

**RSPO PRINCIPLE AND CRITERIA –  
2<sup>nd</sup> Annual Surveillance Assessment (ASA2)  
Public Summary Report**

<b>Kulim (Malaysia) Berhad</b>
Client company address: Kulim (Malaysia) Berhad K.B 705 80990 Johor Bahru Johor, Malaysia
Certification Unit: <b>Pasir Panjang Palm Oil Mill and supply base</b>  Location of Certification Unit:  KB 527 81909 Kota Tinggi, Johor, Malaysia

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## Section 1: Scope of the Certification Assessment

1. Company Details			
<b>RSPO Membership Number</b>	1-0080-09-000-00	<b>Membership Approval Date</b>	15/06/2009
<b>Parent Company Name</b>	Johor Corporation		
<b>Address</b>	KB 705 80990 Johor Bahru, Johor, Malaysia		
<b>Subsidiary (Certification Unit Name)</b>	Pasir Panjang Palm Oil Mill		
<b>Address</b>	KB 527 81909 Kota Tinggi, Johor, Malaysia		
<b>Contact Name</b>	Mrs Salasah Elias		
<b>Website</b>	<a href="http://www.kulim.com.my">www.kulim.com.my</a>	<b>E-mail</b>	<a href="mailto:salasah@kulim.com.my">salasah@kulim.com.my</a>
<b>Telephone</b>	+607 8611611	<b>Facsimile</b>	+607 8631084

2. Certification Information			
<b>Certificate Number</b>	RSPO 657192	<b>Date of First Certification</b>	09/03/2017
		<b>Certificate Start Date</b>	09/03/2017
		<b>Certificate Expiry Date</b>	08/03/2022
<b>Scope of Certification</b>	Palm Oil and Palm Kernel Production from Pasir Panjang Palm Oil Mill and Supply Base (Pasir Panjang Estate, Tunjuk Laut Estate, Bukit Payung Estate, Siang Estate, Bukit Kelompok Estate & Pasir Logok Estate)		
<b>Applicable Standards</b>	RSPO P&C 2013 (MY-NI 2014) ; RSPO Supply Chain Certification Standard 2017 (CPO Mill – Module D)		

3. Other Certifications			
<b>Certificate Number</b>	<b>Standard(s)</b>	<b>Certificate Issued by</b>	<b>Expiry Date</b>
EU-ISCC-Cert-DE119-60196096	ISCC EU	ASG CERT	18/3/2020
A108289	MS 1500 : 2009	JAKIM	31/1/2021
MSPO 696199	MS 2530-4:2013	BSI	8/03/2020

<b>4. Location(s) of Mill &amp; Supply Bases</b>			
<b>Name (Mill / Supply Base)</b>	<b>Location [Map Reference #]</b>	<b>GPS Coordinates</b>	
		<b>Latitude</b>	<b>Longitude</b>
Pasir Panjang Palm Oil Mill	K.B. 527 81909 Kota Tinggi, Johor, Malaysia	2° 1' 4.85" N	103° 56' 54.87" E
Pasir Panjang Estate	K.B. 527 81909 Kota Tinggi, Johor, Malaysia	2° 0' 34.76" N	103° 57' 15.93" E
Tunjuk Laut Estate	K.B. 517 81909 Kota Tinggi, Johor, Malaysia	1° 57' 41.69" N	103° 59' 9.52" E
Bukit Payung Estate	K.B. 521 81909 Kota Tinggi, Johor, Malaysia	2° 0' 26.55" N	103° 55' 12.55" E
Siang Estate	K.B. 515 81909 Kota Tinggi, Johor, Malaysia	1° 39' 10.15" N	104° 12' 40.23" E
Bukit Kelompok Estate	K.B. 512 81909 Kota Tinggi, Johor, Malaysia	2° 0' 24.31" N	103° 59' 54.39" E
Pasir Logok Estate	K.B. 504 81909 Kota Tinggi, Johor, Malaysia	2° 1' 53.38" N	104° 2' 20.35" E

<b>5. Description of Supply Base</b>					
<b>Estate</b>	<b>Total Planted (Mature + Immature) (ha)</b>	<b>HCV (ha)</b>	<b>Infrastructure &amp; Other (ha)</b>	<b>Total Area (ha)</b>	<b>% of Planted</b>
Pasir Panjang Estate	1,448.41	112.82	144.77	1706.00	84.90
Tunjuk Laut Estate	2,648.79	29.23	189.78	2,867.80	92.36
Bukit Payung Estate	1,920.51	293.65	93.47	2,307.63	83.22
Siang Estate	3,204.69	71.11	167.3	3,443.10	93.08
Bukit Kelompok Estate	2,437.75	41.19	134.86	2,613.80	93.26
Pasir Logok Estate	1,993.51	17.40	86.82	2,097.73	95.03
<b>Total</b>	<b>13,653.66</b>	<b>565.40</b>	<b>817.00</b>	<b>15,036.06</b>	<b>90.78</b>

**Note:**

1. Bukit Kelompok Estate and Pasir Logok Estate had increase in hactarage due to resurvey by R&D Department.
2. Tunjuk Laut had increase 23.76ha due to resurvey by R&D Department.
3. Pasir Panjang Estate and Siang Estate had resurvey by R&D Department.

<b>6. Plantings &amp; Cycle</b>							
Estate	Age (Years)					Immature	Mature
	0 - 4	5 - 8	9- 18	19 – 22	>23		
Pasir Panjang Estate	509.65	695.28	0	0	243.48	509.65	938.76
Tunjuk Laut Estate	703.85	1,479.65	465.29	0	0	703.85	1,944.94
Bukit Payung Estate	642.70	797.84	0	251.13	228.84	642.70	1,277.81
Siang Estate	0	1,492.06	1,712.63	0	0	0	3,204.69
Bukit Kelompok Estate	0	1,616.92	786.47	34.36	0	0	2,437.75
Pasir Logok Estate	0	958.27	863.95	0	171.29	0	1,993.51
<b>Total (ha)</b>	1,856.20	7,040.02	3,828.34	285.49	643.61	1,856.20	11,797.46

<b>7. Certified Tonnage of FFB (Own Certified Scope)</b>			
Estate	Tonnage / year		
	Estimated (March 2017-February 2018)	Actual (Nov 2017-Nov 2018)	Forecast (March 2019-Feb 2020)
Pasir Panjang Estate	13,087	14,863.02	18,473.00
Tunjuk Laut Estate	36,120	40,635.56	55,916.90
Bukit Payung Estate	17,740	18,836.97	22,878.70
Siang Estate	78,178	71,828.48	107,533.40
Bukit Kelompok Estate	49,106	51,023.21	70,726.50
Pasir Logok Estate	50,678	51,161.06	65,900.90
<b>Total</b>	244,909	248,348.30	341,429.40

<b>8. Certified Tonnage of FFB (from other certified unit(s)) if applicable *</b>			
Estate	Tonnage / year		
	Estimated (March 2017-February 2018)	Actual (Nov 2017-Nov 2018)	Forecast (March 2019-Feb 2020)
Sungai Papan Estate	N/A	5,514.72	N/A
<b>Total</b>		<b>5,514.72</b>	

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<b>9. Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) if applicable</b>			
Independent FFB Supplier	Tonnage / year		
	Estimated (March 2017-February 2018)	Actual (Nov 2017-Nov 2018)	Forecast (March 2019-Feb 2020)
N/A			
<b>Total</b>			
<b>Note:</b>			

