A new semi auto deodorising plant (SCD) came into operation at our Port Klang facility in 2020. There have been no other significant changes to the organisation and our supply chain during this reporting period.														

<sup>3</sup>Our Chinese and Italian operations fall outside the scope of this report.



# GRI 102: GENERAL DISCLOSURES 2016

Disclosure		Section, Page or Reason for Omission	SDG Goals
102-11	Precautionary principle or approach	ISF has adopted a precautionary approach through platforms such as the RSPO and ISCC	
102-12	External initiatives	<a href="#">Partnerships and Collaboration</a>	
102-13	Membership of associations	<a href="#">Partnerships and Collaboration</a>	
<b>Strategy</b>			
102-14	Statement from senior decision-maker	<a href="#">CEO Message</a>	
102-15	Key impacts, risks, and opportunities	<a href="#">CEO Message</a> <a href="#">Sustainable Palm Oil Policy</a>	
<b>Ethics and integrity</b>			
102-16	Values, principles, standards, and norms of behaviour	<a href="#">Sustainable Palm Oil Policy</a> <a href="#">CEO Message</a> <a href="#">Core Values</a> <a href="#">Corporate Governance</a>	
102-17	Mechanisms for advice and concerns about ethics	<a href="#">Core values</a> <a href="#">Corporate Governance</a> <a href="#">Grievances</a>	
102-18	Governance structure	<p>ISF's Board of Directors comprises nine experienced professionals, all of whom are male, Japanese, and over 50 years of age. The Board of Directors and senior executives, including our Chief Executive Officer (CEO), oversee strategy and make decisions on all environmental, social, and governance matters. The ISF sustainability team is part of our Trading and Marketing division. Working closely with ISF's commercial teams and under the direction of the Chief Marketing Officer (CMO), this team engages with our customers to understand their needs and requirements and ensure we embed sustainable practices in our business decisions.</p> <p>The CMO reports to the Board on sustainability issues quarterly or more frequently as necessary. We prioritise sustainability topics through stakeholder engagement with our partners and by responding to customer needs and key topics raised through multi-stakeholder initiatives.</p>	
102-19	Delegating authority		
102-20	Executive-level responsibility for economic, environmental, and social topics		
102-21	Consulting stakeholders on economic, environmental, and social topics		
102-22	Composition of the highest governance body and its committees		
102-23	Chair of the highest governance body		
102-29	Identifying and managing economic, environmental, and social impacts		
102-31	Review of economic, environmental, and social topics		

<sup>3</sup>Our Chinese and Italian operations fall outside the scope of this report.

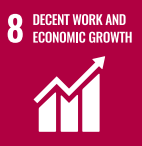




# GRI 102: GENERAL DISCLOSURES 2016

Disclosure		Section, Page or Reason for Omission	SDG Goals
<b>Stakeholder Engagement</b>			
102-42	Identifying and selecting stakeholders	<a href="#">Partnerships and Collaboration</a>	
102-43	Approach to stakeholder engagement	<a href="#">Partnerships and Collaboration</a>	
102-44	Key topics and concerns raised	<a href="#">Sustainable Palm Oil Policy</a> <a href="#">Grievances</a> <a href="#">Responsible Operations</a> <a href="#">Partnerships and Collaboration</a>	
<b>Reporting Practice</b>			
102-45	Entities included in the consolidated financial statements	Intercontinental Specialty Fats Sdn Bhd	
102-46	Defining report content and topic boundaries	<a href="#">About this Report</a>	
102-47	List of material topics	We held a materiality workshop with top management, senior executives and other key personnel in April 2019 to identify material topics relevant to our business and important to stakeholders. We further refined these material topics through internal and external stakeholder consultations with ISF's customer base and implementation partners.  ISF's materiality matrix can be found at <a href="#">ISF's material topics</a> .	
102-48	Restatements of information	We have recalculated all intensity data for this report using finished product as the denominator instead of raw material processed. Restatements have been included as footnotes throughout the report.	
102-49	Changes in reporting	We made no significant changes to the list of material topics and topic boundaries from the previous reporting period.	
102-50	Reporting period	January 2020 – December 2020	
102-51	Date of most recent report	<a href="#">ISF Sustainability Report 2019</a>	
102-52	Date of most recent report	Annual	
102-53	Contact point for questions regarding the report	<a href="#">Contact Us</a>	
102-54	Claims of reporting in accordance with the GRI standards	This report has been prepared in alignment with the GRI Standards: Core option	
102-55	GRI Content Index	ISF GRI Content Index Report 2020	
102-56	External assurance	We have not engaged a third party to provide assurance or verify data as we believe that our multiple certification audits provide adequate assurance on our performance to our stakeholders.	



# GRI 200: ECONOMIC TOPICS

GRI Standard	Disclosure	Section, Page or Reason for Omission	SDG Goals	
<b>Economic</b>				
<b>GRI 201: Economic Performance 2016</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary		
	103-2	The management approach and its components		Our management team is responsible for our financial results and sets a yearly target against which we closely monitor our actual performance. In conjunction, our executive team reviews IFS's financial commitments and strategies.
	103-3	Evaluation of the management approach		
GRI 201: Economic Performance 2016	201-3	Defined benefit plan obligations and other retirement plans	ISF adheres to national statutory requirements and contributes 13% of each employee's gross salary to the Employee Provision Fund (EPF).	
<b>GRI 204: Procurement Practices 2016</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary		
	103-2	The management approach and its components		<a href="#">Traceability</a> <a href="#">Responsible Operations</a>
	103-3	Evaluation of the management approach		
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	<a href="#">Traceability</a> In 2020, we sourced and processed 525,914 tonnes of crude palm oil (CPO) and crude palm kernel oil (CPKO), 6% more than in 2019. We did not face any major disruptions to our supply chain due to the pandemic. All palm oil and palm kernel oil was sourced in Malaysia, of which only 5.26% of CPO and 33.25% of CPKO originating in East Malaysia. We purchased from 334 palm oil mills and kernel crushers in 2020; 50 of these were direct mill suppliers, while the remaining 284 were indirect suppliers. We source both CPO and CPKO from direct suppliers but only source CPKO from indirect suppliers.	
				






