



PUBLIC SUMMARY REPORT

ANNUAL SURVEILLANCE ASSESSMENT (ASA1)

JOHOR CORPORATION

Report Author

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SUMMARY

BSi Group Singapore Pte Ltd (BSi) has conducted the first annual surveillance assessment (ASA1) of Johor Corporation (JCorp) operations comprising 2 Mills, supply bases, support services and infrastructure. EPA Management Sdn Bhd (EPA), which is part of the Kulim Sdn Bhd group, manages the JCorp Mills and Estates. BSi concludes that JCorp operations have maintained compliance with the requirements of RSPO Principles & Criteria : 2007; the MY-NI Indicators and Guidance 2010; and the RSPO Supply Chain Certification Standard : November 2011.

BSi recommends the continuation of the approval of JCorp as a producer of RSPO certified sustainable palm oil.

ABBREVIATIONS USED

AMESU	All Malayan Estates Staff Union
BOD	Biological Oxygen Demand
CHRA	Chemical Health Risk Assessment
CPO	Crude Palm Oil
DOE	Department of Environment
DOSH	Department of Occupational Safety & Health
EFB	Empty Fruit Bunch
FFB	Fresh Fruit Bunch
FELDA	Federal Land Development Authority
HCV	High Conservation Value
HIRAC	Hazard Identification Risk Assessment Control
LTA	Lost Time Accident
MPOB	Malaysian Palm Oil Board
MSDS	Material Safety Data Sheet
MY-NI	Malaysian National Interpretation
NUPW	National Union of Plantation Workers
OER	Oil Extraction Rate
OSH	Occupational Safety & Health
PK	Palm Kernel
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
R&D	Research and Development
SIA	Social Impact Assessment
SOP	Standard Operating Procedure

1.0 SCOPE OF SURVEILLANCE ASSESSMENT

1.1 Identity of Certification Unit

JCorp is undergoing restructuring of the company operations and Siang Mill and Supply Base is no longer managed by EPA and has been excluded from the Certification Scope. Siang and Sg Papan Estates FFB is still being processed at Siang Mill. FFB from the remaining Siang Mill supply base is now included in the Kulim Mills supply bases, for example, REM/Pasak FFB was included in the ASA3 Sindora Mill Supply Base and Basir Ismail FFB was included in the ASA3 Sedenak Mill Supply Base. The Certification Unit is Johor Corporation operations that consist of two (2) Palm Oil Mills and eleven (11) Estates. The JCorp Mills and Estates are located in Johor, Malaysia (Figures 1 to 5). The GPS locations of the Mills are shown in Table 1.

Table 1: Mills GPS Locations

MILL	EASTING	NORTHING
Tunjuk Laut (30 t/hr capacity)	103° 58'	1° 58'
Palong (30 t/hr capacity)	102° 47'	2° 42'

1.2 Production Volume

The production tonnages for CPO and PK for the 12 months prior to ASA1 (01/01/2011– 31/12/2011) and projections for the next twelve months are listed in Table 2.

Table 2: Production Tonnages

Period	Tunjuk Laut	Palong	Total
Estimate at Certification			
CPO	33,155	30,581	63,736
PK	10,063	9,194	19,257
Actual			
01/01/2011– 31/12/2011			
CPO	31,469**	32,037*	63,506*
PK	8,980**	19,116**	50,585**
		8,423*	17,403*
		5,027**	14,007**
Projected			
01/01/2012– 31/12/2012			
CPO	40,321*	40,326*	80,647*
	32,699**	22,523**	55,222**
PK	11,520*	10,561*	22,081*
	9,342**	5,899**	15,241**
Overall Total Claimed 01/01/2012– 31/12/2012			
		CPO	55,222**
		PK	15,241**

* Includes Outgrowers and FFB Dealers

** = Certified Production

1.3 Certification Details

JCorp RSPO Membership No: 100800900000

BSi RSPO Certificate No: 555209

Date of previous Assessment: 08 – 17 December 2009

Date of Certification: 12/02/2011

1.4 Description of Fruit Supply Base

The supply base is eleven (11) Company owned Estates, 2 Outgrowers and 2 FFB Dealers. The FFB production from Company owned Estates and Outside Suppliers is listed in Tables 3a and 3b. Palong Mill receives the majority of outside crop from FFB Dealers who purchase FFB from many small growers and on-sell to the Mill. Production from the FFB Dealers presently is excluded from the Certificate due to the difficulty of tracing the crop from smallgrowers who do not yet meet RSPO requirements.