<b>10. Certified Tonnage</b>			
	Estimated (March 2017-February 2018)	Actual (Nov 2017-Nov 2018)	Forecast (March 2019-Feb 2020)
	FFB	FFB	FFB
<b>Mill Capacity:</b> 60 MT/hr	244,909 mt	253,863.02 mt	341,429.40 mt
<b>SCC Model:</b> <b>IP</b>	<b>CPO (OER: 21.79%)*</b>	<b>CPO (OER: 21.84%)</b>	<b>CPO (OER:21.90 %)</b>
	53,390.17 mt	55,450.51 mt	74,774 mt
	<b>PK (KER:5.09 %)*</b>	<b>PK (KER:5.31 %)</b>	<b>PK (KER:5.19 %)</b>
	12,965.87 mt	13,489.27 mt	17,754 mt
<b>Note:</b>			
1. The Actual volume figure in table was from 2 period ( Nov 17 – Feb 18 and Mar 18 – Nov 18) 2. FFB received for the period Nov 17 – Feb 18 was 76,207.22 mt while for the period Mar 18 – Nov 18 was 177,655.80 mt 3. Total CPO produced for the period Nov 17 – Feb 18 was 15,814.97 mt while for the period Mar 18 – Nov 18 was 39,508.26 mt 4. Total PK produced for the period Nov 17 – Feb 18 was 4,120.13 mt while for the period Mar 18 – Nov 18 was 9,343.61 mt *volume extension, sub license ID: CB68789 [CPO: 0.01 mt, PK:500 mt] valid until 8 May 2019			

<b>11. Actual Sold Volume (CPO)</b>					
	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSB		
<b>CPO (MT)</b>	18,040.68 mt	13,860.70	Nil	19,819.66 mt	51,721.04 mt

**Note:**

- The Actual volume figure in table was from 2 period ( Nov 17 – Feb 18 and Mar 18 – Nov 18)
- Actual sold volume (RSPO certified) for the period Nov 17 – Feb 18 was 6,197.38 mt while for the period Mar 18 – Nov 18 was 11,843.30 mt
- Actual sold volume (other scheme) for the period Nov 17 – Feb 18 was 4,789.05 mt while for the period Mar 18 – Nov 18 was 9,071.65 mt
- Actual sold volume (conventional) for the period Nov 17 – Feb 18 was 4,867.65 mt while for the period Mar 18 – Nov 18 was 14,952.01 mt

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<b>12. Actual Sold Volume (PK)</b>					
	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSB		
<b>PK (MT)</b>	2,628.25 mt	Nil	Nil	10,232.64 mt	12,860.89 mt

**Note:**

1. The Actual volume figure in table was from 2 period ( Nov 17 – Feb 18 and Mar 18 – Nov 18)
2. Actual sold volume (RSPO certified) for the period Nov 17 – Feb 18 was 453.50 mt while for the period Mar 18 – Nov 18 was 2,174.75 mt
3. Actual sold volume (other scheme) for the period Nov 17 – Feb 18 was 0 mt while for the period Mar 18 – Nov 18 was 0 mt
4. Actual sold volume (conventional) for the period Nov 17 – Feb 18 was 3,642.28 mt while for the period Mar 18 – Nov 18 was 6,590.36 mt

<b>13. Actual Group certification Claims</b>		
	Credit	Physical Volume (MT)
<b>IS-CSPO</b>		
<b>IS-CSPKO</b>		
<b>IS-CSPKE</b>		

## Section 2: Assessment Process

### Certification Body:

BSI Services Malaysia Sdn Bhd,  
(ASI Accreditation Number: ASI-ACC-067)  
Unit 3, Level 10, Tower A  
The Vertical Business Suites, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Tel +603 2242 4211 Fax +603 2242 4218  
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[www.bsigroup.com](http://www.bsigroup.com)

BSI is a leading global provider of management systems assessment and certification, with more than 80,000 certified locations and clients in over 180 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems. BSI is ASI Accredited (ASI-ACC-067) to conduct RSPO assessment since 31/10/2014 with accredited office located at Kuala Lumpur, Malaysia and an office at Jakarta and Australia which involve in RSPO Certification Program.

### 2.1 Assessment Methodology, Programme, Site Visits

The on-site annual surveillance assessment was conducted from 3-6/12/2018. The audit programme is included as Appendix D. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

The Major NC close out on-site assessment was conducted on 04/02/2019. The audit programmes are included in Section 2.3.

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. RSPO MYN-NI 2014 and RSPO Supply Chain Certification Standard 2017 were used to guide the collection of information to assess compliance. The comments made by external stakeholders were also taken into account in the assessment.

The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. The mill was audited together with the estates (or smallholders) of its supply base.

- The minimum sample size is four estates. Sample size for certification unit with more than four (4) estates were determined based on formula  $N = (0.8\sqrt{y}) \times (z)$  where y is the number of estates and where z is the multiplier defined by risk assessment
- As for the smallholders, the sample were determined following the RSPO Management System Requirements and Guidance for Group Certification of FFB Production (2016). The sampling of smallholders were based on the formula  $(0.8\sqrt{y}) \times (z)$ ; where y is total number of independent group member and where z is the multiplier defined by the risk assessment. The sampled smallholder listed in Appendix I.



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Meetings were held with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings.

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Section 3.5.

All the previous nonconformities are remains closed. The assessment findings for the initial assessment/annual surveillance assessment are detailed in Section 3.4.

This report is structured to provide a summary of assessment finding as attached in the Appendix A. The assessment was based on random samples and therefore nonconformities may exist that have not been identified.

For Initial and Re-certification assessment, the report was externally reviewed by RSPO approved Certification Reviewer prior to certification decision by BSI.

For Annual surveillance assessment, the report was internally reviewed and approved by BSI qualified certification reviewer.

**The following table would be used to identify the locations to be audited each year in the 5 year cycle**

<b>Assessment Program</b>					
<b>Name (Mill / Supply Base)</b>	<b>Year 1 (Initial Assessment)</b>	<b>Year 2 (ASA 1)</b>	<b>Year 3 (ASA 2)</b>	<b>Year 4 (ASA 3)</b>	<b>Year 5 (ASA 4)</b>
Pasir Panjang Palm Oil Mill	√	√	√	√	√
Pasir Panjang Estate		√		√	
Tunjuk Laut Estate	√			√	
Bukit Payung Estate	√				√
Siang Estate		√			√
Bukit Kelompok Estate			√		
Pasir Logok Estate			√		

**Tentative Date of Next Visit:** December 17, 2019 – December 20, 2019

**Total No. of Mandays:** 10 mandays including one 1 manday SC audit for mill

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**2.2 BSI Assessment Team:**

<b>Team Member Name</b>	<b>Role</b> <i>(Team Leader or Team member)</i>	<b>Qualifications</b> <i>(Short description of the team members)</i>
Mohd Hafiz Mat Hussain	Team Leader	He holds Bachelor Degree in Plantation Technology and Management, graduated from University Technology Mara (UiTM) on 2009. He has 4 years working experience in oil palm plantation industry. He also has the experiences as an auditor for several standards including ISO 9001, ISO 140001, OHSAS 18001, MSPO and RSPO in his previous certification body. He completed the ISO 9001 Lead Auditor Course, ISO 14001 Lead Auditor Course and OHSAS 18001 Lead Auditor Course in 2013, Endorsed RSPO P&C Lead Auditor Course in 2014 and MSPO Awareness Training in 2014. He had been involved in RSPO auditing since May 2013 in more than various companies in Malaysia. During this assessment, he assessed on the aspects of legal, mill best practices, estate best practices, safety and health, environmental and workers and stakeholders consultation.
Hu Ning Shing	Team Member	She holds Bachelor Degree in Science majoring in Applied Chemistry, graduated from University of Malaya on 2011. She has 5 years working experience in rubber and palm oil industry. She also has the experiences as auditor for several standards including ISO 9001, MSPO and RSPO in her previous certification body. She completed the ISO 9001 Lead Auditor Course on 2016, Endorsed RSPO P&C Lead Auditor Course in 2012 and Endorsed RSPO SCCS Lead Auditor Course in 2015. She had been involved in RSPO auditing since November 2015 in more than various companies in Malaysia. During this assessment, she assessed on the aspects of social, legal and workers & stakeholders consultation. She is fluent in Bahasa Malaysia and English languages.
Valence Shem	Team Member	He holds Bachelor Degree in Industrial Technology, graduated from University of Science Malaysia in 1998 and has 9 years working experience in oil palm plantation industry. He has been in the management system auditing line since 2009 for various standards such as ISO 140001, RSPO P&C, RSPO SCCS and SMETA. He completed the ISO 14001 Lead Auditor Course in 2008, ISO 9001 Lead Auditor Course in 2013, Endorsed RSPO P&C Lead Auditor Course in 2011, Endorsed RSPO SCCS Lead Assessor Course in 2012 and MSPO Awareness Training in 2014. He had been involved in RSPO auditing since 2009 in various companies in Malaysia. During this assessment, he assessed on the aspects of legal, environmental & biodiversity, agriculture best practices and the supply chain element. Able to communicate in Bahasa Malaysia and English.