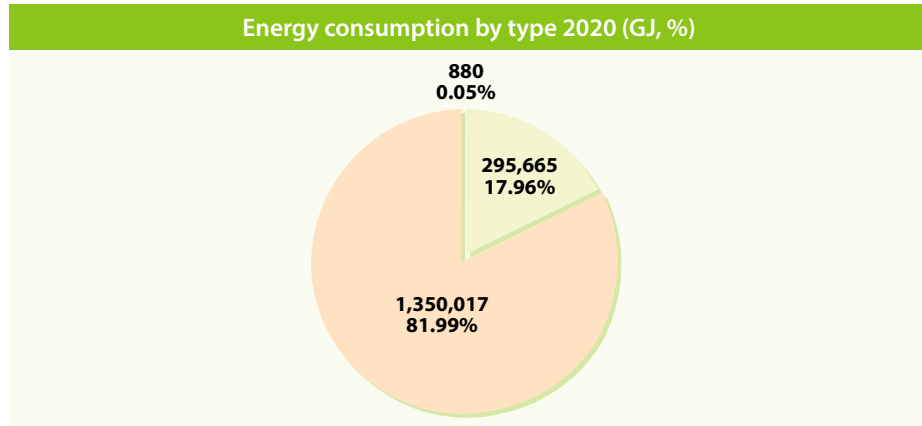
# GRI 200: ECONOMIC TOPICS

GRI Standard	Disclosure	Section, Page or Reason for Omission	SDG Goals																				
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	<p style="text-align: center;"><b>Total volumed processed 2017–2020 (MT)</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Total (MT)</th> <th>CPO (MT)</th> <th>CPKO (MT)</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>535,095</td> <td>419,034</td> <td>116,061</td> </tr> <tr> <td>2018</td> <td>520,763</td> <td>417,586</td> <td>103,177</td> </tr> <tr> <td>2019</td> <td>495,559</td> <td>424,197</td> <td>70,362</td> </tr> <tr> <td>2020</td> <td>525,913</td> <td>447,804</td> <td>78,109</td> </tr> </tbody> </table>	Year	Total (MT)	CPO (MT)	CPKO (MT)	2017	535,095	419,034	116,061	2018	520,763	417,586	103,177	2019	495,559	424,197	70,362	2020	525,913	447,804	78,109	
Year	Total (MT)	CPO (MT)	CPKO (MT)																				
2017	535,095	419,034	116,061																				
2018	520,763	417,586	103,177																				
2019	495,559	424,197	70,362																				
2020	525,913	447,804	78,109																				
<b>GRI 205: Anti-corruption 2016</b>																							
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary <a href="#">Corporate Governance</a>																					
	103-2	The management approach and its components <a href="#">Corporate Governance</a>																					
	103-3	Evaluation of the management approach <a href="#">Corporate Governance</a>																					
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures <a href="#">Corporate Governance</a> <a href="#">Partnerships and Collaborations</a> Guided by our Ethical Policy, we update our <a href="#">Anti-Bribery and Corruption Policy</a> in March 2021 See also: <a href="#">Established Anti-Bribery and Corruption Policy</a>																					
<b>Productivity (see GRI 204-1)</b>																							
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary <a href="#">About Us</a> See <a href="#">GRI 204-1</a>																					
	103-2	The management approach and its components <a href="#">About Us</a>																					
	103-3	Evaluation of the management approach <a href="#">About Us</a>																					



# GRI 300: ENVIRONMENTAL TOPICS

GRI Standard	Disclosure	Section, Page or Reason for Omission	SDG Goals
<b>Environmental</b>			
<b>GRI 302: Energy 2016<sup>4</sup></b>			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary <a href="#">Responsible Operations</a> We monitor energy usage in our operations, which is made up of electricity purchased from the national grid and natural gas.	
	103-2	The management approach and its components <a href="#">Traceability</a> <a href="#">Responsible Operations</a>	
	103-3	Evaluation of the management approach <a href="#">Traceability</a> <a href="#">Responsible Operations</a>	
GRI 302: Energy 2016	302-1	Energy consumption within the organisation In 2020, our total energy consumption amounted to 1,645,682 gigajoules (GJ), a 4.6% increase from 2019. Of our total energy used, 80% is generated from natural gas. The remainder is sourced from purchased electricity and solar energy.	    
	302-3	Energy intensity Despite the increase in energy use, our total energy consumption intensity in 2020 was 3.03 GJ/MT product processed, a reduction of 3.9% from the previous year. This can be attributed to the new SCD plant at Port Klang, which uses the latest energy efficient technology and includes an energy recovery feature during the deodorising process.	
	302-4	Reduction of energy consumption <b>New solar panel project:</b> We installed solar panels at our Dengkil facility in July 2020. Since commissioning, the panels have generated 244,326 kWh of electricity. It is estimated these panels will help to reduce GHG emissions by harnessing sunlight to produce 1,035,924 kWh of electricity a year, accounting for 3.5% of our total annual consumption, which will be used during peak hours at our operations. ISF will continue investing in the programme at Dengkil and plans to roll it out at our Port Klang operations in the coming year.	



<sup>4</sup>We have recalculated all intensity data for this report using finished product as the denominator instead of raw material processed.



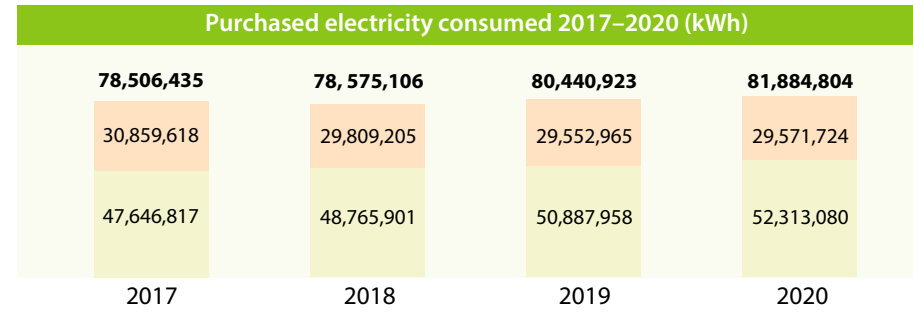


# GRI 300: ENVIRONMENTAL TOPICS

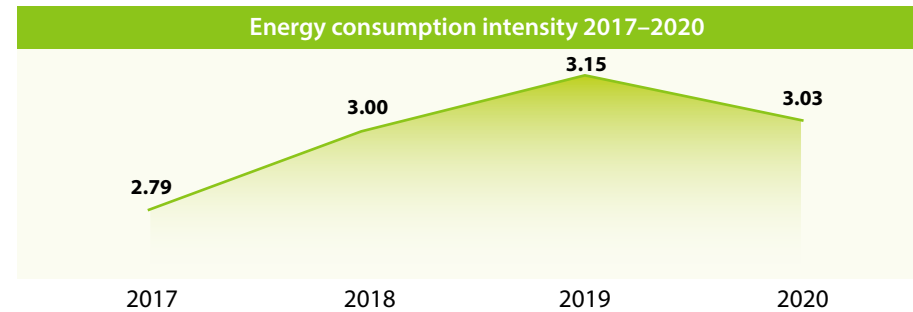
GRI Standard	Disclosure	Section, Page or Reason for Omission	SDG Goals
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GRI 302:  
Energy 2016



302-1	Energy consumption within the organisation
302-3	Energy intensity
302-4	Reduction of energy consumption



Port Klang  
Dengkil



# GRI 300: ENVIRONMENTAL TOPICS



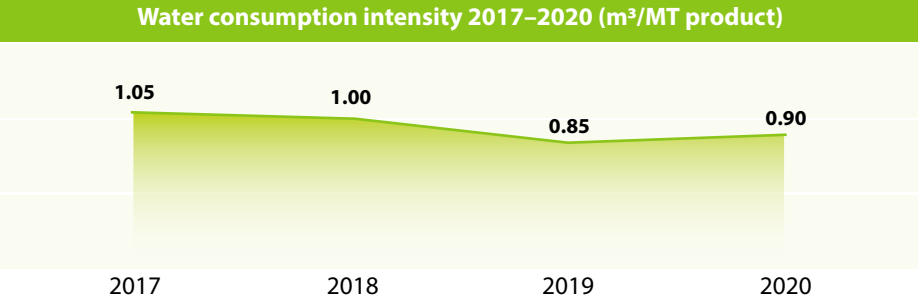
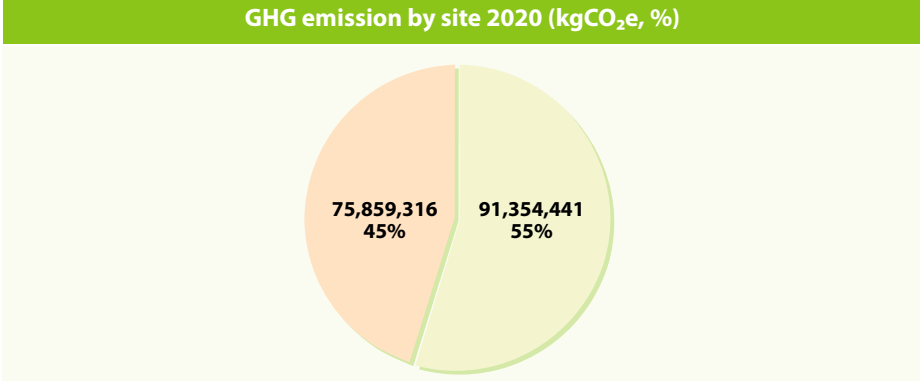