Figure 1: JCorp Mills and Estates Location Map

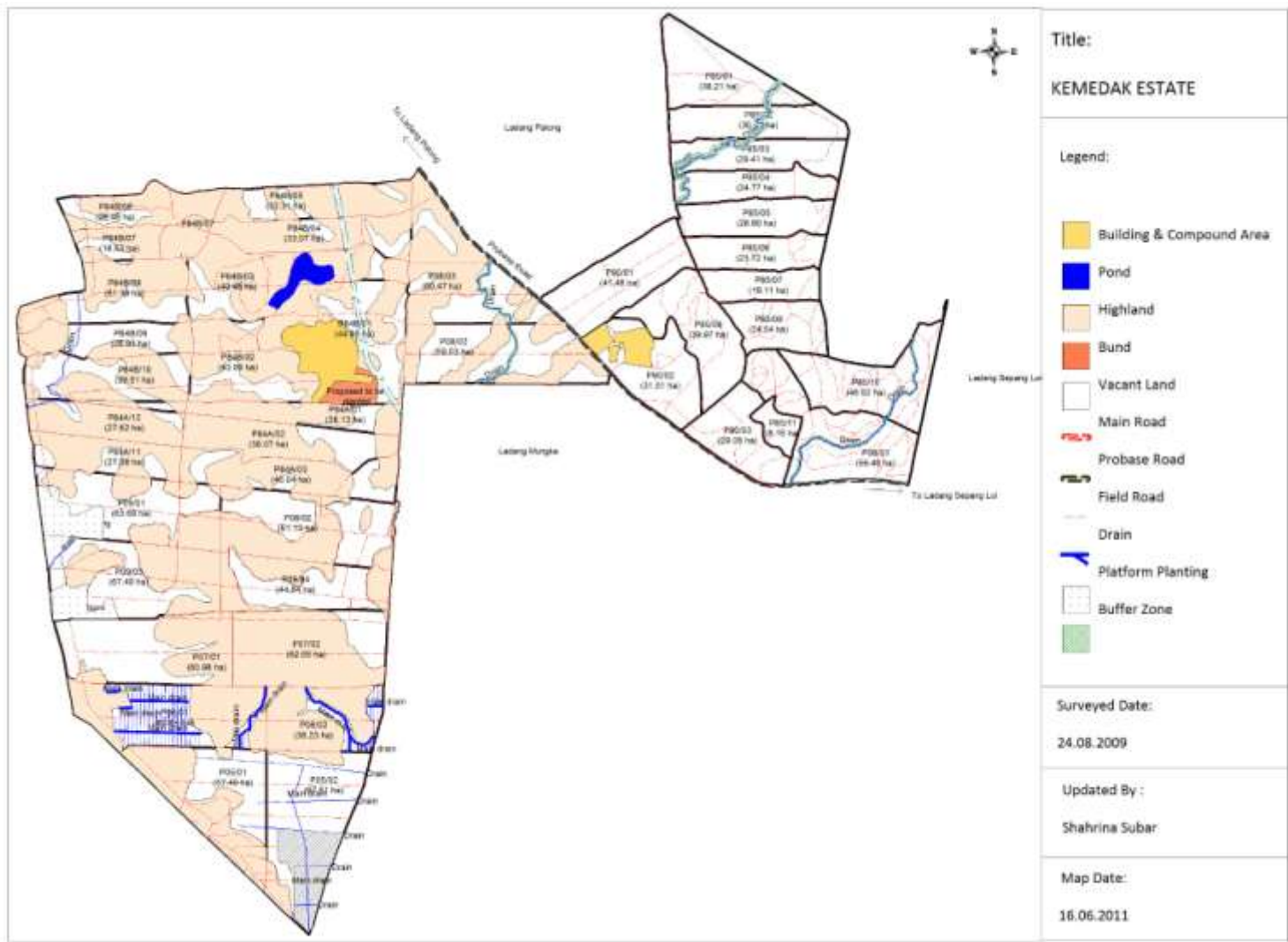


Figure 2: Kemedak Estate Layout

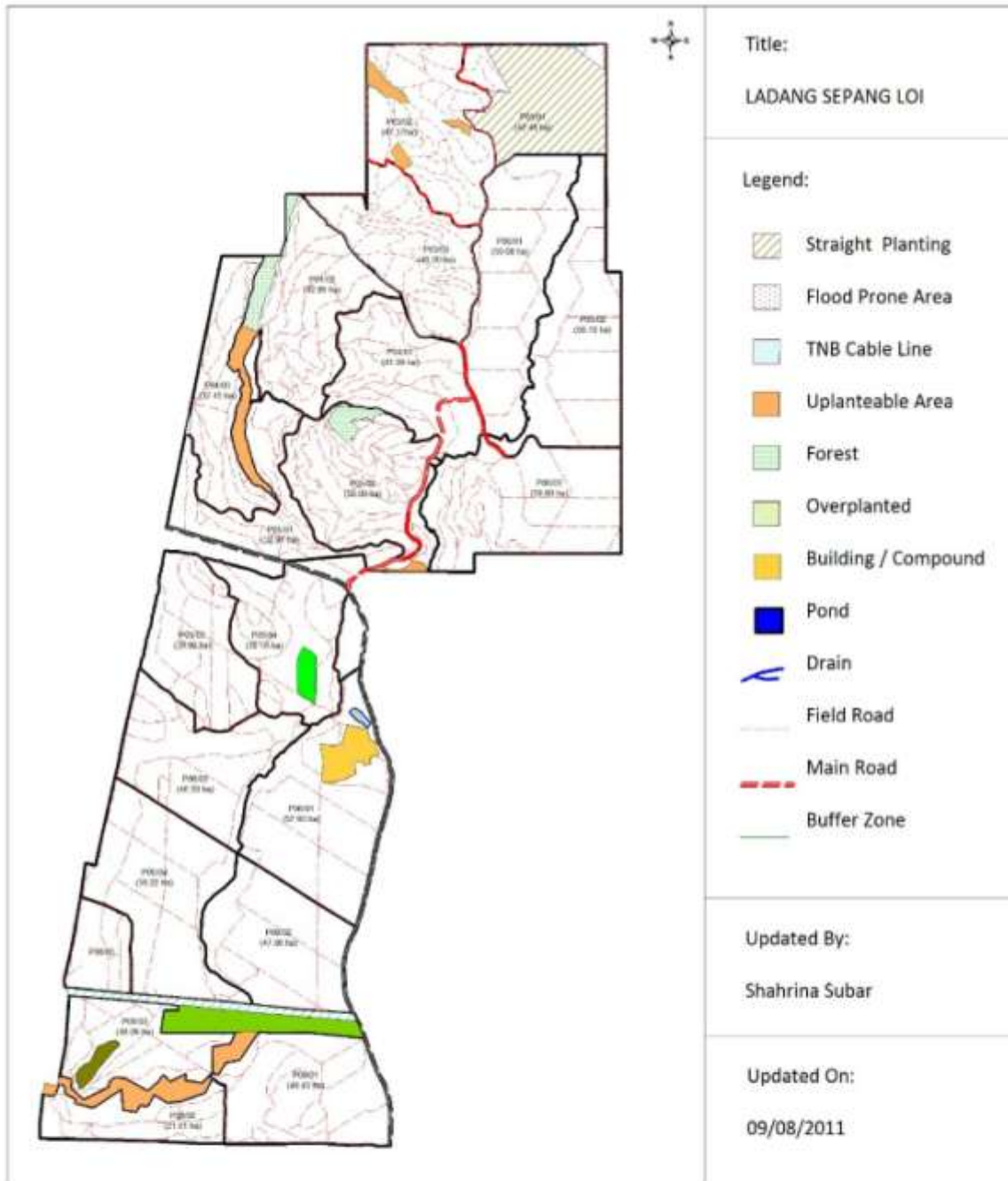


Figure 3: Sepang Loi Estate Layout

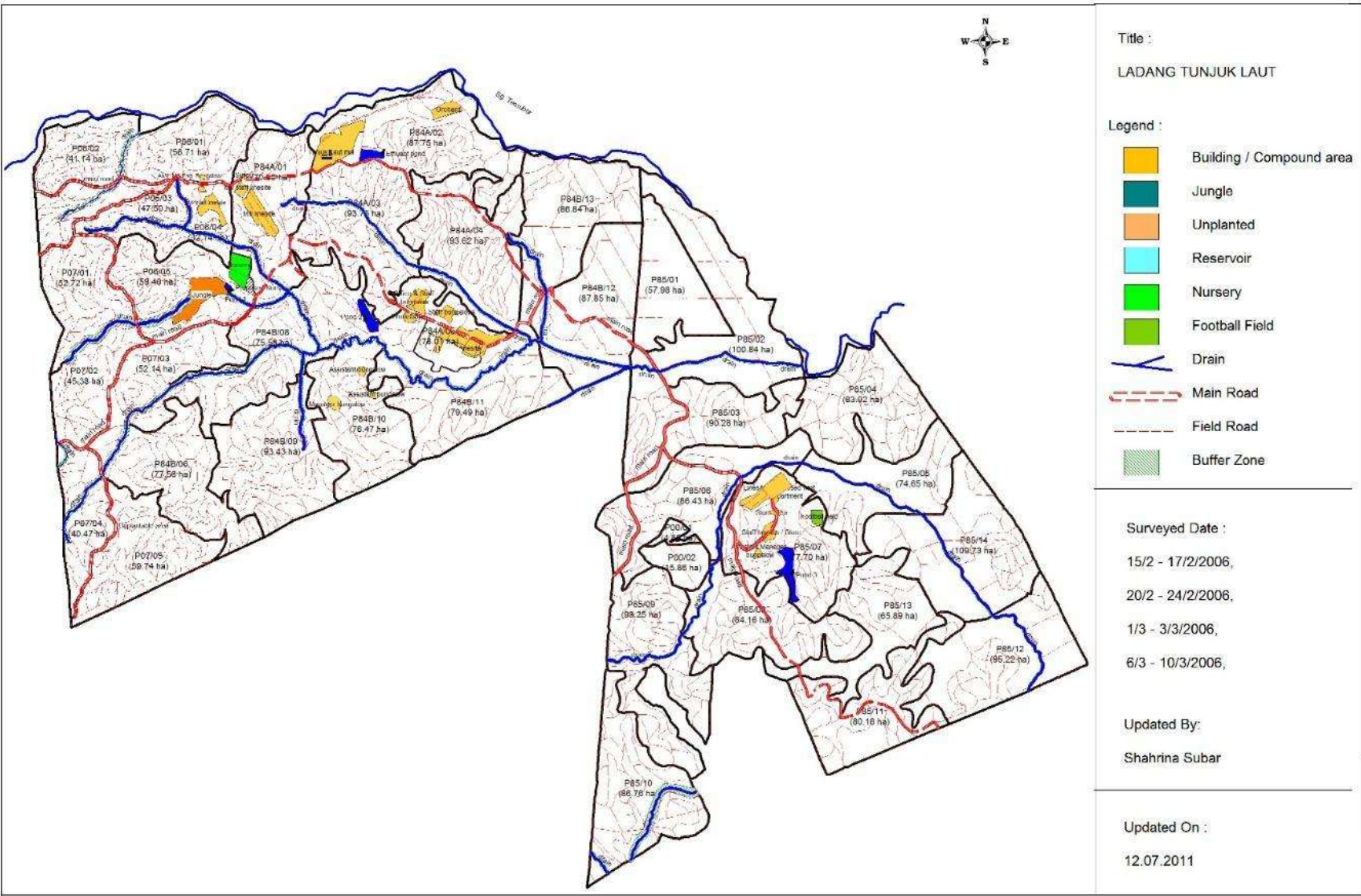


Figure 4: Tunjuk Laut Estate Layout

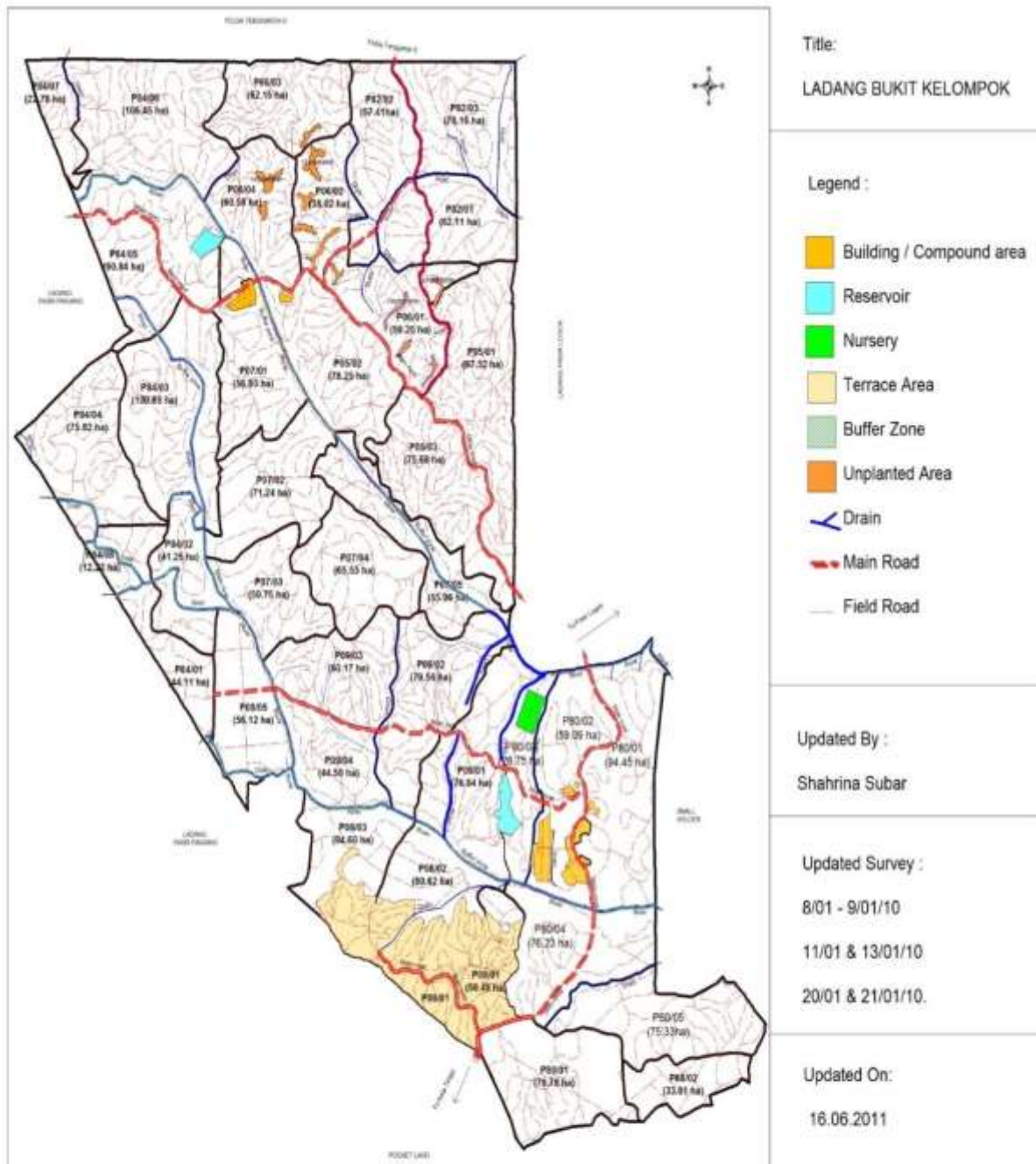


Figure 5: Bukit Kelompok Estate Layout

In January 2012, Tunjuk Laut Mill commenced purchasing FFB on a trial basis from Kumpulan Melayu and Sey Fu, two local privately owned Estates. During ASA1, representatives from Kumpulan Melayu Estate were interviewed and expressed only limited knowledge of RSPO therefore crop from Outgrowers is excluded from the ASA1 Certificate.

Table 3a: FFB Production (Tunjuk Laut Mill Supply Base)

Source	Estimate at Certification	Actual 01/01/2011–31/12/2011	Projected 01/01/2012–31/12/2012
JCorp Estates			
Bukit Payung	29,986	35,281	36,241
Pasir Logok	27,309	26,786	27,569
Tunjuk Laut	38,644	31,164	35,195
Bukit Kelompok	30,471	23,902	24,743
Pasir Panjang	38,786	36,915	31,959
Siang	–	699	–
Sungai Papan	–	1,000	–
Basir Ismail	–	363	–
Rem/Pasak	–	415	–
Sub Total	165,196	156,525	155,707
Outgrowers*			
Kumpulan Melayu	–	–	35,201
Sey Fu	–	–	1,092
Sub Total	–	–	36,293
TOTAL	165,196	156,525	192,000

Table 3b: FFB Production (Palong Mill Supply Base)

Source	Estimate at Certification	Actual 01/01/2011–31/12/2011	Projected 01/01/2012–31/12/2012
JCorp Estates			
Palong	26,364	12,927	10,676
Mungka	20,901	7,312	9,015
Kemedak	20,191	10,659	7,843
Sepang Loi	10,923	13,533	17,808
UMAC	16,443	18,684	27,090
Labis Bahru	26,025	28,611	34,819
Sub Total	120,847	91,726	107,251
FFB Dealers*			
Eng Huat	34,385	24,709	33,909
HTK Agri	369	–	–
Kin Ma	3,822	36,347	50,864
KOPEDAS	–	81	–
Fusheng	–	860	–
Sub Total	38,576	61,997	84,773
TOTAL	159,423	153,723	192,024
Total Palong Estates	120,847	91,726	107,251
Total Palong Outside Suppliers	38,576	61,997	84,773
Total Tunjuk Laut Estates	165,196	156,525	155,707
Total Tunjuk Laut Outside Suppliers	–	–	36,293
OVERALL TOTAL	324,619	310,248	384,024

* Production from Outgrowers and FFB Dealers is excluded from the Certificate

The JCorp Estates were developed in the 1970s for rubber and for oil palm. Oil palms were first planted in 1973 and are in their first and second cycles. The age profile of the palms is shown in Table 4a. The Estates are going through a major replanting program, as indicated by the young age profile.

Table 4a: Age Profile of JCorp Palms

AGE (years)	% of Planted Area
21 - 30	29.66 %
11 - 20	10.29 %
4 - 10	36.72 %
0 - 3	23.33 %

The total plantable area reported during the Initial Certification has decreased slightly at the following Estates due to a new GPS Survey at replanting and designation of steep land as unsuitable for replanting: Pasir Logok (21.73 ha); Tunjuk Laut (60.11 ha); Bukit Kelompok (48.46 ha); Pasir Panjang (23.06 ha); Palong (2.38 ha); Mungka (40.01 ha); Sepang Loi (12.84 ha); UMAC (2.19) and Labis Bahru (11.92). The areas of mature and immature palms are detailed in Table 4b for each of the Estates.

Table 4b: JCorp Estates and Areas Planted

Estate	Mature	Immature	Total
Tunjuk Laut Mill Supply Base			
Bukit Payung	1,626.31	–	1,626.31
Pasir Logok	1,067.06	1,002.41	2,069.47
Pasir Panjang	1,612.06	297.28	1,909.34
Bukit Kelompok	1,078.11	1,342.73	2,420.84
Tunjuk Laut	1,916.28	745.51	2,661.79
Palong Mill Supply Base			
Palong	1,038.54	791.48	1,830.02
Mungka	708.70	1,038.89	1,747.59
Kemedak	761.51	939.64	1,701.15
Sepang Loi	802.63	117.53	920.16
UMAC	1,218.17	331.64	1,549.81
Labis Bahru	1,742.78	137.50	1,880.28
OVERALL TOTAL	13,572.15	6,744.61	20,316.76

Supply Chain

JCorp uses the mass balance mechanism for the supply chain. All deliveries of FFB to the Mills are issued with a weighbridge docket that records the name of the supplier, truck registration number, driver's name and the tonnage. The weighbridge system is computerised and delivery records are used as the basis for payment for FFB deliveries. A sample of weighbridge dockets was checked at each Mill against the summaries of FFB deliveries from each supply source. This confirmed the details of the source and quantity of FFB were recorded accurately and could be verified by tracking. Checks of records at EPA Head Office showed there was no sale made for RSPO Certified oil during the preceding 12 months. Inspection of documents confirmed that JCorp maintains all of the documentation required for supply chain verification (RSPO Supply Chain Standard, Mass

Balance Mechanism : November 2011) – Refer to Appendix A.