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<b>No.</b>	<b>Name</b>	<b>Role</b>
1	Nicholas Cheong	RSPO Scheme Manager, BSI Services Malaysia Sdn Bhd
2	Azrul Azwar Wan Azizan	Compliance & Risk Manager, BSI Services Malaysia Sdn Bhd
3	Selvanathan Grapragasem	Assessor, ASI
4	Nor Faizah Azizan	SPO Technical Reviewer, BSI Services Malaysia Sdn Bhd
5	Een Noraini	Technical Expert, ASI

**2.3 Assessment Plan**

The Assessment plan was sent to the client prior to the assessment (attached assessment plan).

Date	Time	Subjects	MH	VS	HNS
Sunday, 2/12/2018	PM	Travel to Johor Baharu	√	√	√
Monday, 3/12/2018  <b>Pasir Panjang POM</b>	08:30-09:00	Opening Meeting: <ul style="list-style-type: none"> <li>Opening Presentation by Audit team leader.</li> <li>Confirmation of assessment scope and finalize Audit plan (including stakeholder’s consultation).</li> </ul> Verification on previous audit findings	√	√	√
	09:00-12:30	<b>Pasir Panjang POM</b> Inspection: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment, staff, workers and contractor interview, housing and facility inspection, clinic, meeting stakeholders etc.	√	√	√
	10:00–12:30	<b>Meeting with internal stakeholders for Pasir Panjang POM</b> (Union Leader, workers rep etc.)	-	-	√
	12:30–13:30	LUNCH			
	13:30–16:30	<b>Pasir Panjang POM:</b> Visit to laboratory, weighbridge and palm product storage area. Document Review P1 – P8: SOPs, Supply chain for CPO mill, Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation etc. Verify previous nonconformities.	√	√	√
	16:30–17:00	Interim Closing Briefing	√	√	√
Tuesday, 4/12/2018  <b>Pasir Logok Estate</b>	09:00-12:30	<b>Pasir Logok Estate</b> Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, , etc.	√	√	√
	10:00–12:30	<b>Meeting with internal and external stakeholders</b> (Government, village rep, smallholders, Union Leader, contractor etc.)	-	-	√
	12:30–13:30	LUNCH			
	13:30–15:30	<b>Pasir Logok Estate</b> Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc).	√	√	√
	16:30–17:00	Interim Closing Briefing	√	√	√

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Wednesday, 5/12/2018  <b>Bukit Kelompok Estate</b>	09:00-12:30	<b>Bukit Kelompok Estate</b> Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, , etc.	√	√	√
	10:00-12:30	<b>Meeting with internal stakeholders for Bukit Kelompok Estate</b> (Union Leader, workers rep etc.)	-	-	√
	12:30-13:30	<b>LUNCH</b>			
	13:30-15:30	<b>Bukit Kelompok Estate</b> Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc).	√	√	√
	16:30-17:00	Interim Closing Briefing	√	√	√
Thursday, 6/12/2018  <b>Pasir Panjang POM</b>	9:00 – 12:00	<b>RSPO Supply Chain</b> for Pasir Panjang POM General Chain of custody: Element 5.1 – 5.13	√	-	√
		<b>RSPO Supply Chain</b> for Pasir Panjang POM CPO Mill Supply Chain Assessment Report (Module D - CPO Mills: <i>Identity Preserved</i> )	√	-	√
	12:00-12:30	Verify any outstanding issues & Preparation for closing meeting	√	-	√
	12:30-13:30	Closing Meeting	√	-	√
	PM	Travel back to KL	√	√	√

### Section 3: Assessment Findings

#### 3.1 Normative requirement applied for this assessment:

- Kulim (M) Berhad Time Bound Plan
- RSPO P&C 2013 Generic
- RSPO Group Certification Standard 2016
- RSPO Supply Chain Certification Standard 2017
- RSPO P&C GA-NIWG 2017
- RSPO P&C INA-NIWG 2016
- RSPO P&C MY-NIWG 2014
- RSPO P&C PNG-NIWG 2017

#### 3.2 Time Bound Plan progress for multiple management units

Time Bound Plan		
Requirement	Remarks	Compliance
<b>Summary of the Time Bound Plan</b>		
Does the plan include all subsidiaries, estates and mills?	Yes	Yes
Have all the estates and mills certified within five years after obtaining RSPO membership?	Refer to Major NC raised.	Major Noncompliance
Is the time bound plan challenging? <ul style="list-style-type: none"> <li>• Age of plantations.</li> <li>• Location.</li> <li>• POM development</li> <li>• Infrastructure.</li> <li>• Compliance with applicable law.</li> </ul>	<p>Kulim (Malaysia) Berhad has in 2015 continued to operate in a dynamic and volatile environment, characterised by abundant of supplies and lower price of CPO globally.</p> <p>Being one of the lowest price for the commodity, this much affected Kulim (M) Berhad plantation margins. The industry was also impacted by growing strength of US Dollar adding the downward pressure of the price</p> <p>The divestment from New Britain (NBPOL) was completed on 26 February 2016, operationally at the year ended 31 December 2016, Kulim (M) Berhad have plantation operations in Peninsular Malaysia and Central Kalimantan Indonesia for a total of 50 999 ha in Malaysia and 40 646 ha of land in Indonesia. The planting of new palm is ongoing albeit at a slower pace, Kulim (M) Berhad have some 307 ha been planted.</p> <p>Age profile ranging from 0 – 23 years of age. The group remains committed to improving the age profile, during which a total of 1155 ha been replanted. Average age profile has improved to 11.72 years.</p>	Yes