GRI Standard	Disclosure	Section, Page or Reason for Omission	SDG Goals
<b>GRI 303: Water and Effluents 2018<sup>5</sup></b>			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary <a href="#">Responsible Operations</a>	
	103-2	The management approach and its components <a href="#">Responsible Operations</a>	
	103-3	Evaluation of the management approach <a href="#">Responsible Operations</a> <a href="#">Targets List and Progress</a>	
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource <a href="#">Responsible Operations</a>	
	303-2	Management of water discharge-related impacts <a href="#">Responsible Operations</a> In compliance with legal requirements we treat all effluent, including Palm Oil Refinery Effluent (PORE), using our industrial effluent treatment system (IETS) before discharging it into the drainage system. IETS is an integrated system designed to treat floor drain and tank farm washing water, production effluent, and industrial effluent from current and foreseeable future production processes. We also reuse wastewater to cool down machinery and then treat it a second time.	  
	303-3	Water withdrawal	
	303-4	Water discharge	
	303-5	Water consumption	
		In 2020 we consumed 487,621 cubic metres (m <sup>3</sup> ) of water. While this is 16.7% less than in 2017, it was an increase of 14.8% from 2019 (424,456 m <sup>3</sup> ). Our 2020 water consumption intensity was 0.9 m <sup>3</sup> /MT product, an increase of 5.9% from 2019. This increase is mainly due to a new semi auto deodorising plant in a new production line that became operational at our Port Klang site.	
		<b>Water withdrawal, discharge, and consumption 2020 (m<sup>3</sup>)</b>	
		<b>Water withdrawal by source</b>	
	Rainwater	252	
	Groundwater	33,061	
	Municipal water	632,680	
	<b>Total water withdrawal</b>	<b>665,993</b>	
		<b>Water discharge by source</b>	
	Surface water	178,372	
	<b>Total water discharge</b>	<b>187,372</b>	
		<b>Water discharge by source</b>	
	<b>Total water consumption</b>	<b>487,621</b>	

Note: water consumption is calculated by subtracting total water discharge from total water withdrawal

<sup>5</sup>We have recalculated all intensity data for this report using finished product as the denominator instead of raw material processed.



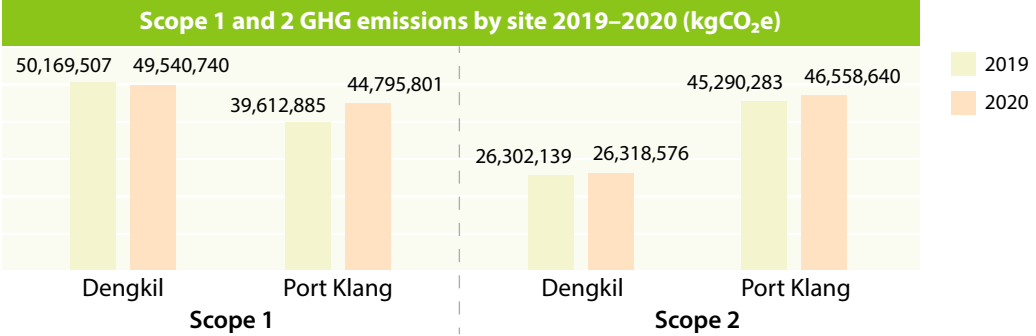

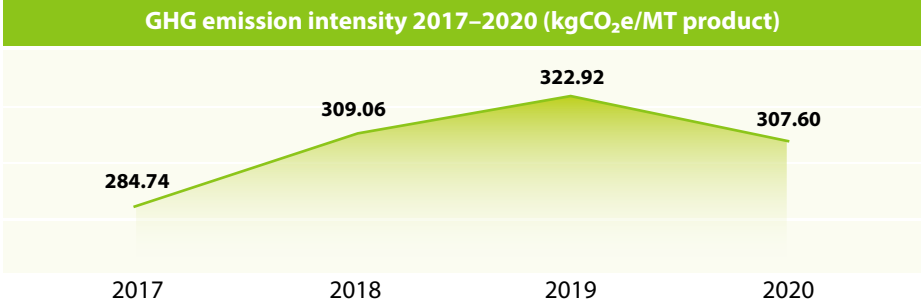


# GRI 300: ENVIRONMENTAL TOPICS

GRI Standard	Disclosure	Section, Page or Reason for Omission	SDG Goals									
GRI 303: Water and Effluents 2018	303-2	Management of water discharge-related impacts	 									
	303-3	Water withdrawal										
	303-4	Water discharge										
	303-5	Water consumption										
 <p><b>Water consumption intensity 2017-2020 (m³/MT product)</b></p> <table border="1"> <tr><th>Year</th><th>Intensity (m³/MT product)</th></tr> <tr><td>2017</td><td>1.05</td></tr> <tr><td>2018</td><td>1.00</td></tr> <tr><td>2019</td><td>0.85</td></tr> <tr><td>2020</td><td>0.90</td></tr> </table>			Year	Intensity (m³/MT product)	2017	1.05	2018	1.00	2019	0.85	2020	0.90
Year	Intensity (m³/MT product)											
2017	1.05											
2018	1.00											
2019	0.85											
2020	0.90											
<b>GRI 303: Water and Effluents 2018<sup>6</sup></b>												
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	<a href="#">Responsible Operations</a>									
	103-2	The management approach and its components	<a href="#">Responsible Operations</a> We use the Greenhouse Gas Protocol and International Sustainability and Carbon Certification (ISCC) methodology to calculate our Scope 1 and Scope 2 GHG emissions.									
	103-3	Evaluation of the management approach	<a href="#">Responsible Operations</a> <a href="#">Targets List and Progress</a>									
	305-1	Direct (Scope 1) GHG emissions	Our 2020 Scope 1 and Scope 2 GHG emissions amounted to 167,213,757 kilograms of carbon dioxide equivalent (kgCO <sub>2</sub> e) at our two sites, with Port Klang contributing approximately 60% of this total. Our GHG emission intensity fell by 4.75% from 322.92 kgCO <sub>2</sub> e per tonne of product (kgCO <sub>2</sub> e/MT product) in 2019 to 307.60 kgCO <sub>2</sub> e/MT product in 2020.  We are therefore well on track to achieve our target to reduce GHG emission intensity by 5% by 2025, using 2019 as our baseline.									
	305-2	Energy indirect (Scope 2) GHG emissions										
305-4	GHG emissions intensity											
 <p><b>GHG emission by site 2020 (kgCO<sub>2</sub>e, %)</b></p> <table border="1"> <tr><th>Site</th><th>GHG Emissions (kgCO<sub>2</sub>e)</th><th>Percentage (%)</th></tr> <tr><td>Port Klang</td><td>91,354,441</td><td>55%</td></tr> <tr><td>Dengkil</td><td>75,859,316</td><td>45%</td></tr> </table>			Site	GHG Emissions (kgCO <sub>2</sub> e)	Percentage (%)	Port Klang	91,354,441	55%	Dengkil	75,859,316	45%	 
Site	GHG Emissions (kgCO <sub>2</sub> e)	Percentage (%)										
Port Klang	91,354,441	55%										
Dengkil	75,859,316	45%										

<sup>6</sup>We have recalculated all intensity data for this report using finished product as the denominator instead of raw material processed.



# GRI 300: ENVIRONMENTAL TOPICS

GRI Standard	Disclosure		Section, Page or Reason for Omission	SDG Goals
GRI 103: Management Approach 2016	305-1	GHG emissions intensity	<div style="text-align: center;"> <b>Scope 1 and 2 GHG emissions by site 2019–2020 (kgCO<sub>2</sub>e)</b>  </div>	
	305-2			
	305-4			
			<div style="text-align: center;"> <b>GHG emission intensity 2017–2020 (kgCO<sub>2</sub>e/MT product)</b>  </div>	
<b>GRI 306: Waste<sup>7</sup></b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	<a href="#">Responsible Operations</a>	
	103-2	The management approach and its components	<a href="#">Responsible Operations</a>	
	103-3	Evaluation of the management approach	<a href="#">Responsible Operations</a>	
GRI 306: Effluents and waste 2016	306-2	Waste by type and disposal method	In 2020, our waste intensity increased by 7% to 32.44 kg/MT product from 30.11 kg/MT product in 2019. We acknowledge the increase in waste and are reviewing our waste reduction measures to meet our 5% reduction target by 2025.	