1.5 Progress against Time Bound Plan

All of the JCorp Management Units have been Certified.

1.6 Progress of Associated Smallholders/ Outgrowers towards RSPO Compliance

The outside crop accounted for 19.7% of the total tonnage of FFB processed at the Mills in 2011. Representatives of the Outgrower Kumpulan Melayu and FFB Dealer Kin Ma were interviewed during the Surveillance Assessment and expressed a limited understanding of RSPO. They indicated that they were willing to work with JCorp to implement the RSPO P&C.

EPA has made very little progress with the FFB Dealers to meet the RSPO requirements, mainly due to the challenges of liaising with and tracking the performance of the numerous small growers who supply to the FFB Dealers. The FFB production from the Outgrowers and the FFB Dealers presently is not included in the Certificate.

1.7 Organisational Information / Contact Person

Johor Corporation Level 2 Persada Johor Jalan Abdullah Ibrahim 80000 Johor Baru JOHOR MALAYSIA	Contact Person: Mrs Salasah Elias Senior Manager Phone: +60 78611611 Fax: +60 78631084 Email: salasah@kulim.com.my
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2.0 ASSESSMENT PROCESS

2.1 Assessment Team Members

Charlie Ross – Lead Assessor RSPO
B.App.Sc. M.Sc (Env.Studies)
Topics assessed: Legal, Environment, Agricultural Practices, OHS, Social, Sustainability

Iman Nawireja – Assessor RSPO
B.Ag.Sc. M.Sc. (Comm)
Topics assessed: Legal, Environment, Agricultural Practices, OHS, Social, Sustainability

Robyn Ross – Social Assessor RSPO
Topics assessed: Legal, Social, Women and Families, Sustainability

Junecel Maloloy – Facilitator (Women and Families)

2.2 Assessment Programme

The First Annual Surveillance Assessment (ASA1) was carried out between 30 January and 02 February 2012. The Assessment Programme is included as Appendix B.

The Programme included assessments of the two Mills and four of the eleven Estates, Kemedak, Sepang Loi, Tunjuk Laut and Bukit Kelompok against all RPSO

Principles and Criteria and selected indicators. The Estates assessed were selected on the basis of prior knowledge of the environmental and social risks gained from conducting Baseline and Initial Certification Assessments at all of the JCorp Mills and Estates. Different Estates to those audited during the Initial Certification Assessment were selected.

The Nonconformities that were assigned and the Observations that were identified during the Initial Certification Assessment were followed up to check the effectiveness of corrective actions – refer Section 3.3 Page 18.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families and external stakeholders, review of documentation and monitoring data. Checklists and questionnaires were used to guide the collection of information.

This report is structured to provide a summary for each Principle, together with details for selected indicators. The assessment was based on random samples and therefore nonconformities may exist that have not been identified.

Mr Aryo Gustomo, BSi RSPO Scheme Manager, has reviewed this report for conformance with BSi Procedures and the RSPO Certification System requirements.

2.3 Stakeholder Consultation

Internal and external stakeholders were consulted to obtain their views on JCorp's environmental and social performance and any issues of concern that they may have. External stakeholders were interviewed at their premises where practical or they were invited to the Mill or the Estate. Internal stakeholders were interviewed in groups in the workplace or at their housing. Company officers were not present at any of the meetings. A list of stakeholders contacted and interviewed is included at Appendix C.

3.0 ASSESSMENT FINDINGS

3.1 Summary of Findings

During this ASA1, Nonconformities were assigned against Minor Compliance Indicators 4.4.6 and 4.4.7. Five (5) Observations/Opportunities for Improvement were identified – Refer Section 3.2 Page 17 for details. JCorp prepared a Corrective Action Plan for addressing the identified Nonconformities, which BSi reviewed and accepted.

Checks were carried out of the Nonconformities that were assigned during the Initial Certification Assessment to Major Compliance Indicators 4.4.1 and 5.2.2, which found implementation of corrective actions had been maintained and the nonconformities remain closed. The

Nonconformities that were assigned to Minor Compliance Indicators and the Observations that were identified were followed up to check the effectiveness of corrective actions – Refer Section 3.3 Page 18 for details.

BSi recommends continuation of Certification for JCorp as a producer of RSPO Certified Sustainable Palm Oil.

PRINCIPLE 1: Commitment to Transparency

JCorp has continued to maintain the system for maintaining records of communications with stakeholders and requests for information. JCorp has available all of the documents that are required by RSPO to be publicly available on request.

Criterion 1.1: Oil palm growers and millers provide adequate information to other stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages & forms to allow for effective participation in decision making.

Review of documents confirmed the Mills and Estates have maintained the filing system of requests for information and responses. The correspondence was from Government Departments and Statutory Authorities, such as MPOB. For example, Tunjuk Laut Mill received a request from MPOB on 17 January 2012 for “Survey on POME & Biogas for Renewable energy Application in Mills”, which was replied on 24 January. Tunjuk Laut Estate received a request from the government Statistics Department on financial aspects of the operations which was replied on 13 October 2011.

Criterion 1.2: Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.

The records held at the Estates and Mills showed that copies of the management documents required by RSPO were available and these had been kept up to date. The management documents included policies, environmental and social aspects and improvement plans. A review of the correspondence file showed the company had not received any written request for information on the company’s policies, procedures or other aspects of the operations.

PRINCIPLE 2: Compliance with Applicable Laws and Regulations

Legal compliance was assessed by reviewing documents, permit conditions, monitoring data records and reports prepared by the Visiting Engineer and the Plantation Inspector. JCorp has kept all of its permits up to date and has carried out all of the required monitoring to confirm compliance with the Labour Act, DOSH Act, Environment Act and other statutory requirements relating to employment of foreign workers.

Criterion 2.1 – There is compliance with all applicable local, national and ratified international laws and regulations.

Samples of documents and records were examined for each Mill and Estate for assessment of legal compliance and examples are given to illustrate findings. Each of the Mills and Estates displays the licences at the reception area of offices. Inspection of a sample of licences showed all were current at the time of the assessment, for example, Palong Mill, MPOB licence No 50011640400, expiry date 30 November 2012; Tunjuk Laut Mill Licence No 500100804000, expiry date 31 March 2012.

DOSH made a visit to Palong Mill on 17 January 2012 to conduct the steam test of the safety valve for the new boiler; The visit to Tunjuk Laut Mill on 08 November 2011 observed the Boiler No1 Water Tube test. DOE conducted a site visit to Palong Mill on 11 August 2011 and inspected the effluent ponds where de-sludging had been carried out but did not identify any issues of concern. A DOE Officer visited Tunjuk Laut Mill on 23 August 2011 and noted the smoke density meter required calibration.

PAC Testing and consulting Sdn Bhd conducted Boiler Emissions testing at Palong Mill on 13 December 2011 and the dust load and emission of sulphuric acid mist and nitrogen oxides were well within the allowable emission limits of the Environment Quality (Clean Air) Regulation 1978; Mareff Management Sdn Bhd carried out testing of emissions at Boiler No2 of Tunjuk Laut Mill on 16 December 2011 and measurements confirmed compliance with the applicable standards.

The smoke density meter for Palong Mill boiler was calibrated on 20 July 2011 by CEPKA Boiler Services; ST Tech Engineering Sdn Bhd carried out calibration of smoke density meters at Tunjuk Laut Mill on 14 December 2012, Service Report No: 8375.

Each of the Mills treats effluent in anaerobic ponds and disposes of the treated effluent by land application. The treated mill effluent is tested monthly at an independent laboratory. Review of the previous twelve months results for the Mills (Figure 6) showed that Palong treated effluent remained below 400 mg/L throughout the year. Tunjuk Laut Mill effluent was below 200 mg/L, except for a spike to 1,600 mg/L in October 2011, which was still well within the DOE License limit of 5000 mg/L.

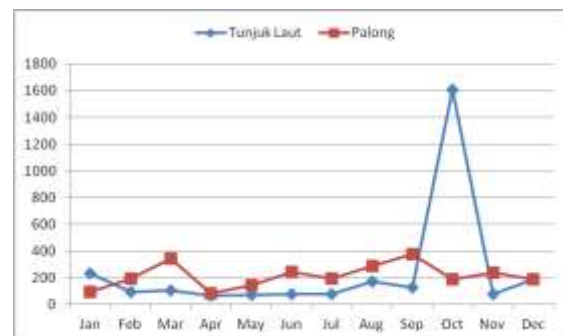


Figure 6: BOD (mg/L) of Treated Mill Effluent January–December 2011

The company's Ulu Tiram Central Laboratory tests the domestic water supplies to the Mills and Estates housing. In addition, tests are carried out by the third party laboratory Wacco Industrial Services Sdn Bhd. The water supply for Palong Mill housing was tested on 5 December 2011 and the results confirmed all test parameters were within the limits as specified under the "25th Schedule of Malaysian Food Act 1983 (Act 281) & Regulations".

Inspection of a sample of pay records at each Mill confirmed compliance with the overtime limit of (150 hours per month Palong) and (120 hours per month Tunjuk Laut). The records also showed that staff and workers were paid in accordance with the respective award rates.

Housing meets the government standard of three bedrooms. Electricity and water are supplied continuously to all housing.

Inspection confirmed the Mill summary of licences, together with expiry dates and the requirements for each licence had been maintained up to date. The Mill Second Clerk is responsible for maintaining documentation relating to licences and certificates, for example Tunjuk Laut Boilerman Grade 2 issued 27 July 2005. The Mill Manager has responsibility for maintaining compliance. The Visiting Engineer makes site visits to each Mill yearly, for example, the most recent visit to Palong Mill was on 28 April 2011 and to Tunjuk Laut Mill on the 12 and 13 September 2011. The Visiting Engineer checks all Statutory Licences during Mill visits and confirmed all were current.

The Estates also hold a copy of licences and inspection of a sample confirmed these were current, for example, Tunjuk Laut Estate MPOB Licence Number 501477102000 current to 31 March 2012.

Criterion 2.2 – The right to use the land can be demonstrated and is not legitimately contested by local communities with demonstrable rights.

All JCorp operations are on State Leases of varying length of tenure and there has been no change to the leases since the Initial Certification. The terms of the leases are for agriculture and the operations are consistent with the lease conditions.

JCorp has completed the program to locate all boundary stones by survey and to replace any missing stones. For example, a Surveyor Jurukor Setia Sdn Bhd completed final survey of Tunjuk Laut Estate on 11 January 2012. The survey identified 11.71 acres of overplanting and 83.63 acres of underplanting. Areas of overplanted palms were abandoned and Tunjuk Laut Estate has formally advised the neighbouring Estate company of encroachment onto JCORP land. Inspection of a sample of boundary stones found these were maintained and clearly identified.

All JCorp operations are on State Leases – there are no land claims against the company.

Criterion 2.3 – Use of the land for oil palm does not diminish the legal rights, or customary rights, of other users without their free, prior and informed consent.

All JCorp operations are on State Leases for Agriculture.

PRINCIPLE 3: Commitment to Long Term Economic and Financial Viability

JCorp has continued to invest in improvements at the mills and the estates in order to make the operations more sustainable. An example is the installation of a new boiler at the Tunjuk Laut Mill and the major replanting program that is being carried out at the Palong Mill supply base estates. These and other improvements are resulting in improved FFB Yields and OER and are strong indicators of the commitment to economic and financial viability.