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	The group has acquired Pasir Panjang Palm Oil Mill through Mahamurni Plantation Sdn Bhd in March 2015 and successfully RSPO Certified for 2017	
Have there been any changes since the last audit? Are they justified?	Another Biogas plant located in Pasir Panjang Palm Oil Mill was commissioned in September 2015 with another plant in Sindora Palm Oil Mill is expected to be completed in June 2016 with the aim to export electricity to Tenaga Nasional Berhad (TNB) grid.  Selective Capital Reduction and Repayment Exercise (SCR) for KMB for 99.59% of shares was presented to Kulim BOD on 3 May 2015, The exercise was approved by Bursa Malaysia 1 August 2016 with Kulim being officially removed from BM on 4 August 2016.	Yes
If there have been changes, what circumstances have occurred?	KULIM is now corporatized under Johor Corporation but at the same time both are still a members of RSPO.	Yes
Have there been any stakeholder comments?	So far there no comments received.	Yes
Have there been any newly acquired subsidiaries?	After successfully acquired PT RAJ and PT TPR was completed on 23 June 2016 in South Sumatera.	Yes
If yes, have the newly acquisitions certified within a three-year timeframe?	The rehabilitation process has been carried out according to the program schedule.	
Have there been any isolated lapses in implementation of the plan?	There is no isolated lapse in Time Bound Plan except for smallholder proposed certification program that halted due to unstable supply to our mill.	Yes
<b>Un-Certified Units or Holdings</b>		
Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	Indonesia AMDAL report had been completed and report already submitted to RSPO for Public Notification. RSPO has approved the NPP. However, there was no positive assurance statement been produced for uncertified unit. Refer to Major NC raised.	Major Noncompliance
No replacement after dates defined in NIs Criterion 7.3: <ul style="list-style-type: none"> <li>• Primary forest.</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO P&amp;C criterion 7.3.</li> </ul>	So far no new planting that replaced primary forest.	Yes
Any new plantings since January 1 <sup>st</sup> 2010 shall comply with the RSPO New Plantings Procedure.	No new planting activities within uncertified unit.	Yes

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Any Land conflicts are being resolved through a mutually agreed process, such as RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 2.2, 6.4, 7.5 and 7.6.	No land conflict	Yes
Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 6.3.	No labour dispute	Yes
Any Legal non- compliance is being addressed through measures consistent with the requirements of RSPO P&C criteria 2.1	No legal non compliance	Yes

**3.3 Progress of scheme smallholders and/or outgrowers (if applicable to this assessment)**

<b>Progress of scheme smallholders or outgrowers towards compliance with relevant standards</b>		
<b>Requirement</b>	<b>Remarks</b>	<b>Compliance</b>
Has 100% of scheme smallholders and/or scheme outgrowers comply with the standard within three years of the mill's initial certification?	N/A	



### 3.4 Details of findings

The nonconformity is listed below. The summary report of the assessment by criteria is listed in Appendix A.

During the 2<sup>nd</sup> Annual Surveillance Assessment there were nine (9) Major and four (4) Minor Nonconformities raised. The Pasir Panjang Palm Oil Mill Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

The implementation of the corrective action plans to address the minor nonconformity will be followed up during the next surveillance assessment. The implementation of the Corrective Actions for the Major Nonconformity(ies) has been verified for its effectiveness and closed accordingly.

Summary of Total Number of Nonconformity			
Nonconformity			
<b>NCR Ref #</b>	1718450-201810-M1	<b>Clause &amp; Category (Major / Minor)</b>	RSPO Certification System Document 4.5.4 Major
<b>Date Issued</b>	06/12/2018	<b>Due Date</b>	05/03/2019
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	04/03/2019
<b>Statement of Nonconformity:</b>	There was no positive assurance statement was made, based upon self-assessment by the organization for uncertified units;		
<b>Requirement Reference:</b>	Requirements for uncertified management units: (f) A positive assurance statement is made, based upon self-assessment (i.e. internal audit) by the organization. This would require evidence of the self-assessment against each requirement		
<b>Objective Evidence:</b>	No positive assurance statement was made as there was no internal audit conducted by the organization for the uncertified units, as below: 1. PT Tempirai Palm Resource 2. PT Rambang Agro Jaya		
<b>Corrections:</b>	Positive assurance will be made after completion of internal and external verification		
<b>Root Cause Analysis:</b>	Rehabilitation program for SUMSEL scheduled to be complete in 2019. All the certification program proceedings is scheduled to be planned after the completion of the rehabilitation program and is subject to management approval.		
<b>Corrective Actions:</b>	i) Time bound plan for 2019 will be submitted to management for approval based on the conclusion made after positive assurance by internal team and ASENTA ii) Management to appoint PIC to retrieve all related documents and advise SQD of all future development and/or acquisition planning to ensure a proper monitoring of the TBP in future.		
<b>Assessment Conclusion:</b>	Major NC close out verification: i) Discussion on the JCORP's time bound plan was done on 7/1/19. Verified minute of meeting which has include positive assurance statement for the uncertified units in Indonesia. ii) Sighted the appointment letter of PIC @ Deputy General Manager for Indonesia Operation dated 20/2/19. Corrective action taken is found to be		

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	effective, thus the major NC is closed on 4/3/19. Continuous implementation will be further verified in the next assessment
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Summary of Total Number of Nonconformity			
Nonconformity			
<b>NCR Ref #</b>	1718450-201810-M2	<b>Clause &amp; Category (Major / Minor)</b>	RSPO Certification System Document 4.5.3 Major
<b>Date Issued</b>	06/12/2018	<b>Due Date</b>	05/03/2019
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	04/03/2019
<b>Statement of Nonconformity:</b>	TBP was found to be insufficient		
<b>Requirement Reference:</b>	<p>Time-bound plan:            A time-bound plan for certifying all its management units and/or entities, including the units where the organization has management control and no or minor shareholding, is submitted to the CB during the initial certification audit. The time-bound plan should contain a current list of all estates and mills.            (a) As a minimum, all estates and mills shall be certified within five years after obtaining RSPO membership. Any new acquisitions shall be certified within a three year timeframe. Any deviations from these maximum periods requires approval by the RSPO Secretariat.</p>		
<b>Objective Evidence:</b>	There was no evidence to show that Bukit Layang Estate was included in the Time Bound Plan		
<b>Corrections:</b>	Time bound plan for 2019 which include Bukit Layang Est will be submitted to management for approval		
<b>Root Cause Analysis:</b>	We are not certain about Bukit Layang development in certification program as this area is being mark for various development planning for example sand mining isolation, integrated development of Sg Johor and potential Eco-Tourism project along Sg Johor		
<b>Corrective Actions:</b>	Management to appoint PIC to retrieve all related documents and advise SQD of all future development and/or acquisition planning to ensure a proper monitoring of the TBP in future.		
<b>Assessment Conclusion:</b>	<p>Major NC close out verification:</p> <ul style="list-style-type: none"> <li>i) Verified time bound plan for Bukit Layang Estate. RSPO certification is planned in October 2019. Official declaration will be made through ACOP in April 2019.</li> <li>ii) Sighted the appointment letter of PIC/Estate manager for the certification programe dated 20/2/19. Corrective action taken is found to be effective, thus the major NC is closed on 4/3/19. Continuous implementation will be further verified in the next assessment.</li> </ul>		