<sup>7</sup>We have recalculated all intensity data for this report using finished product as the denominator instead of raw material processed.



# GRI 300: ENVIRONMENTAL TOPICS

GRI Standard	Disclosure	Section, Page or Reason for Omission	SDG Goals																						
GRI 103: Management Approach 2016	306-2	<p>Waste by type and disposal method</p> <div style="text-align: center;"> <p><b>Waste intensity 2017–2020 (kg/MT product)</b></p> <table border="1"> <caption>Waste Intensity Data (kg/MT product)</caption> <thead> <tr> <th>Year</th> <th>Waste Intensity (kg/MT product)</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>23.99</td> </tr> <tr> <td>2018</td> <td>27.42</td> </tr> <tr> <td>2019</td> <td>30.11</td> </tr> <tr> <td>2020</td> <td>32.44</td> </tr> </tbody> </table> </div> <p>Most of our non-scheduled waste generated comprises spent bleaching earth derived from degumming and bleaching CPO from physically refined palm oil. Spent bleaching earth contains a high percentage of residual oil, which makes it susceptible to spontaneous combustion and can pose an environmental risk. We manage and dispose of all waste responsibly and in line with regulation.</p> <table border="1"> <thead> <tr> <th>Type of waste</th> <th>Amount</th> <th>Source</th> <th>Disposal method</th> </tr> </thead> <tbody> <tr> <td><b>Scheduled</b></td> <td>95 MT</td> <td>Used cotton rag, chemical bottles, fluorescent tube, lubricants, engine oil and cake waste from effluent plant</td> <td>We engage with a licensed contractor for schedule waste disposal</td> </tr> <tr> <td><b>Non-scheduled</b></td> <td>17,537 MT</td> <td>More than 96% is spent bleaching earth</td> <td>100% of the spent bleaching earth is sold to third parties to be repurposed as raw material for other manufacturers or to be used as biomass</td> </tr> </tbody> </table>	Year	Waste Intensity (kg/MT product)	2017	23.99	2018	27.42	2019	30.11	2020	32.44	Type of waste	Amount	Source	Disposal method	<b>Scheduled</b>	95 MT	Used cotton rag, chemical bottles, fluorescent tube, lubricants, engine oil and cake waste from effluent plant	We engage with a licensed contractor for schedule waste disposal	<b>Non-scheduled</b>	17,537 MT	More than 96% is spent bleaching earth	100% of the spent bleaching earth is sold to third parties to be repurposed as raw material for other manufacturers or to be used as biomass	
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<b>Non-scheduled</b>	17,537 MT	More than 96% is spent bleaching earth	100% of the spent bleaching earth is sold to third parties to be repurposed as raw material for other manufacturers or to be used as biomass																						
306-3	Significant spills	No significant spills recorded																							
<b>GRI 307: Environmental Compliance 2016</b>																									
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	<a href="#">Responsible Operations</a>																						
	103-2	The management approach and its components	<a href="#">Traceability</a> <a href="#">Responsible Operations</a>																						
	103-3	Evaluation of the management approach	<a href="#">Targets List and Progress</a>																						
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	There were no incidences of non-compliance with environmental laws and regulations during the reporting period.																						

<sup>7</sup>We have recalculated all intensity data for this report using finished product as the denominator instead of raw material processed.



# GRI 300: ENVIRONMENTAL TOPICS

GRI Standard	Disclosure	Section, Page or Reason for Omission	SDG Goals
<b>GRI 308: Supplier Environmental Assessment 2016 / GRI 414: Supplier Social Assessment 2016</b>			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary <a href="#">Traceability</a> <a href="#">Responsible Operations</a> <a href="#">Sustainable Palm Oil Policy</a>	
	103-2	The management approach and its components <a href="#">Traceability</a> <a href="#">Responsible Operations</a> <a href="#">Sustainable Palm Oil Policy</a>  We collaborate with suppliers and carry out workshops to help them fully understand the requirements for adhering to our Sustainable Palm Oil Policy and attaining certification, especially with direct suppliers who do not yet sell certified oil. To date, we have held three workshops for CPO and PKO producers. In 2020, 15 suppliers attended the virtual workshop organised by ISF.	
	103-3	Evaluation of the management approach <a href="#">Traceability</a> <a href="#">Responsible Operations</a> <a href="#">Sustainable Palm Oil Policy</a>	
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria <b>New suppliers</b> As of December 2020, we have assessed all suppliers against environmental and social criteria, specifically to confirm:	
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria <b>1.</b> NDPE Policy in place or signature of the ISF Supplier Code of Conduct <b>2.</b> RSPO or MSPO certification <b>3.</b> ISF NDPE workshop attendance for non-RSPO certified suppliers.  In 2020, we had four new suppliers, all of whom were at least MSPO certified and had either published their own NDPE policy or signed the ISF Supplier Code of Conduct. Non-RSPO certified suppliers successfully completed our virtual NDPE workshop.  <b>Supplier assessments</b> In conjunction with our implementation partner Proforest, we annually assess suppliers against our sustainability commitments to measure their progress towards alignment. We begin by assessing and prioritising suppliers based on the risk of deforestation, follow this with an analysis of higher risk social and environmental issues, and then primarily focus our engagement efforts on high-risk mills.  <b>Certified suppliers</b> As of December 2020, all of our suppliers are certified against MSPO or RSPO standards. Specifically, all 52 of our direct suppliers are MSPO certified and supplied 100% MSPO-certified CPO and CPKO.  A further 10 of our existing direct suppliers obtained RSPO certification, bringing the total of our RSPO-certified direct suppliers to 30. We sourced 224,476 MT of RSPO-certified CPO and 12,046 MT of RSPO-certified CPKO in 2020, representing 50.1% and 15.4% of our total volume sourced. 33% of all CPO and CPKO originated from new suppliers.  We continue to engage with non-RSPO-certified direct suppliers on our Sustainable Palm Oil Policy.	



# GRI 300: ENVIRONMENTAL TOPICS

GRI Standard	Disclosure	Section, Page or Reason for Omission	SDG Goals
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p><b>RSPO-certified CPO sourced 2020 (MT, %)</b></p> <p><b>Total: 447,804 MT</b></p> <p>224,476 50%</p> <p>223,328 50%</p> </div> <div style="text-align: center;"> <p><b>RSPO-certified CPO sourced 2020 (MT, %)</b></p> <p><b>Total: 78,109 MT</b></p> <p>12,046 15%</p> <p>66,063 85%</p> </div> </div>	
GRI 308: Supplier Environmental Assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken	<a href="#">Grievances</a>	
GRI 414: Supplier Social Assessment 2016	414-2 Negative social impacts in the supply chain and actions taken		
<b>Traceability</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	<a href="#">Traceability</a>	
	103-2 The management approach and its components	<a href="#">Traceability</a>	
	103-3 Evaluation of the management approach	<a href="#">Traceability</a>	