Criterion 3.1: There is an implemented management plan that aims to achieve long-term economic and financial viability.

The Mills and Estates have an annual budget for the calendar year 2012 with cost projections through to 2016. The budget includes targets for production, quality and cost control. EPA Management has developed a Management Plan for the Mills and Estates that includes programs to improve efficiencies of oil extraction rates at the Mills and to optimise Estate yields. A major capital works project since the Initial Certification audit was the installation of a new boiler for Tunjuk Laut Mill that was commissioned in December 2010.

The Estates have prepared Annual Replanting Programs that are at various stages of implementation. For example, Tunjuk Laut Estate replanting commenced in 2008 and is continuing to replant approximately 250 ha/year through to 2017. The effect of replanting on Annual Average FFB yields (t/ha) for each Estate can be seen clearly in Figure 7 for Palong Mill supply base. Average yields dropped from about 22 t/ha in 2008 to between 10 and 15 t/ha in 2010. Tunjuk Laut Estate capex budget includes replacing four timber bridges with reinforced concrete ones in 2012.

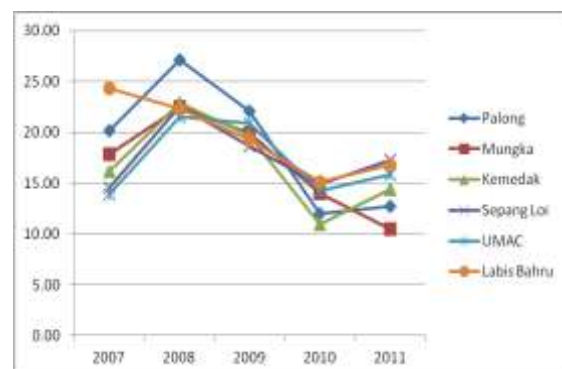


Figure 7: Palong Mill Supply Base Average Annual FFB Yield 2007 – 2011

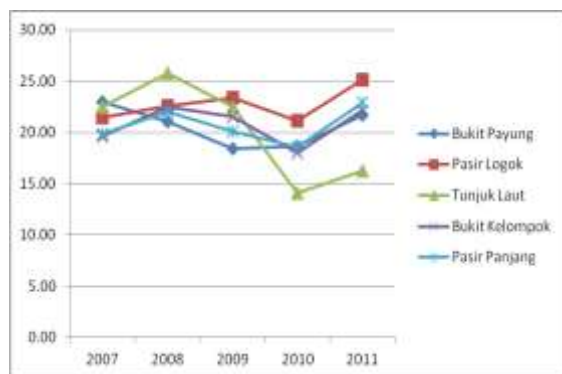


Figure 8: Tunjuk Laut Mill Supply Base Average Annual FFB Yield 2007 – 2011

The Mills have continued to implement improvements for achieving higher OER. For example Palong Mill has installed a system for removing trash from FFB and the FFB quality from growers has improved. These have resulted in improvement of OER (Figure 9) at Palong Mill from 18% in 2005 and 2006, to 20-84% in 2011. The OER for Tunjuk Laut Mill also has increased since 2007, reaching a maximum of 21-09% in 2010, but decreased to 20-1% in 2011 due to above average rainfall (3,631 mm) for the year and the smaller sized bunches supplied to the mill from young palms. For example, the palm age <5 years increased from 13% in 2010 to 21-8% in 2011.

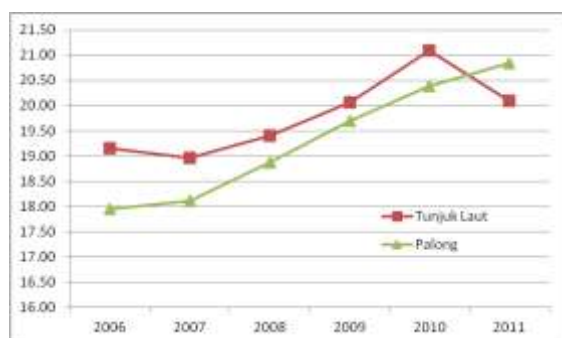


Figure 9: Average Annual Mill OER (%) 2006 – 2011

PRINCIPLE 4: Use of Appropriate Best Practices by Growers and Millers

JCorp has established systems for monitoring the implementation of best practices through the program of site visits by the Mill Engineer and the Plantation Inspector. This program and the associated improvements have resulted in increased OER at the Mills and FFB yields. The company has consistently ensured that buffer zones are reinstated during replanting and protected and enhanced those already in place. Workforce health and safety continues to be a priority and good progress has been made in reducing the number of lost time accidents.

Criterion 4.1: Operating procedures are appropriately documented and consistently implemented and monitored.

The Mills have implemented an ISO 9001 Quality Management System and the SOPs are controlled documents. Inspection of the Mill confirmed that Work Instructions are available for each work-station, such as the Oil Room.

The Mill Operators record operating parameters hourly onto shift log sheets, which are then reviewed by the Shift Supervisor, Assistant Mill Manager and Mill Manager. Any corrective actions are implemented on a shift basis for situations identified outside the operating parameters. The company has maintained the Quality Management System and Sirim carried out an External Audit of Palong Mill 06–07 October 2011 but did not identify any nonconformity. The ISO 9001 Certification (Certificate No AR1618) is current through to 10 November 2014. Sirim carried out a re-certification audit of Tunjuk Laut Mill on 24-25 October 2011 and the Mill is still waiting to receive the Certificate.

Copies are held on file of the visiting Engineer's Report to Palong Mill on 28 April 2011, which confirmed compliance with Statutory Requirements, assessed Mill performance and SOP implementation and made recommendations for improvements. The Mill Manager's response to the Visiting Engineer's findings is held on file.

Estate SOPs are based on the Kulim (Malaysia) Berhad Agricultural Manual issued 31 December 2007 and includes all tasks from replanting through to upkeep and harvesting. In addition, specific SOPs have been prepared 18 May 2009 in Bahasa Malaysia, that include information on occupational health and safety issues associated with each task.

The Plantation Inspector visits the Estates approximately quarterly, with the most recent visit to Tunjuk Laut Estate made on 26th and 27th September 2011. The Inspector's Visit Report includes recommendations for improvements and the Manager's reply (19 October 2011) with corrective actions.

Criterion 4.2: Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.

Kulim R&D Department Agronomist visits each Estate annually and makes recommendations for fertiliser application on the basis of leaf tissue sample analysis. For example, the Agronomist visited Tunjuk Laut Estate on 27th and 31st October 2011. The Estates have EFB application programs in place, for example, at Tunjuk Laut Estate EFB has been applied to replanted palms. 100% of treated POME is applied in furrows to Tunjuk Laut Estate in four rounds per year. R&D Department monitors the area by carrying out foliar sampling and reviewing the FFB production. Inspection of the Estates where replanting is being carried out confirmed that the felled palms are chipped to provide mulch for the young

palms. No evidence of fire was found at any of the areas where replanting is being carried out.

Criterion 4.3: Practices minimise and control erosion and degradation of soils.

Inspections of the replanted areas at Tunjuk Laut and Kemedak Estates confirmed soil conservation practices were implemented. For example, at Tunjuk Laut Estate at replanting, terraces were constructed with a back-slope and stop bunds for water conservation. *Mucuna bracteata* is planted to establish groundcover. In mature palms, only palm circles are sprayed, which allows groundcover to be maintained. Pruned palm fronds are stacked along the contour on sloping areas as well as by cross-stacking between the palms.

Inspections of the roads at each of the Estates visited found these were well maintained with a cover of laterite and all areas were accessible by two-wheel drive vehicle.

Criterion 4.4: Practices maintain the quality and availability of surface and groundwater

Inspections of replanted areas at the estates visited, such as Tunjuk Laut confirmed the buffer zone has been demarcated along streams by installing blue and white poles and the palms had been planted in accordance with the boundaries. **Observation 01** – At Bukit Kelompok Estate it was noted that the planting procedure was not followed because the buffer zone was not marked out before palms were planted – refer Section 3.2 Page 18.

The Mills and Estates have sampled water quality at the inflow to and outflow from the Estates. Palong Mill, for example, has sampled water quality of a stream upstream and downstream of the Mill. The Water samples tested in December 2011 did not show any difference in Water Quality Index between upstream and downstream locations. Tunjuk Laut river sampling results showed Class I water at upstream and downstream locations.

The Mills have continued to monitor water usage for processing through the use of meters and the information is reported monthly against the target of 1.40 t/t FFB. The Mills have implemented a program for reducing water consumption, for example, Palong Mill data (Figure 10) show that the average annual water consumption has reduced from 1.80 t/t FFB in 2008 to 1.09 t/t FFB in 2011 due to water conservation practices, such as replacement of the leaking overhead tank, repairs of leaks to all pipes and valves and awareness of the workforce.

The water usage target for 2011 is to achieve <1.09 t/t FFB. Tunjuk Laut Mill started metering water use in 2010 and the water usage increased dramatically from 1.09 in 2010 to 1.47 in 2011 due to the reduction in crop tonnage processed and additional cleaning associated with more frequent mill shutdowns and cleaning of equipment and processing areas. **Observation 02** –

Water usage at Tunjuk Laut Mill had increased almost 50% between 2010 and 2011 and improvements are required to reduce usage – refer Section 3.2 Page 18.

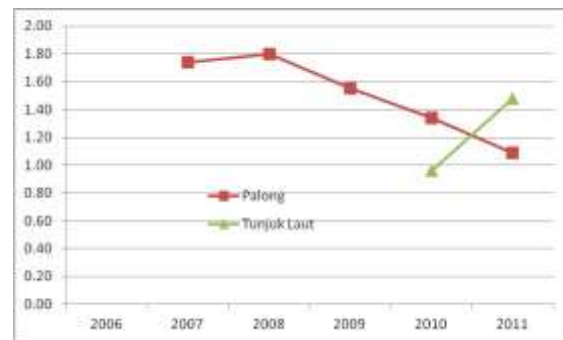


Figure 10: Annual Mill Water Usage (t/t FFB) 2006 – 2011

The Estates and Mills have installed Pollution Control Devices (sediment traps and oil/water separators) at all areas where petroleum hydrocarbons and chemicals are stored and dispensed. Inspection of the pollution control devices and records confirmed these had been cleaned in accordance with the program. Inspection of the effluent treatment ponds at each of the Mills found that the pond embankments generally were well maintained and there was adequate freeboard to prevent overflow.

CR06 – A section of the Tunjuk Laut effluent cooling pond outer embankment had failed and requires geotechnical engineering review to develop an appropriate method of stabilisation – refer Section 3.2 Page 17.

CR07 – A water balance calculation indicated the stormwater pond had adequate capacity for storage of runoff from a storm event. However, inspection showed the stormwater pond was not operated to maximise freeboard for containment of rainfall runoff – refer Section 3.2 Page 18.

Criterion 4.5: Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate integrated Pest Management (IPM) techniques.

The Estates have been implementing the company IPM strategy which focuses on the establishment of beneficial plants to assist with control of leaf eating insects. The major palm pest is rats in mature palms. The Estates have installed barn owl boxes and the recent census at Tunjuk Laut showed 63.9% occupancy. Inspection confirmed good progress with the establishment of beneficial plants, such as *Turnera subulata* and *Cassia coganensis* along roadsides.

Rat baits are used for control on the basis of a threshold level of fresh damage to bunches as well as information from the Mill FFB quality checks. Information on the locations where baits are applied is recorded for each block in the Daily Cost Book. Information is recorded on the replanted areas of young palms, where chemical

treatment has been required for control of rhinoceros beetle.

Criterion 4.6: Agrochemicals are used in a way that does not endanger health or the environment. There is no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines. Where agrochemicals are used that are categorised as World Health Organisation Type 1A or 1B, or are listed by the Stockholm or Rotterdam Conventions, growers are actively seeking to identify alternatives and this is documented.

The selection of chemical for weed control and the treatment is based on inspection of field conditions before spraying. Inspection at all Estates visited confirmed a Work Instruction showing the quantity of chemical to be measured per 20L container of premix was displayed at the chemical mixing area.