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<b>Summary of Total Number of Nonconformity</b>			
<b>Nonconformity</b>			
<b>NCR Ref #</b>	1718450-201810-M3	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 4.7.2 Major
<b>Date Issued</b>	06/12/2018	<b>Due Date</b>	05/03/2019
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	04/03/2019
<b>Statement of Nonconformity:</b>	The HIRARC was not adequately identified, updated and implemented the activities in the estate		
<b>Requirement Reference:</b>	All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers.		
<b>Objective Evidence:</b>	<p>Pasir Logok Estate</p> <p>1. The HIRARC was only last reviewed on April 18 and it did not adequately identify and update the activities that were found recorded as accidents from the clinic treatment book, happened from Jan – Dec 2018, , as follow: Activity: Harvesting, Hazard: Thorn prick Activity: Harvesting, Hazard: Stab wound Activity: Harvesting, Hazard: Axe slash wound Bukit Kelompok Estate</p> <p>1. The HIRARC was last reviewed on 5 Jan 18 but the scoring was not adequately implemented as per HIRARC table based on activities found recorded as accidents from the clinic treatment book, happened from Jan 2017 – Dec 2018,:</p> <p>Activity: Harvesting, Hazard: Thorn prick, scoring: L(2) X S(3) Activity: Harvesting, Hazard: Sharp object, Scoring: L(2) X S(3) Activity: Transport FFB, Hazard: Stab wound, Scoring: L(2) X S(2)</p> <p>2. The activity at PCD area for workers from workshop moving down to PCD 2 for maintenance work was not identified in the HIRARC</p> <p>3. The PPE for working at height was not fully addressed</p>		
<b>Corrections:</b>	<p>Review of the HIRARC register to update with respective accidents cases &amp; activities recorded and completed on 9 De. 2018</p> <p>i) Site specific : OSH PIC to amend the HIRARC register based on respective accident cases &amp; ratings: The scoring for HIRARC has been reviewed accordingly i.e. for Harvesting Hazard: Thorn Prick scoring, L (4) x S (3), Sharp Object L (3) x S (3) and Transport Hazard: Stab wound scoring L (3) x S (3).</p> <p>ii) Site specific immediate Improvement : Estate has constructed a permanent concrete pole fencing along the path to avoid accessibility through the slope area. iii) KSTS to identify and propose the suitable PPE to be used. KSTS to also provide PPE training for the site specific</p>		
<b>Root Cause Analysis:</b>	<p>Low level of understanding of the estate OSH PIC on identifying and updates of harvesting activities that being generalized as accidents – low level of understanding of HIRARC risk analysis and assessment requirement</p> <p>i) The recording was a mistake due to generalization of score that supposed to be for accident cases was also used to minor injury cases. This is due to level of understanding of the estate OSH PIC on HIRARC risk analysis and assessment requirement.</p>		

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	<ul style="list-style-type: none"> <li>ii) The PCD 2 is located below the workshop, during the maintenance and upkeep the operator does not used the path uphill. The risk was not included in HIRARC due to this reason and level of understanding of estate OSH PIC on HIRARC risk analysis and assessment requirement</li> <li>iii) Lack of understanding estate OSH PIC on requirement of PPE for diesel tank that need to include working at height PPE</li> </ul>
<p><b>Corrective Actions:</b></p>	<p>Site specific risk which involve accident cases reported to EHA and other associated hazard will be thoroughly reviewed and incorporated in the register – this will be further discussed in OSH Meeting. Annual refresher training on HIRARC to be provided to all operating unit.</p> <ul style="list-style-type: none"> <li>i) Site specific risk which involve accident cases reported to EHA and other associated hazard will be thoroughly reviewed and incorporated in the register – this will be further discussed in OSH Meeting. Annual refresher training on HIRARC to be provided to all operating unit.</li> <li>ii) KSTS will provide a guideline to site specific on potential inclusion of certain risk into their HIRARC.</li> <li>iii) KSTS to conduct training for working at height and provide standard PPE utilization guideline for all operating unit.</li> </ul>
<p><b>Assessment Conclusion:</b></p>	<p>Major NC close out verification:</p> <ul style="list-style-type: none"> <li>i) Verified revised HIRARC dated February 2019 for the said estate. Related accident cases were identified and incorporated in the register with the correct risk rating</li> <li>ii) Verified meeting minutes which has discussed on the necessity to review after occurrence of accidents.</li> <li>iii) Guidelines and training were given to respective estates for betterment of HIRARC identification and review process. Corrective action taken is found to be effective, thus the major NC is closed on 4/3/19. Continuous implementation will be further verified in the next assessment.</li> </ul>

<b>Summary of Total Number of Nonconformity</b>			
<b>Nonconformity</b>			
<b>NCR Ref #</b>	1718450-201810-M4	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 6.5.2 Major
<b>Date Issued</b>	06/12/2018	<b>Due Date</b>	05/03/2019
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	04/03/2019
<b>Statement of Nonconformity:</b>	Information in the employment contracts does not clearly details the service of contract.		
<b>Requirement Reference:</b>	Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.		
<b>Objective Evidence:</b>	<p>1) Reviewed on the employment contract found that the following terms and conditions are not clearly stipulated in the contract:</p> <ul style="list-style-type: none"> <li>i) Resignation Notice period for foreign workers</li> <li>ii) Resignation clauses for foreign workers with evidence that foreign workers (e.g. Indonesia) told the assessment team that they are not allowed to resign before they have completed the first contract which is 2 years.</li> <li>iii) Other conditions (e.g. Annual leave, overtime, medical leave) of MAPA/ NUPW was not stated/ referenced in the contract except condition on wages and public holiday entitlement.</li> <li>iv) Normal working hours for harvesters</li> </ul> <p>2) Besides, under Clause 9 where the contract stipulated that the workers allow the company for passport safe keeping and company will return temporary to workers when needed. There is no option provided to the workers if they would like to surrender or keep the passport by themselves. In additional, the conditions of the management will only return temporary to the workers when needed, shows that as if the company is the owner of the passport. The passport is the identity of the workers and it is their rights to have full access to the passport without restriction or conditions.</p> <p>3) Interviewed with the Bangladeshi worker at Bukit Kelompok found that he could not understood the employment contract he signed with employer due to the contract is in Bahasa Malaysia. The contracts of all workers are only available in Bahasa Malaysia. The contract was not provided in the language understood by the workers.</p> <p>4) The number of working days stipulated in the employment contract was 6 days per week (equal to 26 days per month). However, the calculation for "no work on raining day" is based on 24 working days which contradicts with the method of determining the working days in</p>		
<b>Corrections:</b>	<ul style="list-style-type: none"> <li>i) Coordination meeting between respective departments to be conducted to discuss all relevant terms and condition that need to be standardized.</li> <li>ii) Proposed review on the current employment contract to be presented to management for approval.</li> </ul>		
<b>Root Cause Analysis:</b>	Coordination on construction of employment term of reference was not carried out comprehensively between all departments involved		

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<p><b>Corrective Actions:</b></p>	<ul style="list-style-type: none"> <li>i) As part of annual monitoring of all workers employment contract, HCMD and respective departments to streamline the contract terms and condition accordingly throughout operation unit.</li> <li>ii) HCMD to plan a Refresher Training to brief all Human Resources (HR) Matters for Non HR Managers and AM to raise their understanding on the matter. HCMD (Human Capital Management Department)</li> </ul>
<p><b>Assessment Conclusion:</b></p>	<p>Major NC close out verification:</p> <ul style="list-style-type: none"> <li>i) The new employment contract revision 3 dated 28/2/19 has been finalized for local and foreign workers. All relevant requirements were explicitly stipulated in the contract.</li> <li>ii) Interview with workers (local and foreign) found that they able to explain terms and conditions in the contract. Corrective action taken is found to be effective, thus the major NC is closed on 4/3/19. Continuous implementation will be further verified in the next assessment.</li> </ul>