# GRI 400: SOCIAL TOPICS

GRI Standard	Disclosure	Section, Page or Reason for Omission	SDG Goals															
<b>Social</b>																		
<b>GRI 401: Employment 2016</b>																		
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary <a href="#">Responsible Operations</a>																
	103-2	The management approach and its components <a href="#">Responsible Operations</a> <a href="#">See also: Sustainability Highlights on Measures Taken during COVID-19 Pandemic</a>																
	103-3	Evaluation of the management approach <a href="#">Responsible Operations</a>																
GRI 401: Employment 2016	401-1	New employee hires and employee turnover In 2020, there was a slight reduction in turnover rates at our Port Klang and Dengkil plants. Within the context of a highly competitive labour market, ISF believes that our relatively low turnover rates indicate a high level of employee satisfaction.																
<table border="1"> <caption>Employee turnover by site 2017-2020 (%)</caption> <thead> <tr> <th>Year</th> <th>Port Klang (%)</th> <th>Dengkil (%)</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>9.79%</td> <td>15.00%</td> </tr> <tr> <td>2018</td> <td>12.84%</td> <td>7.90%</td> </tr> <tr> <td>2019</td> <td>10.34%</td> <td>8.50%</td> </tr> <tr> <td>2020</td> <td>9.54%</td> <td>8.41%</td> </tr> </tbody> </table>				Year	Port Klang (%)	Dengkil (%)	2017	9.79%	15.00%	2018	12.84%	7.90%	2019	10.34%	8.50%	2020	9.54%	8.41%
Year	Port Klang (%)	Dengkil (%)																
2017	9.79%	15.00%																
2018	12.84%	7.90%																
2019	10.34%	8.50%																
2020	9.54%	8.41%																
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees <a href="#">Responsible Operations</a> Our fixed-term contract workers are paid minimum wage or more and housed in dormitories equipped with all the appropriate amenities and facilities.																
	401-3	Parental leave All 36 employees who took parental leave in 2020 returned to work at the end of the period and are still employed 12 months after their return to work.																
<b>GRI 403: Occupational Health and Safety 2018</b>																		
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary <a href="#">Responsible Operations</a>																
	103-2	The management approach and its components <a href="#">Responsible Operations</a>																
	103-3	Evaluation of the management approach <a href="#">Responsible Operations</a>																





# GRI 400: SOCIAL TOPICS

GRI Standard	Disclosure	Section, Page or Reason for Omission	SDG Goals
GRI 403: Occupational Health and Safety 2018	403-1	Organisational health and safety management system <a href="#">Responsible Operations</a> In compliance with legal requirements, ISF's Occupational, Safety and Health (OSH) Committee meets at least four times a year to discuss and address health and safety issues. We had planned to meet six times in 2020, however we were unable to due to COVID-19 restrictions on physical gatherings.	
	403-2	Hazard identification, risk assessment, and incident investigation <a href="#">Responsible Operations</a>	
	403-3	Occupational health services <a href="#">Responsible Operations</a>	
	403-4	Worker participation, consultation, and communication on occupational health and safety <a href="#">Responsible Operations</a>	
	403-5	Worker training on occupational health and safety In 2020, we conducted seven OSH training programmes, which were attended by 129 employees.	
	403-6	Promotion of worker health ISF adopted best practice and made the health and safety of our employees our top priority during the COVID-19 pandemic. On top of the usual safety measures, we provided free masks and meals to workers at both our sites. <a href="#">Responsible Operations</a> <a href="#">See also: COVID-19 measures</a>	
	403-8	Workers covered by an occupational health and safety management system Our OSH management system covers all our employees and also extends to our contractors.	
	403-9	Work-related injuries We monitor our safety performance by tracking lost time accident rates (LTAR) and severity rates across our operations. In 2020 the number of accidents resulting in lost time decreased by almost half. However, these accidents were more serious than the previous year, resulting in a five-fold increase in the severity rate.  A total of nine accidents occurred during our operations in 2020. One of these accidents was a minor injury resulting from an employee walking into equipment due to poor lighting. Three serious accidents were slips and cuts caused by hazardous conditions at worksites, including oily surfaces, gaps between railings, and improperly installed floor mesh resulting in poor footing. The remaining accidents were head injuries, falls, burns, and collisions caused by leaky air valves and the improper use of PPE and other equipment that could have been prevented through better supervision. We take every accident seriously and closely assess all incidents to ensure we have implemented the necessary corrective actions to address them. Our remediation efforts include improving overall site conditions, conducting targeted training to avoid recurrences, and increasing supervision at precise accident locations.	

**Number of accidents by type 2020**

Type of accident	Port Klang	Dengkil	Total
Major	2	6	8
Minor	1	0	1
<b>Total</b>	<b>3</b>	<b>6</b>	<b>9</b>

*Note: Major injuries are classified as non-fatal that may cause permanent disability. Minor injuries may cause disabling but not permanent disability.*

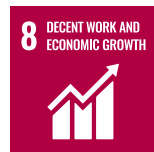
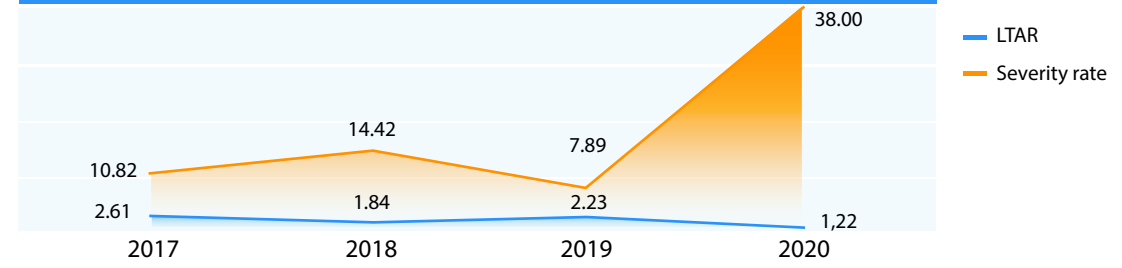


# GRI 400: SOCIAL TOPICS

GRI Standard	Disclosure	Section, Page or Reason for Omission	SDG Goals
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GRI 403: Occupational Health and Safety 2018  
 403-9 Work-related injuries

Lost time accident rate (per 200,000 working hours) and severity rate 2017–2020



[Base Data](#)

## GRI 404: Training and Education 2016

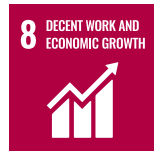
GRI 103: Management Approach 2016  
 103-1 Explanation of the material topic and its boundary  
 103-2 The management approach and its components  
 103-3 Evaluation of the management approach

[Responsible Operations](#)  
[Responsible Operations](#)  
[Responsible Operations](#)

GRI 404: Training and Education 2016  
 404-1 Average hours of training per year per employee  
 404-2 Programmes for upgrading employee skills and transition assistance programmes  
 404-3 Percentage of employees receiving regular performance and career development reviews

ISF employees receive an average of 14 hours of training annually on regulatory compliance, quality management, food handling, certification requirements, occupational safety, technical skills, soft skills, and other relevant topics.

All ISF employees are subject to annual performance reviews designed to maintain open communications with their managers. During these meetings, employees are given feedback on work well done, areas that need improvement, and recommendations to boost future performance to better themselves and advance their careers.



ISF's long service awards recognise employees who have been with ISF ten years or more. In 2020, 18 employees were honoured. We also introduced a series of awards specifically acknowledging our women employees and honoured six women in three categories: longest service, highest ranked, and technical excellence.