Inspection of the Pesticides Stores showed all chemicals used at the Estates are registered under the Pesticides Act.

Inspection showed the Pesticide Stores meet requirements for security, spill containment, lighting, separation and labelling of chemicals and ventilation. A secure area was available for storage of unused pre-mix of chemicals as well as empty pesticide containers.

The labels on pesticide containers are in Bahasa Malaysia. In addition, information on the pesticides is available in the Work Instruction in Bahasa Malaysia as well as safety pictorials and MSDS.

Inspection of records at Estates visited confirmed CHRA medical surveillance has been carried out for all pesticide operators, for example, 41 Tunjuk Laut pesticide operators underwent medical surveillance 3 December 2011 by Klinik Moiz Kota Tinggi. At the Estates visited no females were engaged as pesticide operators.

Company practice is to restrict the use of Paraquat to control of weeds in immature palms and for volunteer oil palms in mature palms. Inspection of Pesticide Stores at the Estates confirmed that Paraquat was stored in a locked area separate from other pesticides.

Information on the areas where pesticides are used is recorded in the Estates daily Cost Book on a block basis together with active ingredient and records are available since 2005.

Criterion 4.7: An occupational health and safety plan is documented, effectively communicated and implemented.

JCorp has a documented OSH Plan that consists of the elements described below for this criterion. Records held at each of the Mills and Estates show that appropriate Certificates are held and there are no outstanding issues arising from the most recent Department of Occupational Safety Health inspections that confirm the operations meet compliance with the OSH Act 1994 and the Factory and Machinery Act 1967.

Awareness and implementation of the OSH Policy are communicated at muster and weekly briefings and through the Annual Training Programme that covers all aspects of OSH. Implementation is monitored through self assessment via the OSH Committee Meetings and independently by the Group Safety Officer. Inspection of workplaces at the Mill and Estate and observations of tasks showed that safe work practices were being implemented. **Observation 03 – At Tunjuk Laut Mill, the occurrence of damaged electrical leads at the Maintenance Workshop indicated inadequate pre-start safety checks of equipment – refer Section 3.2 Page 18.**

The Mills and the Estates have reviewed the HIRAC for each work area and all work stations and tasks. For example Palong Mill reviewed the HIRAC on 16 June 2011; Tunjuk Laut Mill 23 June 2011. The results of the HIRAC have been taken into account in SOPs, Work Instructions and OHS training.

JCorp has updated the Annual Training Programme for safety. All new hires and contractors undergo a safety induction programme that is supplemented with workplace specific training. At the Mills, training in safety topics that apply across the work place, for example PPE, is carried out at the shift briefings. Safety training for each work station is a component of SOP training. At the Estates, the safety awareness training programme is based on briefings at morning muster as well as follow-up by the Assistant Managers in the field.

Each Estate maintains records of sprayer training, for example Tunjuk Laut Estate carried out refresher training on 12 October 2011 for 9 sprayers. Interviews of sprayers and observations of tasks at each of the Estates confirmed safe working practices were understood and product label precautions were implemented consistently.

All Mill and Estate workers receive new issues of PPE in January each year and records are held for individual re-issues. Pesticide application operators are issued with waterproof apron, rubber boots, nitrile gloves, N95 respirator, and eye protection. Harvesters are supplied with a safety helmet and sickle cover. JCorp requires contractors to provide appropriate PPE to their employees and to observe safety requirements.

Each Mill and Estate has assigned a person responsible for safety implementation. At the Mills, the Assistant Engineer is responsible and at the Estates an Assistant Manager coordinates safety implementation.

OSH Meetings were held quarterly at each of the Mills and Estates, in accordance with DOSH requirements. For example Palong Mill's most recent Safety Committee meeting was 25 October 2011 attended by 13 persons; Tunjuk Laut Mill 27 December 2011 attended by 14 persons; Tunjuk Laut Estate 21 December 2011 for 21 persons. The topics discussed at safety meetings include a report from each functional area, accidents and incidents.

JCorp has reviewed and revised the site-specific Emergency Response Plans for each Estate and Mill, for example Palong Mill Plan was revised on 04 January

2012. The Plans cover the main emergencies likely to occur and include site plans and emergency call-out phone numbers. Records are held of Emergency Response training carried out by local fire brigade officers, (Palong Mill 13 January 2012).

First-aid Training has been carried out by the Hospital Assistant at all locations visited, for example at Palong Mill on 27 December 2011 with 10 participants, including Assistant Manager, Supervisors, Security, Foreman, Chief Clerk, Mechanic, Engine Driver and Chargmen.

Site inspections confirmed safety equipment and first-aid kits were available at workstations at the Mills and were supplied to mandores for use in the field. The Clinic Hospital Assistants are responsible for checking and restocking of first aid kits. Inspections during the audit confirmed that first-aid kits were well stocked and records were maintained.

JCorp has implemented a system for recording and reporting of all work related accidents and injuries. LTAs are reported monthly to senior management and to DOSH immediately following an accident and a summary report to DOSH annually. The Group Safety Officer reviews LTAs monthly. Palong Mill recorded two LTAs in 2011, the last on 11 April and the total number of lost days was 9 for the year. Tunjuk Laut Mill has not recorded an LTA since 17 October 2009, which is very good considering the installation and commissioning of the new boiler was carried out during this time. Tunjuk Laut Estate had 45 LTAs in 2011 with minor injuries resulting in a total of 128 lost days.

The LTA index (Figure 11) has decreased since 2009 at the Mills and the Estates, which indicates the safety training programmes are beneficial in improving performance.

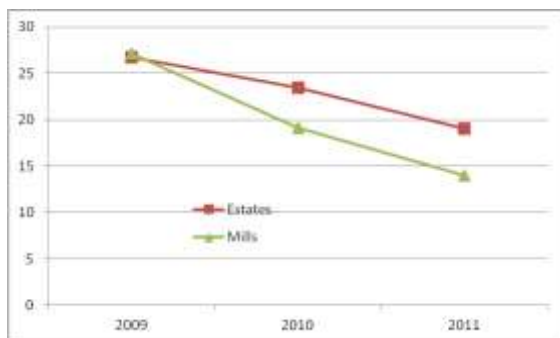


Figure 11: LTA Index for Mills and Estates 2009 – 2011

Mill and Estate Staff are covered by Social Security Organisation (SOCSO) insurance. Mills and Estates Foreign workers are covered by a “global” Policy under Tokio Marine Insurans (Malaysia) Berhad with expiry 31 December 2012.

Criterion 4.8: All staff, workers, smallholders and contractors are appropriately trained.

The Mills and Estates have an annual training program for calendar year 2012 that sets out the schedule of

training for each Mill work station and Estate task, as well as for specific topics. The Mills carry out Work Station training to develop skills during the first half of the year when there is low crop throughput. Each Mill and Estate holds records of training carried out by external trainers and includes detailed information on the training topic and competency assessment of the trainee. Tunjuk Laut Estate carried out refresher training for Harvesters on 08 October 2011 for 14 trainees. On-the-job training is carried each morning following Muster.

PRINCIPLE 5: Environmental Responsibility and Conservation of Natural Resources and Biodiversity

The Mills and Estates reviewed the Environmental Aspects and Impacts that had been prepared in 2009. The Mill Improvement Plans focus on better control of point source pollutants. The Estates Improvement Plans included expansion of biological controls, such as barn owls and beneficial plants in the IPM Programme.

The buffer zones and conservation set-asides were being protected from disturbance. The company has continued to engage with the Wildlife Conservation Society who carried out a birds and bats survey at all estates.

The separation of wastes at source has improved and recyclables are stored for sale to a recycler. Non-recyclables are disposed in small landfills in accordance with Local Government sanitary landfill regulations.

Criterion 5.1: Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.

Environmental aspects and impacts were identified in February 2009 using a risk assessment process for each of the Mills and Estates. The Registers have been reviewed, for example Palong Mill reviewed and updated on 28 August 2011; Tunjuk Laut Mill 13 September 2011.

EPA has prepared a consolidated Environmental Improvement Plan that focuses on the significant impacts in the Aspects and Impacts Register. For example, Palong Mill has proposed for 2012 an improvement of installing a roof over the ash bunker to protect the stored material from rainfall. Tunjuk Laut Mill Environment Improvement Plan focuses on improving the competence of operators at each work station through training and awareness on environmental aspects of their work.

Tunjuk Laut Estate environmental improvements include training for workers and contractors on waste separation and management and erosion control within the Estates.

Criterion 5.2: The status of rare, threatened or endangered species and high conservation value

habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and their conservation taken into account in management plans and operations.

The JCorp Estates have continued to implement the HCV Management recommendations made by the consultant Lewie Dekker when he carried out a Rapid Biodiversity Assessment in July 2008 for identifying the presence of HCVs within the Estates as well as adjacent areas.

The Estates have focussed on implementing the short-term HCV Management Plan, for example, Tunjuk Laut Estate has implemented road erosion control measures, completion of the boundary survey by a registered surveyor and completion of the Bird Survey by the Wildlife conservation Society in November 2011. The long-term HCV Management Plan actions include surveying and demarcating all riparian buffer zones and reinstatement of buffer strips progressively during replanting.

Observation 04 – At Sepang Loi Estate *Mucuna bracteata* had encroached part of the buffer zone that is being reinstated at Block P08/3, which will hinder the re-establishment of tree species – refer Section 3.2 Page 18.

Inspections confirmed the Mills and Estates have installed and maintained signage prohibiting the hunting or taking of fauna and fishing. Awareness on protection of fauna has been conducted at Muster and records show, for example, that awareness was conducted at Tunjuk Laut Estate on 03 January 2011. Information also is posted on the Muster Notice board.

Elephant entered Tunjuk Laut Estate in October 2011 (near area P09) from Sedili Forest Reserve adjoining the west of the Estate. Tunjuk Laut Estate reported the incident to the Wildlife Department. Interviews of workers at the Mills and Estates confirmed that they were aware of the rules prohibiting the taking of fauna and flora.

Criterion 5.3: Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.

The Mills and Estates maintain records of scheduled wastes in storage as well as collected by DOE licensed contractors. For example, at Palong Mill, OLST Petro-chemical Sdn Bhd collected waste oil on 17 October 2011 confirmed by Consignment Note No 3388; Tunjuk Laut Mill, OLST Petro-chemical Sdn removal of oil contaminated oil filters 21 October 2011, Consignment Note NO. 3579. Tunjuk Laut Estate arranged for G-Planter Sdn Bhd to collect empty pesticide containers and disused spray equipment on 09 January 2012, Lorry No JMH 1008.

Observation 05 – At Tunjuk Laut Estate Workshop, a sediment trap had not been installed to prevent sediment from entering the oily water separator where it mixes with oil and reduces the effectiveness of the separator – refer Section 3.2 Page 18.

Fibre and nut shell are used as fuel for the Mill boilers and a small quantity that is surplus to requirements is sold for biofuel. Inspection confirmed EFB is recycled to the Estates, for example at a rate of 50 t/ha/year at Tunjuk Laut Estate at P09 and P85 areas. The Estates maintain records of the areas where EFB has been applied as a replacement for chemical fertiliser.

Criterion 5.4: Efficiency of energy use and use of renewable energy is maximised.

The Mills monitor and report energy usage monthly to JCorp head office. For example, the electricity generated by the steam turbine (Figure 12) remained static, but decreased at Palong between 2010 and 2011 due to the lower quantity of FFB processed at the Mill as a result of the replanting programme.

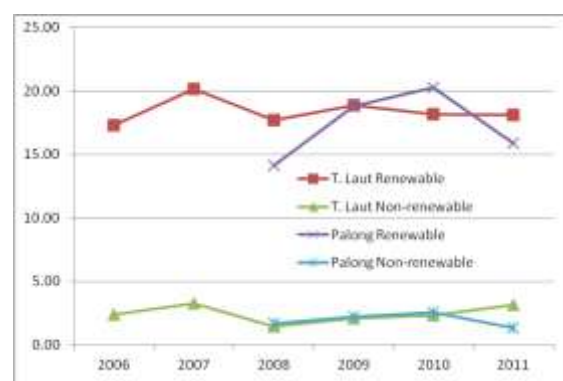


Figure 12: Renewable and Non-renewable Energy Usage (kWh/t FFB) 2006-2011

Criterion 5.5: Use of fire for waste disposal and for preparing land for replanting is avoided except in specific situation, as identified in the ASEAN guidelines or other regional best practice.