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<b>Summary of Total Number of Nonconformity</b>			
<b>Nonconformity</b>			
<b>NCR Ref #</b>	1718450-201810-M5	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 4.1.1 Major
<b>Date Issued</b>	06/12/2018	<b>Due Date</b>	05/03/2019
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	04/03/2019
<b>Statement of Nonconformity:</b>	Recruitment procedures was not carried out effectively.		
<b>Requirement Reference:</b>	Standard Operating Procedures (SOPs) for estates and mills are documented.		
<b>Objective Evidence:</b>	<p>Bukit Kelompok Estate</p> <p>1) Interviewed with the Estates Operations Department officer explained that the process of recruitment of foreign workers were through appointed agents in Indonesia. He informed that they have no rights to control over the agents.</p> <p>2) The assessment team had requested for the signed copy of the contracts signed in home country. However it was not retained by the company.</p> <p>3) The company did not know how much the agents have charged the workers. Interviewed with the Indonesian workers found that they were required to pay a fee at roughly RM 1,500 to the agent and signed an agreement with the agent prior departure to Malaysia.</p> <p>4) The Recruitment of New Foreign Workers procedure has not clearly explain the process of recruitment via agents.</p> <p>5) Contract agreements between local contractor and his workers were not available during the audit. This has lead to worker not receiving benefits such as adequate water supplies and PPE. This was verified by interviewing the workers and contractor.</p> <p>6) Two the workers (Passport No.: B 1573086 and B 1573060) have applied for work permit since 1/12/2017. However, the permits have yet to be obtained. According to the Terms and conditions of compliance by contractors, the contractor shall ensure that there is no illegal workers employed (EPA/LBK 1/2014, valid until 31/12/2018).</p> <p>7) There is no monitoring demonstrated by the company to ensure the agents and/or the contractors are fulfilling the contract agreement.</p>		
<b>Corrections:</b>	<p>1). EOD will review the process of recruitment of foreign workers and amend the SOP.</p> <p>2). EOD will request the signed copy of the contracts from the agents.</p> <p>3). EOD will request the signed copy of the contracts from the agents.</p> <p>4). EOD will review the process of recruitment of foreign workers via agents and amend the SOP.</p> <p>5). EOD &amp; HCMD will review, amend and standardize the contract agreement follow by MAPA term &amp; condition.</p> <p>6. Site specific to assist respective contractor to follow up with MyEG to enquire on the renewal approval status of these two workers. Estate has visit the MyEG office with the contractor to clear the status of the workers.</p> <p>7. EOD will review the process of monitoring of FW contractors and/or agent.</p>		
<b>Root Cause Analysis:</b>	<p>1). SOP was not in line with the current practice</p> <p>2). The company did not make a copy of contracts signed in home country.</p> <p>3). The company was not aware that workers need to pay a fee to agent prior joining the company.</p>		

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	<p>4). SOP was not in line with the current practice on recruitment via agents.          5). Contract agreements between local contractor and their workers was not regularly review by estate management.          6). The expired work permit were submitted for permit renewal process by contractor. The main cause occurs due to late processing of PLKS by the MyEG          7). No monitoring done at site specific</p>
<p><b>Corrective Actions:</b></p>	<p>1). EOD will discuss further with foreign agent on recruitment process inclusive realign with company foreign workers contract.          2). EOD will review the agreement between company and agents on term condition and to include the requisition of copy contract signed in the agreement          3). PIC from Estate Operation Department will discuss further with foreign agent on recruitment process inclusive realign with company foreign workers contract.          4). EOD will discuss further with foreign agent on recruitment process inclusive realign with company foreign workers contract.          5. PCD (Procurement &amp; Contract Department) to have "Standard Standing Instruction and compliance commitment" with regards to Contractors' commitment and acknowledgements on statutory Compliance to all relevant laws and regulations to also include amongst other things are :          a) Worker' employment contract          b) Workers' Insurance Coverage          c) Permit to Work conditions. The Commitment should be acknowledged by all contractors before approving any new contract or any extension of contract.          6. Dedicated personnel from site specific to be assigned for control monitoring of all contractor workers passports and PLKS renewal process.          7. EOD to work out the contractor and/or agent assessment/evaluation.</p>
<p><b>Assessment Conclusion:</b></p>	<p>Major NC close out verification:          i) The new revision of SOP, dated 1/1/19 was sighted. Process flow for the recruitment process detailed out in the SOP. Meeting with the labor agencies were carried out on 9/1/19 to explain on the current recruitment process.          ii) Contract between Kulim and labor agency was sighted. Details of recruitment fees were explained in the contract and based on mutual agreement with both parties.          iii) Contractor evaluation and monitoring conducted on monthly basis. Checklist has been used to monitor contractor's workers permit validity. Corrective action taken is found to be effective, thus the major NC is closed on 4/3/19. Continuous implementation will be further verified in the next assessment</p>



<b>Summary of Total Number of Nonconformity</b>			
<b>Nonconformity</b>			
<b>NCR Ref #</b>	1718450-201810-M6	<b>Clause &amp; Category (Major / Minor)</b>	RSPO SCCS 5.3.1 Major
<b>Date Issued</b>	06/12/2018	<b>Due Date</b>	05/03/2019
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	04/03/2019
<b>Statement of Nonconformity:</b>	There is no documented procedure for handling on certified and uncertified materials.		
<b>Requirement Reference:</b>	The site shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following: <ul style="list-style-type: none"> <li>• Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements.</li> </ul>		
<b>Objective Evidence:</b>	Pasir Panjang POM has developed RSPO Supply Chain Procedure and Traceability Procedure. However, the procedure did not clearly specific the process of handling on certified and non-certified materials.		
<b>Corrections:</b>	The SOP i.e Sustainable Management System SQD/SMS/1.2 on Traceability document the FFB handling been revised, to be read together with mill's ISO Control of Non-Conforming Product (CNCP) procedure and cross-reference with RSPO SCC Standard Version June 2017. This version will be reviewed to accommodate the potential diversion of FFB from MB mills.		
<b>Root Cause Analysis:</b>	The procedure for handling on certified and uncertified material was there but not clearly specific the process of handling on certified and non-certified materials since the product handling procedure only based on current situation that no uncertified material will be allow for process in certified mill.		
<b>Corrective Actions:</b>	Re-Training on Traceability SOP and the related RSPO SCC Standard Version June 2017 and RSPO Rules on Market Communications & Claims (version 2016) should be organize for all Palm Oil Mills, Marketing and Sustainability Department.		
<b>Assessment Conclusion:</b>	Major NC close out verification: i) The new revised SOP dated 28/2/19 was sighted. Inclusion of FFB clause 5.7.2 (v) has detailed out the handling of FFB diversion (Non certified to IP mill and MB mill to IP mill) ii) A few series of training was given to the relevant personnel. In-house RSPO SCCS training was carried out on 26/2/19 by external party. Training for the new SOP was done on 3/3/19. Interview with the relevant personnel found that they able to explain the FFB handling process if the process is required. Corrective action taken is found to be effective, thus the major NC is closed on 4/3/19. Continuous implementation will be further verified in the next assessment.		

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<b>Nonconformity</b>			
<b>NCR Ref #</b>	1718450-201810-M7	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 4.4.2 Major
<b>Date Issued</b>	06/12/2018	<b>Due Date</b>	05/03/2019
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	04/03/2019
<b>Statement of Nonconformity:</b>	The protection of buffer zones according to the established procedure was not clearly demonstrated.		
<b>Requirement Reference:</b>	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated.		
<b>Objective Evidence:</b>	<p>1. At Pasir Logok Estate, field # P09/Block 4, the buffer zone for the river crossing the field has been clearly demarcated using PVC pegs painted with blue &amp; white stripe. However, it was observed that some traces of herbicide spraying had been applied within the buffer zone.</p> <p>2. At Bukit Kelompok Estate, some of the buffer zone marking pegs for Sungai Payung were found to be less than 5 meters from the river bank as required in the procedure. For the palms which are located very near to the river (within 8' radius) not to be circle sprayed, was also not clearly demonstrated.</p>		
<b>Corrections:</b>	<p>Estate will conduct the awareness on A-17 Procedure Protection of Natural Water Courses to all workers include mandores. Site specific to put up proper notice (signage) to avoid worker from performing any activity in the Buffer Zone area.</p> <p>2. Ladang Bukit Kelompok had amend the current demarcation of buffer zone at mentioned area to the appropriate distance required</p>		
<b>Root Cause Analysis:</b>	<p>1. The workers understanding on Buffer Zone and allowable activities are still low. Supervisory on maintenance works at Buffer zone need to be improved.</p> <p>2. Estate had inadvertently marked the Buffer zone less than 5 meters.</p>		
<b>Corrective Actions:</b>	<p>i) Sustainability Dept. will conduct refresher training on HCV/Buffer zone management.</p> <p>ii) Estate shall monitor closely and inspect every activities that involve the buffer zone area.</p>		
<b>Assessment Conclusion:</b>	<p>Major NC close out verification:</p> <p>i) Awareness training on A-17 Procedure Protection of Natural Water Courses was evident. Interview with the sprayer gang found that they area able to explain on the buffer zone demarcation and restriction of any activities in the buffer zone area.</p> <p>ii) Verified during site visit re-demarcation of buffer zone at Bukit Kelompok Estate and erection of buffer zone signage at both estate's buffer zone. Based on site verification, no evidence of chemical spraying at visited buffer zones. Corrective action taken is found to be effective, thus the major NC is closed on 4/3/19. Continuous implementation will be further verified in the next assessment.</p>		