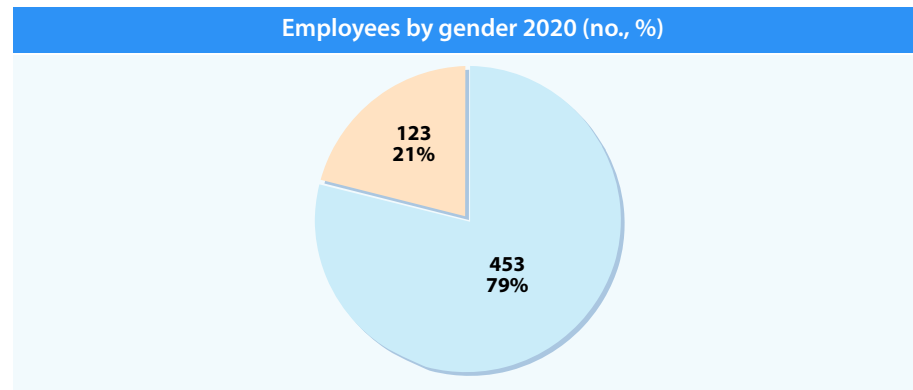
# GRI 400: SOCIAL TOPICS

GRI Standard	Disclosure	Section, Page or Reason for Omission	SDG Goals
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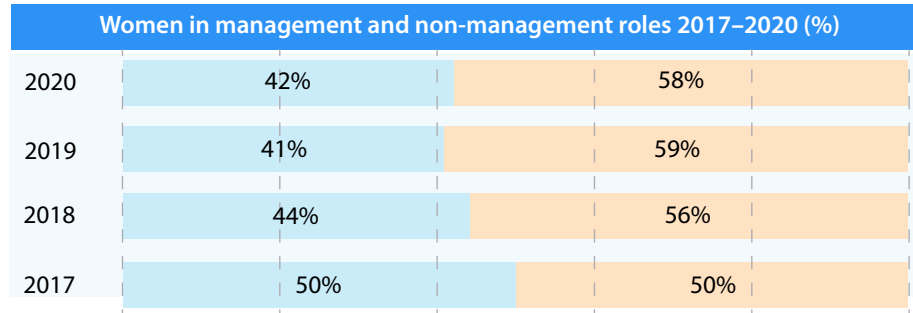
**GRI 405: Diversity and Equal Opportunity 2016**

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	<a href="#">Responsible Operations</a>
	103-2	The management approach and its components	<a href="#">Responsible Operations</a>
	103-3	Evaluation of the management approach	<a href="#">Responsible Operations</a>

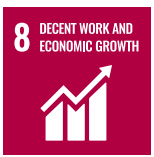
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Women comprise 21% of our workforce and account for over 40% of our managers and decision-makers. This includes one woman in our senior management team.
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Men  
Women




Management  
Non-management

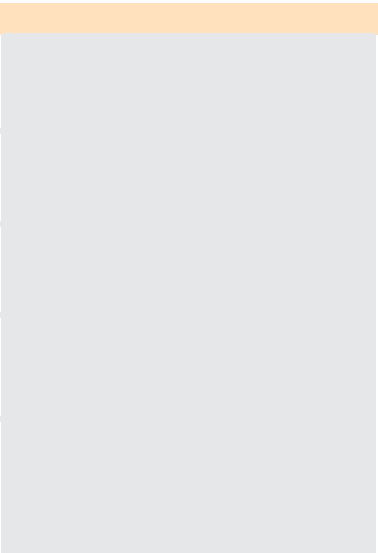


While most of our employees are Malaysian citizens from ethnically diverse backgrounds, we also employ 21 Japanese nationals and five Sri Lankan citizens at our Dengkil site on fixed-term contracts (representing less than 1% of our workforce).



# GRI 400: SOCIAL TOPICS

GRI Standard	Disclosure		Section, Page or Reason for Omission	SDG Goals	
<b>GRI 406: Non-discrimination 2016</b>					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	<a href="#">Our Policies</a> <a href="#">Our Certifications</a> <a href="#">Responsible Operations</a>		
	103-2	The management approach and its components	<a href="#">Our Policies</a> <a href="#">Our Certifications</a> <a href="#">Responsible Operations</a>		
	103-3	Evaluation of the management approach	<a href="#">Our Policies</a> <a href="#">Our Certifications</a> <a href="#">Responsible Operations</a>		
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	No incidents of discriminations were reported.		
<b>GRI 414: Supplier Social Assessment 2016</b>					
See <a href="#">GRI 308</a>					
<b>GRI 416: Customer Health and Safety 2016</b>					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	<a href="#">Our Policies</a> <a href="#">Our Certifications</a> <a href="#">Responsible Operations</a>		
	103-2	The management approach and its components	<a href="#">Our Policies</a> <a href="#">Our Certifications</a> <a href="#">Responsible Operations</a>		
	103-3	Evaluation of the management approach	<a href="#">Our Policies</a> <a href="#">Our Certifications</a> <a href="#">Responsible Operations</a>		
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	We test all our products daily for quality and adherence to customer specifications and Palm Oil Refiners of Association of Malaysia (PORAM) standards.		
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No incidents of non-compliance concerning health and safety of products were reported.		



# GRI 400: SOCIAL TOPICS

GRI Standard	Disclosure	Section, Page or Reason for Omission	SDG Goals	
<b>Customer service and responsiveness</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary <a href="#">Partnerships and Collaborations</a>		
	103-2	The management approach and its components <a href="#">Partnerships and Collaborations</a>		
	103-3	Evaluation of the management approach <a href="#">Partnerships and Collaborations</a>		
<b>Sustainability certification</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary <a href="#">Traceability</a> <a href="#">Responsible Operations</a> <a href="#">Sustainable Palm Oil Policy</a> <a href="#">Our Policies</a> <a href="#">Our Certifications</a>		
	103-2	The management approach and its components <a href="#">Traceability</a> <a href="#">Responsible Operations</a> <a href="#">Sustainable Palm Oil Policy</a> <a href="#">Our Policies</a> <a href="#">Our Certifications</a>		
	103-3	Evaluation of the management approach <a href="#">Traceability</a> <a href="#">Responsible Operations</a> <a href="#">Sustainable Palm Oil Policy</a> <a href="#">Our Policies</a> <a href="#">Our Certifications</a>		
<b>Innovation and R&amp;D</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary <a href="#">Traceability</a> <a href="#">Responsible Operations</a> <a href="#">Sustainable Palm Oil Policy</a> <a href="#">Our Policies</a> <a href="#">Our Certifications</a>		
	103-2	The management approach and its components <a href="#">Traceability</a> <a href="#">Responsible Operations</a> <a href="#">Sustainable Palm Oil Policy</a> <a href="#">Our Policies</a> <a href="#">Our Certifications</a>		
	103-3	Evaluation of the management approach <a href="#">Traceability</a> <a href="#">Responsible Operations</a> <a href="#">Sustainable Palm Oil Policy</a> <a href="#">Our Policies</a> <a href="#">Our Certifications</a>		



# BASE DATA

Category/Indicator	Measurement Unit	FY2020	FY2019	FY2018	FY2017
<b>Economic</b>					
Change in sales from 2016 baseline	%	-13%	-25.6%	-18%	7%
<b>Traceability and Certification</b>					
<b>Volume Sourced</b>					
CPO volume sourced	MT	447,804	424,197	417,586	419,034
CPKO volume sourced	MT	78,109	70,362	103,177	116,061
<b>By Region</b>					
CPO sourced from Peninsular Malaysia	%	94.87%	98.14%	95.76%	
CPO sourced from East Malaysia	%	5.13%	1.86%	4.24%	
CPKO sourced from Peninsular Malaysia	%	60%	91.01%	98.10%	
CPKO sourced from East Malaysia	%	40%	8.99%	1.90%	
<b>Certified Volume</b>					
CPO sourced that is RSPO segregated (SG) certified	MT	224,475	226,989		
Percentage against total CPO sourced that is RSPO certified	%	50.13%	53.51%	52.73%	
CPKO sourced that is RSPO SG certified	MT	8,848	3,541		
CPKO sourced that is RSPO MB certified	MT	3,198	0		
Percentage against total CPKO sourced that is RSPO certified	%	15.42%	5.03%	3.23%	
<b>Traceability</b>					
CPO traceable to mill	%	100%	100%	100%	
CPO traceable to plantation	%	75.62%	81.04%	78%	
CPKO traceable to mill	%	100%	100%	100%	
CPKO traceable to plantation	%	35.01%	21.14%	19.42%	
<b>Suppliers</b>					
Direct suppliers (CPO and CPKO)	No.	52	35	40	
Direct suppliers RSPO certified	No.	30	20	18	
Direct CPO suppliers	No.	39			