Inspections confirmed there was no evidence of open burning in the Estates where replanting has been carried out. Felled palms are chipped and spread along palm inter-rows as mulch. Inspection of the Mills and Estates housing areas did not find any evidence of fire being used for disposal of wastes.

Criterion 5.6: Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.

Mills and Estates have documented a Pollution and Emissions Control Plan that identifies the sources of emissions and methods for control or reduction. Inspection confirmed that spill containment has been installed at all chemical and hydrocarbon storage and use areas and PCDs installed on all workshop drains for control of point sources of emissions. The Mills are continuing to work towards further reductions of point sources of emissions, such as the safe disposal of laboratory chemicals to a licensed recycler.

The Mill Pollution Prevention Plans have focused on improving the monitoring and control of boiler emissions. At Palong Mill a new smoke density meter

was installed in 2011 to allow connection to the Continuous Emission Monitoring System, with the data transmitted by General Packet Radio Service (GPRS) directly to DOE Office in Johor Bahru. EPA Management will continue to monitor developments in relation to recovery of biogas from POME.

PRINCIPLE 6: Responsible Consideration of Employees and of Individuals and Communities by Growers and Millers

The EPA Sustainability Team visited each of the Mills and Estates during the year and met with stakeholders for review of the social issues. A Social Improvement Plan was prepared that took into account information from the review of social issues. Interviews of internal and external stakeholders during the Surveillance Assessment confirmed that they had been consulted during the annual review of social issues. Stakeholders did not raise any issues of concern relating to the company operations and appeared to have a good relationship.

Criterion 6.1: Aspects of plantation and mill management, including replanting, that have social impacts are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.

JCorp has carried out a review of the Social Impact Register by consultation with sprayers, harvesters, contractors, female representatives and the teacher on 15 March 2011. A total of 22 respondents were interviewed. There is no community nearby and only internal stakeholders were consulted. Social improvements were identified from the stakeholder consultation.

Criterion 6.2: There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.

The Mills and Estates have maintained up to date lists of stakeholders, that includes contact details for the adjacent Estate, FELDA smallholders, Government Departments, schools, suppliers and contractors and relevant NGOs.

Criterion 6.3: There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties.

Checks of information held at the mills and estates showed there was no grievance raised by the communities, however, workers had raised a number of complaints about the damage to houses and the need for repair.

Criterion 6.4: Any negotiations concerning compensation for loss of legal or customary rights are dealt with through a documented system that enables indigenous peoples, local communities and other

stakeholders to express their views through their own representative institutions.

All of the Estates are on State Leases where customary rights do not apply. JCorp did not acquire any new land over the past year.

Criterion 6.5: Pay and conditions for employees and for employees of contractors always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.

Interview of staff and workers indicated employment terms and conditions are detailed in their "Appointment Letter" that they received when hired. Inspection of Personal Files confirmed that terms and conditions of employment are detailed with copies held on file. The company has a monthly "productivity and full attendance" incentive bonus for all workers.

Housing meets the requirement of 3 bedrooms and all locations visited were well maintained. Clinics continue to provide medical treatment for staff, workers and their families at no cost. Water and electricity are provided to houses. Residents are allowed to cultivate small kitchen gardens at their houses, provided they are well maintained. Places of worship are within walking distance of housing. Playing fields and playgrounds are located at each housing area. At those locations where families have small children, a Crèche is available at no cost.

At locations visited the company provides transport for all eligible children to attend school. The company continues to provide school uniforms, shoes, school bags and stationery to each child at the beginning of each school year up to and including Form 3.

Criterion 6.6: The employer respects the right of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.

Interviews of workers confirmed they are to join a union if they so wished, which confirmed JCorp has maintained its policy of freedom of association.

Criterion 6.7: Children are not employed or exploited. Work by children is acceptable on family farms, under adult supervision, and when not interfering with education programmes. Children are not exposed to hazardous working conditions.

Inspection of a sample of records at the Mill and Estates confirmed that checks of Identity Cards for locals and Passport of Foreign workers are carried out prior to hire in order to meet minimum age requirement. No children or underage workers were observed at any work location visited during the assessment.

Criterion 6.8: Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual

orientation, union membership, political affiliation, or age, is prohibited.

The Company Anti-discrimination Policy is documented in the JCorp Handbook, June 2007 and displayed on Notice Boards at the Mills and Estates. When interviewed, staff and workers indicated there was no discrimination in relation to ethnicity, religion or gender. Inspection of records showed the same rates of pay for both local and foreign workers. Interview of foreign workers indicated no cases of discrimination.

Criterion 6.9: A Policy to prevent sexual harassment and all other forms of violence against women and to protect their reproductive rights is developed and applied.

The Company policy on prevention of sexual harassment and violence is documented in the JCorp Handbook, June 2007 and displayed on Notice Boards at the Mills and Estates. Interview of female staff and workers confirmed their involvement in the Gender Committee and no issues of concern were raised. Wives of staff and workers were also invited to attend meetings and all were actively involved in organising information and social events.

Criterion 6.10: Growers and mills deal fairly and transparently with smallholders and other local businesses.

Interviews of contractors found that quite a number of them had worked with the company for more than 10 years. Contractors and suppliers had a good relationship with the company and they appreciated the company providing health and safety training and they indicated that payments are made in a timely manner and they did not have any issues of concern.

Criterion 6.11: Growers and millers contribute to local sustainable development wherever appropriate.

Although some of the estates are in remote locations, there are no nearby communities. In general the communities are served by well established infrastructure and services. JCorp provides assistance to local schools and places of worship.

Principle 7: Responsible Development of New Plantings

JCorp has not carried out any new oil palm development since November 2005 and there are no plans for expansion of plantings. There were no new land developments or new plantings taking place at the time of the Assessment therefore Principle 7 is not applicable to this Assessment.

PRINCIPLE 8: Commitment to Continuous Improvement in Key Areas of Activity

JCorp has continued to implement its policy to use pesticides for control of palm pests only when necessary and on the basis of pest census information. Paraquat is used for weed control in immature palms (<3 years of

age) and for control of volunteer oil palms in the mature palms, because of its effectiveness.

JCorp has continued to make environmental and social improvements on the basis of issues identified during the review of the environmental and social impacts registers. In relation to production efficiency, JCorp is undertaking a major replanting programme at the Estates supplying to Tunjuk Laut Mill. At all JCorp Estates FFB yields increased compared to 2010. Palong Mill OER continued to increase over the past 5 years and achieved 20-8% in 2011 and Tunjuk Laut achieved 20-1%.

The water usage at Palong Mill decreased to 1.09 t/tFFB due to improved controls. Palong Mill also achieved reduction in the rate of use of non-renewable energy during 2011 to 1.35 kWh/tFFB, although usage rate increased at Tunjuk Laut because of the decline in the quantity of crop processed.

JCorp made significant social improvement for internal stakeholders through the reduction of LTA Rate across the Group of Estates and Mills. Interviews of external stakeholders found the communication and consultation processes of JCorp Mills and Estates had improved, which is very important for social accountability.

3.2 Identified Nonconformities and Noteworthy Positive and Negative Observations (ASA1)

Nonconformities were assigned to Minor Compliance Indicators 4.4.6 and 4.4.7.

JCorp prepared a Corrective Action Plan for addressing the identified Nonconformities, which the Audit Team has reviewed and accepted.

JCorp implemented corrective actions immediately to address the Nonconformities and has provided the BSi Assessors with evidence of the completed actions, which are detailed below.

CR06: 4.4.6 Water drainage into protected areas is avoided wherever possible. Appropriate mitigating measures will be implemented following consultation with relevant stakeholders

A section of the Tunjuk Laut effluent cooling pond outer embankment had failed and requires geotechnical engineering review to develop an appropriate method of stabilisation.

Corrective Actions

JCorp arranged for the Civil Engineer from the EPA Engineering Department to inspect the cooling pond and make recommendations. The Civil Engineer arranged for timber piling to be installed, the section of the pond back-filled with soil and compacted. Plastic sheeting was placed over the section of the pond wall to minimise rainfall infiltration, while the soil became consolidated.

The Engineering Department provided BSi with photographic evidence of each stage of the works carried out. The Engineering Department recommended

the planting of Vetiver grass to stabilise the area and prevent erosion, following consolidation of the soil fill.

The BSi Assessment Team considered the Corrective Actions appropriate and the Nonconformity CR06 was closed 17/02/2012.

CR07: 4.4.7 Evidence of Water Management Plans

The Observation assigned to Minor Compliance Indicator 4.4.7 during the Initial Certification Assessment was upgraded to a Nonconformity as follows:

Initial Certification Findings (OBS11): Rainfall runoff from Palong Estates 8 ha compost site drains to a stormwater pond for recycling to the windrows of compost. A water balance was not available for checking the adequacy of the stormwater pond capacity for containment of runoff.

ASA1 Findings (CR07): A water balance calculation showed the stormwater pond had adequate capacity for storage of runoff from a storm event. However, inspection showed the stormwater pond was not operated to maximise freeboard for containment of rainfall runoff.

Corrective Actions

JCorp arranged immediately for the water stored in the stormwater pond to be transferred by pipeline to the Palong Mill Anaerobic Pond in order to increase the freeboard to 1.5 metres. The Civil Engineer from the EPA Engineering Department inspected the stormwater pond and assessed the situation. The Civil Engineer measured the available storage capacity of the pond for the freeboard and provided details to BSi confirming the capacity to cater for a rainfall event. In addition, an SOP was prepared for the monitoring and control of the stormwater pond freeboard.

The BSi Assessment Team considered the Corrective Actions appropriate and the Nonconformity CR07 was closed 17/02/2012.

The Assessment Team identified five (5) Observations/Opportunities for Improvement. The progress with these will also be checked at the next Surveillance Assessment visit (ASA2).

1. **(4.4.1)** Inspection of replanted areas at the estates visited confirmed consistent implementation of the SOP Guidance for establishment of buffer strips along small streams and palms were planted the correct distance at streams. However, at Bukit Kelompok Estate it was noted that the planting procedure was not followed because the buffer zone was not marked out before palms were planted.
2. **(4.4.5)** Water usage at Tunjuk Laut Mill had increased almost 50% between 2010 and 2011 and improvements are required to reduce usage.
3. **(4.7.1)** At Tunjuk Laut Mill, the occurrence of damaged electrical leads at the Maintenance Workshop indicated inadequate pre-start safety checks of equipment.

4. **(5.2.2)** At Sepang Loi Estate *Mucuna bracteata* had encroached part of the buffer zone that is being reinstated at Block P08/3, which will hinder the re-establishment of tree species.
5. **(5.3.2)** At Tunjuk Laut Estate, a sediment trap had not been installed to prevent sediment from entering the oily water separator where it mixes with oil and reduces the effectiveness of the separator.

Noteworthy Positive Components

- Overall, the Management and Staff have improved understanding of the RSPO requirements and were actively involved in the audit process.
- A Survey was completed of birds and bats at all JCorp Estates by the Wildlife Conservation Society.
- In 2011 JCorp engaged Wild Asia to conduct a practical 2 day workshop on “Biodiversity for Busy Managers”.
- In October 2011 another tree planting event was carried out at Mungka Estate.
- Mill OER has increased over the past five years.
- At replanting areas, riparian buffer zones are being re-instated consistently.
- There was consistently high standard of housekeeping at all locations visited.
- There has been general improvement in safety, for example Tunjuk Laut Mill has not recorded an LTA for almost two years.
- The company has a good open relationship with employees and external stakeholders.
- Employees appreciate the productivity and full attendance incentive payments.
- The “Green Project” at Tunjuk Laut Estate for cultivation and distribution of vegetables to worker families.

3.3 Status of Nonconformities (Major and Minor Previously Identified (Initial Certification Assessment))

Corrective actions for the Nonconformities (CR01 and CR02) assigned to Major Compliance Indicators 4.4.1 (closed 29/10/2010) and 5.2.2 (closed 28/11/2010) were checked during ASA1 and found to be consistently implemented. The Nonconformities remain closed.