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<b>Nonconformity</b>			
<b>NCR Ref #</b>	1718450-201810-M8	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 5.3.2 Major
<b>Date Issued</b>	06/12/2018	<b>Due Date</b>	05/03/2019
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	04/03/2019
<b>Statement of Nonconformity:</b>	The handling of chemicals and their containers according to the established procedure was not adequately demonstrated.		
<b>Requirement Reference:</b>	All chemicals and their containers shall be disposed of responsibly.		
<b>Objective Evidence:</b>	1) During the site visit, two pieces of herbicide empty containers were found to be disposed at Pasir Logok's workers housing No. A1 & A2 backyard. 2) Based on the scheduled wastes inventory records, Pasir Logok Estate had given away 10 litres of spent lubricants (SW305) to a school for them to make lines on their grass field. This was also confirmed by the school representative during stakeholders meeting conducted by the assessment team.		
<b>Corrections:</b>	1. Estate to immediately retrieve back the containers from house no A1 & A2. And balance of SW 305 from the school 2. Briefing on SW to be conducted to the workers and stakeholders for them to get understanding with regards to Scheduled Waste Management.		
<b>Root Cause Analysis:</b>	The lack of understanding of the operator on the reuse of scheduled waste.		
<b>Corrective Actions:</b>	1. Kulim has appointed the Complex PIC for SW for the complex to monitor scheduled waste management at OUS to ensure the practice follow the legal requirement and reported to SQD for purpose of checking. 2. The program to equip the PIC with CEPWAM training has been planned. 3. Refresher training on Scheduled Waste Management to be conducted annually to OUs		
<b>Assessment Conclusion:</b>	Major NC close out verification: i) Verified appointment letter for complex PIC to monitor SW management dated 20/2/19 signed by Head of Plantation. ii) Programme to train the PIC was sighted and approved by the top management. iii) Training and briefing given to the relevant workers on the handling of SW. Corrective action taken is found to be effective, thus the major NC is closed on 4/3/19. Continuous implementation will be further verified in the next assessment.		

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<b>Summary of Total Number of Nonconformity</b>			
<b>Nonconformity</b>			
<b>NCR Ref #</b>	1718450-201810-M9	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 5.2.2 Major
<b>Date Issued</b>	06/12/2018	<b>Due Date</b>	05/03/2019
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	04/03/2019
<b>Statement of Nonconformity:</b>	The management plan for the HCV assessment was not adequate.		
<b>Requirement Reference:</b>	Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through a management plan.		
<b>Objective Evidence:</b>	In an HCV assessment report dated July 2009, A.J.F.M. Deeker Consultant has recommended the management to commission migratory bird survey at Bukit Kelompok Estate. The birds survey had been carried out by Wildlife Conservation Society in November 2011 and the survey report had been submitted to the management. However, there is no management plan establish to implement measures to maintain and/or enhance the findings in the survey report.		
<b>Corrections:</b>	SQD will provide the action plan and/or implementation timeline of the recommendation of HCV management.		
<b>Root Cause Analysis:</b>	The birds survey had been carried out by Wildlife Conservation Society in November 2011 but no management plan indicate in the survey report.		
<b>Corrective Actions:</b>	The HCV Management for the Bird survey will be incorporated into the Main HCV Management Plan and monitored.		
<b>Assessment Conclusion:</b>	Major NC close out verification: i) Verified biodiversity management plan which has included bird survey monitoring programme. Interview with operating unit's personnel, the plan will be implemented as per plan to ensure continuous monitoring on the said plan. Corrective action taken is found to be effective, thus the major NC is closed on 4/3/19. Continuous implementation will be further verified in the next assessment.		

<b>Summary of Total Number of Nonconformity</b>			
<b>Nonconformity</b>			
<b>NCR Ref #</b>	1718450-201810-N1	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 4.7.3 Minor
<b>Date Issued</b>	06/12/2018	<b>Due Date</b>	Next annual surveillance assessment
<b>Closed (Yes / No)</b>	No	<b>Date of nonconformity Closure</b>	"Open"
<b>Statement of Nonconformity:</b>	1. All workers involved in the operation was found not adequately trained in safe working practices 2. Adequate and appropriate protective equipment were not available to all workers at the place of work		
<b>Requirement Reference:</b>	All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning.		
<b>Objective Evidence:</b>	Bukit Kelompok Estate: During site visit at field P08/3, it was found that the tractor driver (LYS Estate Work) were in violation of "Panduan Kerja Selamat, Semakan Pertama, Unit OSH 2009, 18 Mei 2009, 1. No evidence of training and tractor driving competency card as per "Clause 7.4.1". 2. Not wearing safety shoes and hand glove as per "Clause 7.1.3 and clause 7.13".		
<b>Corrections:</b>	An induction will be conducted for all Contractors workers especially for contractor' driver.		
<b>Root Cause Analysis:</b>	The Driver was newly appointed		
<b>Corrective Actions:</b>	Annual plan for Contractor' workers/Drivers OSH training to be conducted.		
<b>Assessment Conclusion:</b>	Corrective action plan is accepted. Implementation of corrective action taken will be further verified in the next audit.		

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<b>Summary of Total Number of Nonconformity</b>			
<b>Nonconformity</b>			
<b>NCR Ref #</b>	1718450-201810-N2	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 6.5.3 Minor
<b>Date Issued</b>	06/12/2018	<b>Due Date</b>	Next annual surveillance assessment
<b>Closed (Yes / No)</b>	No	<b>Date of nonconformity Closure</b>	"Open"
<b>Statement of Nonconformity:</b>	The housing condition was not maintained and not carried out as recommended in the social improvement plan.		
<b>Requirement Reference:</b>	Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible.		
<b>Objective Evidence:</b>	<p>Visit to the linesite found that the housing condition was not satisfactory as below:</p> <p>1) Rubbish were not properly disposed where the rubbish was thrown on empty land behind the houses and rice residue was thrown into the monsoon drain.</p> <p>2) Linesite inspection was not carried out effectively leading to defects such as missing window panel and door knobs at B 15 and B 16 was not fixed (Pasir Logok Estate). As according to the Assistant Manager, even if workers not reported to the office regarding any defects, the HA will record the defects during linesite inspection.</p> <p>3) Linesite in POM found that the monsoon drains were full with dried leaves, fronds and grasses.</p> <p>4) Door knob in House No. 203 (POM) was not fixed.</p>		
<b>Corrections:</b>	Training on the requirement of linesite inspection and its requirement was conducted on HA was trained of their responsibilities as required under the Minimum Housing Standard.		
<b>Root Cause Analysis:</b>	The linesite inspection checklist was not standardized, for repairs and maintenance, the incidents is to be reported to the estates management through different Borang Kerosakan – hence most HA does not take in under their ambit		
<b>Corrective Actions:</b>	HR to review and provide standard JD for HA to cover their core and required job specification.		
<b>Assessment Conclusion:</b>	Corrective action plan is accepted. Implementation of corrective action taken will be further verified in the next audit.		