# BASE DATA

Category/Indicator	Measurement Unit	FY2020	FY2019	FY2018	FY2017
CPO suppliers that source FFB from their own plantations	No.	16			
CPO volume sourced from suppliers' own plantations	MT	224,476			
CPO suppliers that source FFB from third-party plantations	No.	23			
CPO volume sourced from suppliers' third-party plantations	MT	223,328			
Direct CPKO suppliers	No.	13			
Indirect suppliers (CPKO only)	No.	261	317	178	
Indirect suppliers RSPO certified	No.	76	67	55	
<b>Employees</b>					
<b>Total Employees</b>	<b>No.</b>	<b>576</b>	<b>546</b>	<b>525</b>	<b>526</b>
<b>By Facilities and Demographic</b>					
<b>Port Klang (Total)</b>	<b>No.</b>	<b>304</b>	<b>275</b>	<b>260</b>	<b>257</b>
Permanent	No.	304	275	260	257
Temporary	No.	0	0	0	0
Male	No.	240	211	198	206
Female	No.	64	64	62	51
<b>Dengkil (total)</b>	<b>No.</b>	<b>272</b>	<b>271</b>	<b>265</b>	<b>269</b>
Permanent	No.	272	263	253	255
Temporary	No.	0	8	12	14
Male	No.	213	217	214	218
Female	No.	59	54	51	51
<b>By Level and Gender</b>					
<b>Senior Management</b>					
Male	No.	4			
Female	No.	1			
<b>Management</b>					
Male	No.	66	76	70	73
Female	No.	50	48	50	51



# BASE DATA

Category/Indicator	Measurement Unit	FY2020	FY2019	FY2018	FY2017
Non-management (staff and workers)					
Male	No.	383	352	342	351
Female	No.	72	72	63	51
<b>Total</b>					
Male	No.	453	428	412	424
Female	No.	123	118	113	102
Employee turnover					
Port Klang	%	9.54%	10.34%	12.84%	9.79%
Dengkil	%	8.41%	8.50%	7.90%	15%
<b>Parental Leave</b>					
Employees entitled to parental leave					
Male	No.	348	329	320	298
Female	No.	66	68	59	53
Employees who took parental leave					
Male	No.	29	20	22	14
Female	No.	7	9	8	6
Employees who returned to work after parental leave ended					
Male	No.	29	20	22	14
Female	No.	7	8	8	6
Employees who returned to work after parental leave and are still employed 12 months after their return to work					
Male	No.	29	19	22	13
Female	No.	7	8	8	6
<b>Employee Nationality by Facility</b>					
Port Klang					
Malaysian	No.	283	257	244	240
Japanese	No.	21	18	16	17
Sri Lankan	No.	0	0	0	0





# BASE DATA

Category/Indicator	Measurement Unit	FY2020	FY2019	FY2018	FY2017
Dengkil					
Malaysian	No.	267	263	253	255
Japanese	No.	0	0	0	0
Sri Lankan	No.	5	8	12	14
<b>Employee Ethnicity by Facility (Malaysian only)</b>					
Port Klang					
Indigenous (orang asli)	No.	0	0	0	0
Chinese-Malaysian	No.	58	51	48	46
Malay	No.	193	172	163	159
Indian-Malaysian	No.	32	34	33	35
Dengkil					
Indigenous (orang asli)	No.	3	3	3	3
Chinese-Malaysian	No.	33	33	32	32
Malay	No.	199	198	190	191
Indian-Malaysian	No.	32	29	28	29
<b>Employee Age Group by Facility</b>					
Port Klang					
< 30	No.	126	115	101	101
30-50	No.	135	122	120	116
> 50	No.	43	38	39	40
Dengkil					
< 30	No.	68	76	80	81
30-50	No.	172	165	159	162
> 50	No.	32	30	26	26



# BASE DATA

Category/Indicator	Measurement Unit	FY2020	FY2019	FY2018	FY2017
<b>Labour Conditions</b>					
ISF starting wage	MYR per month	1,200	1,100	1,050	1,000
Legal minimum wage	MYR per month	1,200	1,100	1,000	900
<b>Occupational Health and Safety</b>					
Total accidents	No.	9	14	12	17
Port Klang	No.	3	7	5	4
Dengkil	No.	6	7	7	13
Total days lost to accidents	No.	342.00	110.50	173.00	184.00
Port Klang	No.	89.00	41.50	138.00	54.00
Dengkil	No.	253.00	69.00	35.00	130.00
Total person hours worked	No.	1,476,640	1,257,600	1,307,280	1,300,416
Port Klang	No.	852,640	633,600	683,280	628,992
Dengkil	No.	624,000	624,000	624,000	671,424
Group lost time accident rate (LTAR)	Incidents per 200,000 working hours	1.22	2.23	1.84	2.61
Port Klang		0.70	2.21	1.46	1.27
Dengkil		1.92	2.24	2.24	3.87
Severity rate	Average number of lost time per incident	38.00	7.89	14.42	10.82
Port Klang		29.67	5.93	27.6	13.50
Dengkil		42.17	9.86	5.00	10.00
Fatalities	No.	0	0	0	0
Total workers/contractors covered under OSH management system who are not ISF employees	No.	233	312	237	210
Port Klang	No.	57	125	72	60
Dengkil	No.	176	187	165	150



# BASE DATA

Category/Indicator	Measurement Unit	FY2020	FY2019	FY2018	FY2017
<b>Environment</b>					
Total water withdrawn	m <sup>3</sup>	665,933	602,344	679,700	766,280
Port Klang	m <sup>3</sup>	337,990	296,746	339,850	383,140
Dengkil	m <sup>3</sup>	328,003	305,598	287,919	299,734
<b>Water Withdrawal by Source</b>					
Port Klang	Rainwater (m <sup>3</sup> )	0	0		
	Groundwater (m <sup>3</sup> )	0	0	0	0
	Municipal water (m <sup>3</sup> )	337,990	296,746	339,850	383,140
Dengkil	Rainwater (m <sup>3</sup> )	252	63		
	Groundwater (m <sup>3</sup> )	33,061	32,417	15,063	0
	Municipal water (m <sup>3</sup> )	294,690	273,118	272,856	299,734
<b>Water Discharged by Destination</b>					
Port Klang	Surface water (m <sup>3</sup> )	77,853	73,724	72,187	81,035
Dengkil	Surface water (m <sup>3</sup> )	100,519	104,164	98,680	99,744
<b>Water Consumption</b>					
Group water consumption intensity	m <sup>3</sup> /MT product	0.897	0.849	1.001	1.01
Port Klang	m <sup>3</sup>	260,137	223,022	339,850	383,140
Dengkil	m <sup>3</sup>	277,484	201,434	287,919	299,734
<b>Energy Consumption (purchased electricity)</b>					
<b>Total</b>	<b>kWh</b>	<b>81,884,804</b>	<b>80,440,923</b>	<b>78,751,106</b>	<b>78,506,435</b>
Port Klang	kWh	52,313,080	50,887,958	48,765,901	47,646,817
Dengkil	kWh	29,571,724	29,552,965	29,809,205	30,859,618
<b>Natural Gas Consumption by Boiler</b>					
<b>Total</b>	<b>MMBtu</b>	<b>1,279,564</b>	<b>1,216,406</b>	<b>1,179,269</b>	<b>1,205,000</b>
Port Klang	MMBtu	607,574	537,655	528,694	538,719
Dengkil	MMBtu	671,990	678,751	650,575	666,281