CR03: 2.2.3 Evidence that boundary stones along the perimeter adjacent to state land and other reserves are being located and visibly maintained

A nonconformity was issued against this minor compliance indicator because at the time of the Initial Certification Assessment, a contract had not been awarded to survey and locate boundary stones at all

properties. This precluded the assessment of overplanting/underplanting at land bordering the Estates.

ASA1 Findings: All surveys of JCorp properties were completed in 2010 based on Certified Plans.

The Nonconformity was closed 02/02/2012

CR04: 5.3.2 Having identified wastes and pollutants, an operational plan should be developed and implemented, to avoid or reduce pollution

A nonconformity was issued because at Palong Mill, boiler ash from the storage bunker was not contained to prevent it from being washed by rainfall runoff into the monsoon drain, which increases the loading on the PCD No 3.

ASA1 Findings: The Mill had constructed a containment wall beside the drain to prevent ash from being washed into the drain by rainfall runoff. Inspection of the drain confirmed the effectiveness of the improvement.

The Nonconformity was closed 02/02/2012

CR05 assigned to Minor Compliance Indicator 6.5.3

The Nonconformity issued against this indicator only applied at Siang Estate and as Siang Mill and Supply Base are no longer managed by EPA and has been excluded from the Certification Scope it was not necessary to follow up this Nonconformity.

Observations/Opportunities for Improvement (Identified during Initial Certification Assessment)

1. (2.1.1) Inspection of the land application furrows at Tunjuk Laut Estate showed that several of the stop bunds at the end of furrows had not been adequately maintained and there was risk of overflow of treated effluent. The Estate took corrective action immediately to clear vegetation surrounding the furrows and to rebuild the stop bunds at the end of furrows. Photographic evidence was provided to confirm implementation.

ASA1: Inspection of the land application area showed the area had recently been replanted and the original furrows are being de-silted and re-shaped with adequate stop bunds.

2. (2.1.1) Siang Mill Sodium Hydroxide Storage Permit expires 31 December 2009 – application for renewal was made on 7 September 2009). A Ministry of Health Pharmacy Officer made a site visit and inspected the storage facility 30 October 2009.

ASA1 Findings: Not followed up as Siang Mill and Supply Base is no longer managed by EPA and has been excluded from the Certification Scope.

3. (2.1.1) Siang Mill exceeded the smoke density limit on 7 days during 2009, but only by between 1 and 2 minutes. Action has been taken to conduct

additional boiler operator training to minimise black smoke emissions.

ASA1 Findings: Not followed up as Siang Mill and Supply Base is no longer managed by EPA and has been excluded from the Certification Scope.

4. (2.1.1) Applied Chemistry Laboratory Sdn Bhd carried out water sampling and testing of Balau Division drinking water supply on 6 November 2009. The analyses found colour, and iron exceeded the Malaysian Drinking Water Standard. Siang engaged Nalco to evaluate the water treatment plant requirement and an order was placed for modification of the water treatment process. Modifications to water treatment plant were implemented on 15 December 2009 and the water re-sampled.

ASA1 Findings: Not followed up as Siang Mill and Supply Base is no longer managed by EPA and has been excluded from the Certification Scope.

5. (2.2.1) JCorp operations are on Qualified Titles pending the issue of final Title. Cadastral Surveys have been completed for all of the Titles and JCorp has purchased Certified Plans from the Government Survey Department. JCorp has submitted an application to the Lands Department for final Title, which is expected to take approximately 3 – 6 months.

ASA1: JCorp has appointed two licenced land surveyors to process the Final Title through Lands Department. During this process application will be made to extend the term of the Leases and to change the land use specifically to Oil Palm. This is still in process with the Government Lands Department.

6. (4.3.2) At Pasir Logok Estate the localised areas with insufficient groundcover e.g. at P92 block 2, has improved over the past 2 months due to cessation of spraying. However deposits of sand along streambeds and drains indicate that erosion of soil is still occurring on hill slopes and further improvement of groundcover is required.

ASA1: The Estate has continued with a practice of minimal spraying of palm circles only.

7. (4.3.3) At Bukit Payung there is no source of laterite available and road surfaces are maintained by grading and compacting. Water management needs improving by developing “turn-out” drains to transfer rainfall runoff onto terraces where possible.

ASA1: Information provided by the EPA SPO Team indicated improvements had been made to the road drainage.

8. (4.4.1) At Pasir Logok a low-lying area, previously planted with oil palm, has been abandoned but there is still an access road through this area. When the boundary survey has been completed and ownership

of the land confirmed, the area will be set-aside as wetland at the time of replanting in 2011 and the access road beside Sg Paloi abandoned.

ASA1: *Completion of the property survey showed the low-lying area was outside the Estate boundary and has been abandoned (Survey Plan No: SJK/JB/467/2009/DM1).*

9. (4.4.3) The water quality of Sg Mungka has not been tested for all of the parameters required for calculation of the Water Quality Index.

ASA1: *Review of information showed additional parameters are now included in the testing of water samples.*

10. (4.4.3) The sampling location downstream from Siang Mill that is shared with the Estate for flow into Sg Tengah, was found to be subject to tidal influence and was considered unsuitable for monitoring the potential impact of drainage from the Mill area. An appropriate sampling location was identified immediately upstream at Bridge No 3 that was unaffected by tidal influence. The site at P07 Block 1 can still be used but samples need to be collected during an outgoing tide, just before low tide.

ASA1 Findings: *Not followed up as Siang Mill and Supply Base is no longer managed by EPA and has been excluded from the Certification Scope.*

11. (4.4.7) Rainfall runoff from Palong Estates 8 ha compost site drains to a stormwater pond for recycling to the windrows of compost. A water balance was not available for checking the adequacy of the stormwater pond capacity for containment of runoff.

ASA1: *A water balance calculation showed the stormwater pond had adequate capacity. However, inspection showed the stormwater pond was not operated to maximise freeboard for containment of rainfall runoff. **Upgraded to a Nonconformity against this Minor Compliance Indicator***

12. (4.4.7) Palong Estate roadside “turnout drains” have been constructed recently at the P07 and P08 replanting areas. Additional work is required to improve water management and prevention of erosion of roads on hills at P86A & P86B.

ASA1: *Replanting of P86A and P86B is scheduled to be carried out in 2012 and road drainage will be re-formed at that time.*

13. (4.6.5) A program of CHRA medical surveillance has been implemented with Siang, Sg Papan, Pasir Panjang, Tunjuk Laut and Kemedak, Mungka Estates completed in 2009. Pasir Logok, Bukit Payung, Bukit Kelompok and Palong are scheduled for 2010.

ASA1: *CHRA was subsequently carried out at Pasir Logok June 2010, Bukit Payung June 2010, Bukit Kelompok December 2011 and Palong February 2011. All Estates*

visited during ASA1 held records of up-to-date CHRA Medical Surveillance.

14. (4.7.3) Application for renewal of Foreign Workers insurance has been forwarded to Head Office and documentation forwarded to Insurance Company but at the time of the Assessment a new Policy had not yet been issued.

ASA1: *Foreign Worker Insurance renewed at all locations visited and current to 31 December 2012.*

15. (5.2.2) *Mucuna bracteata* from Siang Estate has encroached the adjacent secondary forest near P07 Block 2 and has covered the trees. The Estate will cut the *Mucuna* vine stems to kill off the growth covering the trees.

ASA1 Findings: *Not followed up as Siang Mill and Supply Base is no longer managed by EPA and has been excluded from the Certification Scope.*

16. (5.3.2) At Tunjuk Laut Mill there was inadequate separation of waste and construction materials had been mixed with boiler ash at the landfill site. Corrective action was taken immediately to remove the construction materials and the workers were instructed on the requirements for waste separation and disposal.

ASA1: *Inspection showed the mill waste separation was appropriate.*

17. (6.1.1) At the time of the Assessment visit, the SIA had been completed for Tunjuk Laut Mill and Pasir Panjang and Bukit Payung Estates but had not yet been carried out at Pasir Logok Estate for site specific issues – scheduled for February 2010.

ASA1: *The SIA had been updated at all locations visited and records held on file of interviews with internal and external stakeholders (contractors and suppliers) and Improvement Plans prepared.*

18. (6.5.2) Some foreign workers at Tunjuk Laut Mill had a low level of understanding of their pay slips, while at both Bukit Payung and Pasir Logok Estates, workers were unsure as to how the piece rate amounts were calculated, for example, the conversion from number of bunches to tonnages harvested and also the factor of average OER in the calculation. JCorp will carry out additional awareness at morning muster on paydays.

ASA1: *All foreign workers interviewed understood their pay slips and the reasons for deductions.*

3.4 Issues Raised by Stakeholders

The issues raised by stakeholders during the Initial Certification Assessment were followed up during this Assessment and found to have been actioned appropriately by the company.

Issues Identified during ASA1

No issues were raised during the ASA1 interview process. All stakeholders interviewed, both internal and external, had only positive comments.

**4.0 CERTIFIED ORGANISATION'S
ACKNOWLEDGEMENT OF INTERNAL
RESPONSIBILITY**

4.1 Date of Next Surveillance Visit (ASA2)

The next Surveillance Assessment (ASA2) will be scheduled within twelve months of RSP0 approval of continuation of Certification.

4.2 Date of Closing Nonconformities (Major and Minor)

Table 5: Status of Nonconformities

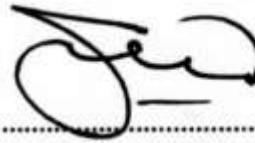
CAR	CLASS	ISSUED	STATUS
CR01	Major	17/12/2009	Closed 29/10/2010
CR02	Major	17/12/2009	Closed 28/11/2010
CR03	Minor	17/12/2009	Closed 02/02/2012
CR04	Minor	17/12/2009	Closed 02/02/2012
CR05*	Minor	17/12/2009	No Action Required
CR06	Minor	02/02/2012	Closed 17/02/2012
CR07	Minor	02/02/2012	Closed 17/02/2012

* CR05 was issued at Siang Estate. As Siang Mill and Supply Base is no longer managed by EPA and has been excluded from the Certification Scope it was not necessary to follow up this Nonconformity.

4.3 Sign-off of ASA1 Findings

JCorp acknowledges and confirms acceptance of the Assessment Report contents, including assessment findings. JCorp accepts the responsibility for implementing the corrective actions and addressing the opportunities for improvement detailed in the Assessment Report.

Signed for on behalf of
Johor Corporation



Hj Izhar Bin Mahmood
Director - Plantation Operations

Date: 02/03/2012

Signed for on behalf of
BSi Group Singapore Pte Ltd



Mr Charlie Ross
Lead Auditor

Date: 05/03/2012

Appendix “A”

Supply Chain Assessment

APPENDIX A – SUPPLY CHAIN ASSESSMENT REPORT – JCORP – MASS BALANCE**TUNJUK LAUT AND PALONG PALM OIL MILLS****Certified Mill Production – 01 January – 31 December 2011**

MILL	CAPACITY	CPO	PK
Tunjuk Laut	30 t/hr	31,469	8,980
Palong	30 t/hr	19,116	5,026

Sales of Certified Mill Products – 01 January – 31 December 2011

MILL	CPO	PK
Tunjuk Laut	Nil	Nil
Palong	Nil	Nil

Certified Company Details

Johor Corporation
Level 2 Persada Johor
Jalan Abdullah Ibrahim
80000 Johor Baru
JOHOR MALAYSIA

Contact Person: Mrs Salasah Elias
Senior Manager
Phone: +60 78611611
Fax: +60 78631084
Email: salazah@kulim.com.my

RSPO Membership No: 100800900000

Certification Body Details

BSi Group Singapore Pte Ltd
(Co. Reg. 1995 02096-N)
3 Lim Teck Kim Road #10-02
Genting Centre
SINGAPORE 088934

Contact Person: Mr Aryo Gustomo
BSi RSPO Scheme Manager
Phone: +65 6270 0777
Fax: +65 6270 2777
Email: Aryo.Gustomo@bsigroup.com

Summary

Supply Chain assessments were made at the Palong and Tunjuk Laut Mills that are managed by EPA Management. The assessment included site visits to both mills and the EPA Head Office, review of records and interviews of staff. The assessor concluded JCorp has implemented an appropriate management system for controlling the purchase of certified FFB, processing of same and sales of certified CPO and PK. JCorp maintains adequate records for confirming compliance with the RSPO supply Chain requirements and staff were able to demonstrate an appropriate knowledge of the requirements.