# BASE DATA

Category/Indicator	Measurement Unit	FY2020	FY2019	FY2018	FY2017
<b>Solar Energy Generated</b>					
<b>Total</b>	<b>kWh</b>	<b>244 326</b>			
<b>Energy Consumption Intensity</b>					
Group	GJ/MT product	3.03	3.15	3.00	2.79
<b>GHG Emissions (Scope 1 &amp; Scope 2)</b>					
<b>Total</b>	<b>kgCO<sub>2</sub>e</b>	<b>167,213,758</b>	<b>161,374,814</b>	<b>157,090,624</b>	<b>158,664,893</b>
Port Klang	kgCO <sub>2</sub> e	91,354,441	84,903,168	82,477,901	82,222,873
Dengkil	kgCO <sub>2</sub> e	75,859,316	76,471,646	74,612,723	76,442,019
Intensity	KgCO <sub>2</sub> e / MT product	307.60	322.92	309.06	284.74
<b>Waste Management</b>					
Port Klang total non-scheduled waste	MT	4,467	1,752	827	700
Total landfilled	MT	166	164	124	125
Total bleaching earth repurposed	MT	4,301	1,588	703	574
Dengkil total non-scheduled waste	MT	13,071	13,222	12,973	12,562
Total landfilled	MT	565	154	138	217
Total bleaching earth repurposed	MT	12,506	13,068	12,835	12,345
Port Klang total scheduled waste sent to scheduled waste disposal facility	MT	67.20	50.69	100.86	73.14
Dengkil total scheduled waste sent to scheduled waste disposal facility	MT	27.89	22.39	34.42	32.51



# GLOSSARY

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## **Annual Communication of Progress (ACOP)**

ACOPs are mandatory reports submitted by Ordinary and Affiliate RSPO members to gauge their progress towards 100% RSPO-certified sustainable palm oil.

## **Carbon dioxide equivalents (CO<sub>2</sub>e)**

CO<sub>2</sub>e provide a universal standard of measurement against which the impacts of releasing (or avoiding the release of) different greenhouse gases can be evaluated.

## **Crude palm kernel oil (CPKO)**

An edible plant oil derived from the kernel of the oil palm.

## **Crude palm oil (CPO)**

An edible oil which is extracted from the pulp of fruit of oil palms.

## **Enterprise Risk Management (ERM)**

An integrated and joined up approach to managing risk across an organisation and its extended networks.

## **Fresh fruit bunch (FFB)**

Bunch harvested from the oil palm tree.

## **Global Reporting Initiative (GRI)**

A multi-stakeholder standard for sustainability reporting, providing guidance on determining report content and indicators.

## **Greenhouse gas (GHG)**

Gases in the atmosphere that absorb and emit radiation within the thermal infrared range. The primary GHGs in the Earth's atmosphere are water vapour, carbon dioxide, methane, nitrous oxide, and ozone.

## **International Sustainability & Carbon Certification (ISCC)**

A globally recognised standard for sustainable biomass and bioenergy production that applies to companies selling products in European markets.

## **ISO certification**

A family of quality management systems as a set of standards to help organisations ensure they meet customers and stakeholder needs within statutory and regulatory requirements related to a product or service.

## **Malaysian Sustainable Palm Oil (MSPO)**

Nationally mandated certification system for oil palm plantations, independent and organised smallholders, and palm oil processing.

## **Palm Oil Refiners Association of Malaysia (PORAM)**

A voluntary and non-profit organisation formed in 1975 primarily as a representative voice to the Malaysian Government and other stakeholders on matters related to the palm oil industry.

## **Palm oil refinery effluent (PORE)**

A by-product of refined CPO.

## **Roundtable on Sustainable Palm Oil (RSPO)**

A globally-recognised certification scheme for sustainable palm oil.

## **Stakeholders**

Any group or individual who is affected by – or can affect – a company's operations.

## **Sustainability**

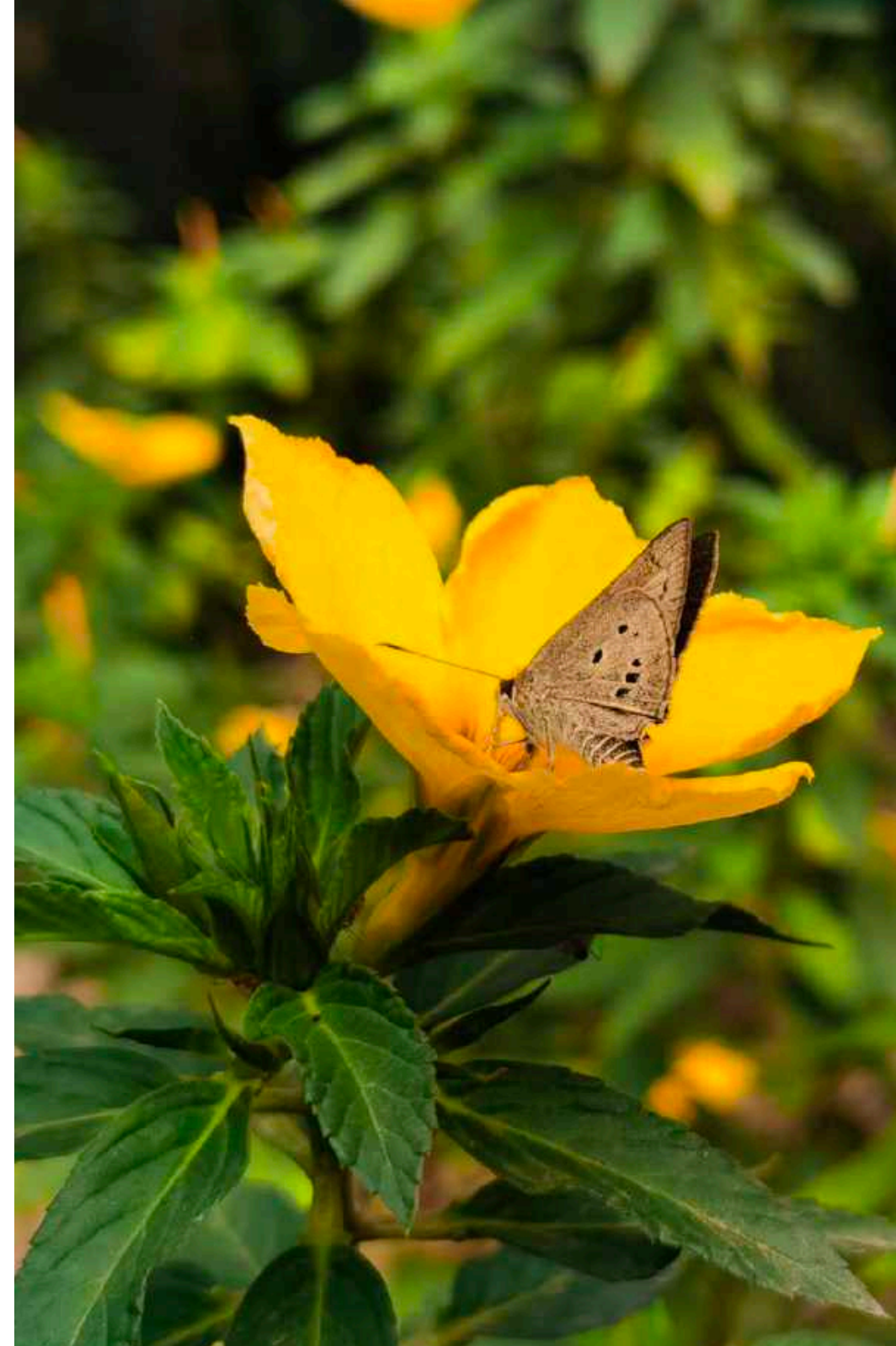
A term expressing a long-term balance between social, economic and environmental objectives. Often linked to sustainable development, which is defined as 'development that meets the needs of current generations without compromising the needs of future generations'.

## **Sustainable Development Goals (SDGs)**

A set of 17 United Nations global goals with the aim to end poverty, protect the planet and ensure that all people enjoy peace and prosperity with specific targets to be achieved by 2030.

## **Traceability**

The ability to chronologically interrelate uniquely identifiable entities in a way that is verifiable. Traceability in palm oil helps define a link between producers of sustainable products and end users of these products.





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