Conclusion

The JCorp management system and records meet the requirements of the RSPO supply chain requirements, November 2011 for the Mass Balance mechanism.

Certificate Details

Background to the Report

(a) Report authors

Assessor

Mr Charlie Ross, BSi RSPO Lead Auditor

CB Management Representative

Mr Aryo Gustomo, BSi RSPO Scheme Manager

(b) Previous assessments *Not Applicable*

(c) On-Site Visits

Visit Itinerary

Monday 30 January 2012 – Palong Mill – Opening Meeting held at Mill Office; Weighbridge Station; examined weighbridge records; daily records of FFB deliveries, CPO and PK production; CPO Bulk Tank and PK Silo records; shipments of CPO and PK. People consulted: Mohd Khairudin bin Idris (Mill Manager); Amir Muslimin bin Mohamed (Assistant Engineer); Mohammed Razif bin Sulaiman (Assistant Engineer).

Tuesday 31 January 2012 – Tunjuk Laut Mill - visited Mill Office and Weighbridge Station; examined weighbridge records; daily records of FFB deliveries; CPO and PK production; CPO Bulk Tank and PK Silo records; shipments of CPO and PK. People consulted: Mohd Yusof Bin Mat (Mill Manager); Mohd Hafiz Bin Saron (Assistant Engineer); Md Razif Bin Harun (Assistant Engineer); Rukiah Bt Ali (Second Clerk).

Thursday 02 February 2012 – EPA Head Office, Ulu Tiram – review of records and procedures - Met with Sales team at Sales Office; Closing Meeting. People consulted: Mrs Salasah Elias Senior Manager; EPA Head Office Sales Managers En Noor Effendy Mohd Ali and Mohd Radzi Mohamed.

Scope

The scope of the assessment covered the Tunjuk Laut and Palong Palm Oil Mills and their supply bases of JCorp owned Estates and the head office Sales Department. The Supply Chain mechanism used is Mass Balance. The JCorp operations were assessed against the requirements of the RSPO Supply Chain Standard : November 2011.

Description of Operation's Management System

JCorp uses the mass balance mechanism for the supply chain. All deliveries of FFB to the Mills are issued with a weighbridge docket that records the name of the supplier, truck registration number, driver's name and the tonnage. The weighbridge system is computerised and delivery records are used as the basis for payment for FFB deliveries. A sample of weighbridge dockets was checked at each Mill against the summaries of FFB deliveries from each supply source. This confirmed the details of the source and quantity of FFB were recorded accurately and could be verified by tracking. In the case of JCorp Estates, the FFB can be traced back to the Estate and the oil palm block from which it was harvested. The Mills summarise and report daily to EPA Head Office: the quantity of FFB received from the Estates and from outside suppliers; the tonnage of FFB processed; the tonnages of CPO and PK produced; shipment tonnages; and the quantities of materials held in storage. The Mills and Estates also report the above quantities monthly to EPA Head Office.

Checks of records at EPA Head Office showed there was no sale made for RSPO Certified CPO or PK during the preceding 12 months (01 January – 31 December 2011). Inspection of documents confirmed that JCorp maintains all of the documentation required for supply chain verification (RSPO Supply Chain Standard November 2011).

Certified Volume Purchased and Claimed

The following certified FFB material was received from JCorp Estates during the 01 January to 31 December 2011 year and processed at the two Mills:

Palong Mill:	91,726 t/FFB
Tunjuk Laut Mill:	156,525 t/FFB

Main Report Details

1. Documented procedures

- 1.1 The facility shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:
 - a) Complete and up to date procedures covering the implementation of all the elements in these requirements. *Complies – Procedures are current and include all elements of the Supply Chain for controlling the receipt, sale and dispatch of palm products.*
 - b) The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the facilities procedures for the implementation of this standard. *Complies – The Sales Manager has overall responsibility for the Supply Chain. Each Mill Manager has responsibility for the Supply Chain aspects of FFB receipts, processing and shipping of palm products. Interview confirmed their knowledge of the RSPO Supply Chain requirements for the respective areas of the operations.*
- 1.2 The facility shall have documented procedures for receiving and processing certified and non-certified FFB. *Complies – the Mills Weighbridge SOP covers the receiving of FFB and recording details of the Supplier and Transporter. All deliveries of FFB are subject to quality checks and verification of documentation.*

2. Purchasing and goods in

- 2.1 The facility shall verify and document the volumes of certified and non-certified FFBs received. *Complies – the Mills record tonnages received at the weighbridge and these are reported daily to Head Office.*
- 2.2 The facility shall inform the CB immediately if there is a projected overproduction. *Complies – the company has a mechanism for advising the CB of production variations, which are monitored internally.*

3 Record keeping

- 3.1 The facility shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these requirements. *Complies – Inspection of records at the Mills and at Head Office confirmed these were updated daily.*
- 3.2 Retention times for all records and reports shall be at least five (5) years. *Complies – Records are archived and stored for > 5 years.*
- 3.3
 - a) The facility shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO, PKO and palm kernel meal on a three-monthly basis. *Complies – these are updated monthly.*
 - b) All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. *Complies*
 - c) The facility can only deliver Mass Balance sales from a positive stock. However, a facility is allowed to sell short. *Complies – The company did not sell any Certified CPO or PK during the 2011 year.*
- 3.4 The following trade names should be used and specified in relevant documents, e.g. purchase and sales contracts, e.g. *product name*/MB or Mass Balance. The supply chain model used should be clearly indicated. *Complies – The company uses the prefix MB on the Product Code.*
- 3.5 In cases where a mill outsources activities to an independent palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement. *Complies – The company has signed contracts with PK Mill.*

4. Sales and good out

- 4.1 The facility shall ensure that all sales invoices issued for RSPO certified products delivered include the following information:
 - a) The name and address of the buyer;
 - b) The date on which the invoice was issued;
 - c) A description of the product, including the applicable supply chain model (Segregated or Mass Balance)
 - d) The quantity of the products delivered;
 - e) Reference to related transport documentation.

Complies – all of these items (a-e) are included in the company's invoices to buyers

5 Training

- 5.1 The facility shall provide the training for all staff as required to implement the requirements of the Supply Chain Certification Systems. *Complies – The company maintains records of training. Interviews of Mill Staff and Sales Staff confirm knowledge of the Supply Chain requirements.*

6 Claims

- 6.1 The facility shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules for Communications and Claims. *Complies – The company has not made claims outside of the RSPO rules for Communications and Claims.*

Appendix “B”

ASA1 Programme

JCorp ASA1 Programme – 30 January – 02 February 2012

TEAM: CR: CHARLIE ROSS; RR: ROBYN ROSS; IN: IMAN NAWIREJA; JM: JUNECEL MALOLOY								
<i>Day / Date</i>	<i>Time</i>	<i>Details</i>	<i>CR</i>	<i>IN</i>	<i>RR</i>	<i>JM</i>		
Monday 30 January	AM	Opening Briefing	√		√	√		
		Document Review	√					
		Inspect Pay Documentation			√	√		
		Interview Contractors/Suppliers	√			√		
		Closing Briefing	√					
	PALONG MILL TEAM 1	PM	Inspect Mill/Effluent Ponds, Stores, Workshop, Landfill, Land Application	√				
			Closing Briefing	√				
			Opening Briefing		√			
			Inspect Estate/ Interview Male Workers		√			
			Interview Contractors/External Stakeholders		√			
TEAM 2 KEMEDAK ESTATE	AM	Inspect Stores, Landfill		√				
		Interview Female Office Staff/Workers			√	√		
		Review Pay Documentation			√	√		
		Interview FFB Dealer Kin Ma		√				
		Visit Local Communities		√				
	PM	Documentation Review		√				
		Visit Clinic Interview Staff			√	√		
		Inspect Housing and Interview Residents			√	√		
		Closing Briefing			√	√		
						√	√	
Tuesday 31 January	AM	Opening Briefing	√		√	√		
		Document Review	√					
		Interview Female Office Staff/Workers			√	√		
		Review Pay Documentation			√	√		
		Interview Contractors/Suppliers	√			√		
	TEAM 1 TUNJUK LAUT MILL	PM	Inspect Mill/Effluent Ponds, Stores, Workshop, Landfill, Land Application	√				
			Visit Clinic Interview Staff			√	√	
			Inspect Housing Interview Residents			√	√	
			Closing Briefing			√	√	
							√	√
TEAM 2 SEPANG LOI ESTATE	AM	Opening Briefing		√				
		Inspect Estate/Interview Male Fieldworkers		√				
		Interview Contractors/External Stakeholders		√				
	PM	Inspect Stores, Landfill		√				
		Visit any local communities		√				
		Document Review		√				
Wednesday 01 February	AM	Opening Briefing	√		√	√		
		Physical Inspection Estate	√					
		Inspect Stores, Land Application, Landfill	√					
		Interview Female Fieldworkers			√	√		
		Interview Outgrower Kumpulan Melayu	√			√		
		Interview Female Office Staff/Workers			√	√		
		Review Pay Documentation			√	√		
	PM	Documentation Review	√					
		Visit Clinic Interview Staff			√	√		
		Inspect Housing and Interview Residents			√	√		
		Closing Briefing			√	√		
						√	√	
		TEAM 2 BUKIT KELOMPOK ESTATE	AM	Opening Briefing		√		
				Inspect Estate/Interview Male Fieldworkers		√		
Inspect Stores, Landfill				√				
PM	Interview Contractors/External Stakeholders			√				
	Inspect Housing			√				
	Visit Local Communities			√				
Thursday 02 February	AM	Documentation Review		√				
		Closing Briefing		√				
		Follow up any outstanding data/information	√	√				
		Supply Chain Follow-up	√	√				
		Prepare ASA1 Visit Report			√			
EPA		Prepare Closing			√			
		Closing Meeting			√			

Appendix “C”

List of Stakeholders Contacted

LIST OF STAKEHOLDERS CONTACTED**INTERNAL STAKEHOLDERS**

TUNJUK LAUT Mill 2 Female Staff 1 Female General Worker Kindergarten Assistant 4 Residents at Housing Mill/Estate Clinic Hospital Assistant	Tunjuk Laut Estate 3 Female Staff 3 Female Daily Rated Workers Local and Foreign Resident at Housing 4 Foreign Pesticide Sprayers	Bukit Kelompok Estate 6 Male Foreign Worker Harvesters
PALONG Mill 2 Female Staff 2 Female General Workers 7 Gender Committee Members	Sepang Loi Estate 5 Male Foreign Worker Pesticide Sprayers 8 Male Foreign Worker Harvesters NUPW Representative	Kemedak Estate 3 Female Staff 1 Female Daily Rated Workers 11 Residents at Housing 3 Foreign Worker Harvesters 4 Male Foreign Worker Sprayers

EXTERNAL STAKEHOLDERS

TUNJUK LAUT Mill Optimum Status Sdn Bhd – Contractor – Equipment, Maintenance & Steel Fabrication Outgrower Kumpulan Melayu	Bukit Kelompok Estate FFB Transport Contractors General Supplier	
PALONG Mill HLE Trading Sdn Bhd – Equipment Supplier Shin Le Engineering Sdn Bhd – Engineering Contractor FFB Dealer Kin Ma	Kemedak Estate General Supplier Back Hoe Contractor	Sepang Loi Estate Road Maintenance Contractor General Supplier

GOVERNMENT DEPARTMENTS Labour Department Segamat Land & Survey Department Segamat Department of Environment Muar DOSH Johor Bahru Kemedak Estate Elementary School Teacher	NGOs and Others NUPW AMESU	Local Communities Kampung Baru Representatives
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