<b>Summary of Total Number of Nonconformity</b>			
<b>Nonconformity</b>			
<b>NCR Ref #</b>	1718450-201810-N3	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 6.12.2 Minor
<b>Date Issued</b>	06/12/2018	<b>Due Date</b>	Next annual surveillance assessment
<b>Closed (Yes / No)</b>	No	<b>Date of nonconformity Closure</b>	"Open"
<b>Statement of Nonconformity:</b>	Contract substitution has occurred.		
<b>Requirement Reference:</b>	Where applicable, it shall be demonstrated that no contract substitution has occurred.		
<b>Objective Evidence:</b>	<p>Reviewed on the sample of Work Contract signed by workers in Indonesia found that some clauses contradicts or not stipulated in the contract they signed in Malaysia.</p> <p>1) Clause 3, Section b, for salary payment purposes, Employer shall open an account in the name of the Employee.</p> <p>2) Clause 5, Section b, Employer shall provide living accommodation for the Employee equipped with the minimum facilities of electricity, clean water, bathroom and toilet, ....., all of which shall be provided free of charge.</p> <p>3) Clause 8, Section a, Employee shall be entitled to annual leave after completing one year of service upon the following conditions:</p> <p>i) After 1 year of service - 8 days            ii) 2 to 5 years of service - 12 days            iii) After 5 years of service - 16 days</p>		
<b>Corrections:</b>	<p>Review will be carried out to ensure the inclusion of :</p> <p>i. Clause 3, Section b, for salary payment purposes, Employer shall open an account in the name of the Employee.</p> <p>ii. Clause 5, Section b, Employer shall provide living accommodation for the Employee equipped with the minimum facilities of electricity, clean water, bathroom and toilet, ....., all of which shall be provided free of charge.</p> <p>iii. 3) Clause 8, Section a, Employee shall be entitled to annual leave after completing one year of service upon the following conditions: i) After 1 year of service - 8 days            iii) 2 to 5 years of service - 12 days            iv) After 5 years of service - 16 days</p> <p>Submission of improvement time line to management The workers work agreement will be reviewed as to ensure no contradicting statement with contract workers in Indonesia and Malaysia.</p>		
<b>Root Cause Analysis:</b>	We did not notice the term and condition in contract workers Malaysia and contract Indonesia.		
<b>Corrective Actions:</b>	The contract workers review will be communicated to all OUs, and briefing will be carried out to all workers (Indonesia and Malaysia) (if any) changes/revise		
<b>Assessment Conclusion:</b>	Corrective action plan is accepted. Implementation of corrective action taken will be further verified in the next audit.		

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<b>Summary of Total Number of Nonconformity</b>			
<b>Nonconformity</b>			
<b>NCR Ref #</b>	1718450-201810-N4	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 4.1.2 Minor
<b>Date Issued</b>	06/12/2018	<b>Due Date</b>	Next annual surveillance assessment
<b>Closed (Yes / No)</b>	No	<b>Date of nonconformity Closure</b>	"Open"
<b>Statement of Nonconformity:</b>	The implementation of some procedures was not clearly demonstrated.		
<b>Requirement Reference:</b>	A mechanism to check consistent implementation of procedures shall be in place.		
<b>Objective Evidence:</b>	<p>1) At Pasir Logok Estate, a significant amount of rubbish was seen at a contractor's (Cheng Huat) workshop and house No. A1 &amp; A2 backyard. Amongst the rubbish, empty containers of lubricants were found.</p> <p>2) The ball valves which are connected to the secondary containment of diesel skid tank of Cheng Huat Contractor and Bukit Kelompok Estate were found to be in "opened" position.</p> <p>3) The oil trap (PCD 9) at Bukit Kelompok Estate was found to be having inadequate amount of water which could allow oil to escape should there be any spillage</p> <p>4) Leakage of diesel and engine oil from tractor for LYS Estate Work was observed during site visit at field P08/3 (Bukit Kelompok Estate)</p> <p>5) The operational control for handling of hydraulic oil at Biogas Plant was not effectively implemented. The trace of hydraulic oil was found at entrance of biogas plant. (PPPOM)</p>		
<b>Corrections:</b>	<p>1). Pasir Logok estate has to immediately segregate the rubbish and empty containers and carry out proper treatment for the SW.</p> <p>1)Conduct a briefing and training for contractors and training with all attendances and training material recorded.</p> <p>2). Estate was immediately close the ball valve during the audit visit.</p> <p>3). Estate was add the water to the correct the water level at PCD 9.</p> <p>4). The reported tractor has been identified and have sent to estate workshop for replace the engine gasket.</p> <p>5). The trace of hydraulic oil was clean using spill kits</p>		
<b>Root Cause Analysis:</b>	<p>1). Lack of understanding on SW Management Plan amongst the contractors.</p> <p>2). No proper inspection by Estate management</p> <p>3). The design of the oil trap (PCD 9) was found to shallow and when the water level was drop, the pipe was been expose</p> <p>4). The estate found the reported tractor was 15 years in service and too old. The repairing need to be done frequently</p> <p>5). Hydraulic oil was spill during process of servicing gearbox</p>		
<b>Corrective Actions:</b>	<p>1). New form has been made as a checklist for HA regarding on any defects and linesite conditions during linesite inspection</p> <p>2) Estate install the signage which is to remind the workers to close the valve every time cleaning process was done.</p> <p>3). Estate was fix by extent the length of the overflow pipe</p> <p>4). The driver should remark the leakage in daily tractor monitoring form. If the contractor were not do the immediate action, the driver must report to the estate personal. Estate will engage their own foreman for repair and the cost were borne by the contractor.</p>		



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	5). Refreshment training for handling hydraulic oil was conducted
<b>Assessment Conclusion:</b>	Corrective action plan is accepted. Implementation of corrective action taken will be further verified in the next audit.

<b>Opportunity for Improvements</b>	
<b>OFI #</b>	<b>Description</b>
<b>OFI 1</b>	<p><b><u>Indicator 4.7.1</u></b></p> <p>Details :</p> <p>1. The assessment for chemical exposure monitoring was done on 9/7/2018 by Kulim Safety Training and Services Sdn Bhd to those workers - at laboratory, workshop and store - who were exposed to n-hexane, mineral oil mist and manganese. Based on the report, there was a recommendation for the LEV system assessment to be done by Hygiene Tech at PPOM laboratory. However, there was no LEV system installed. Management to communicate with the assessors on reviewing this recommendation.</p> <p>2. The eye wash at Bukit Kelompok Estate need to be improved.</p>
<b>OFI 2</b>	<p><b><u>Indicator 5.3.3</u></b></p> <p>Details :</p> <p>The verification of the content of rubbish pit at Bukit Kelompok landfill could be further improved. The verification was not possible due to the last pit was closed a day before the assessment visit and the newly dug pit was still empty.</p>
<b>OFI 3</b>	<p><b><u>Indicator 4.1.2</u></b></p> <p>Details :</p> <p>Although the mill is only allowed to discharge its effluent to land application and compost, the condition No. 3.16 which is stipulated in the mill's DOE's license is referring to effluent discharge to water ways. The clarification of whether or not this requirement is applicable could be further improved.</p>

<b>Positive Findings</b>	
<b>PF #</b>	<b>Description</b>
<b>PF 1</b>	

**3.4.1 Status of Nonconformities Previously Identified and Observations**

Non-Conformity			
<b>NCR Ref #</b>	1555463-201709-M1	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 6.5.1 Major
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	31/01/2018
<b>Statement of Nonconformity:</b>	The contract harvesters who worked on public holiday were not paid according to the rate defined in the Employment Act 1955.		
<b>Requirement Reference:</b>	Documentation of pay and conditions shall be available.		
<b>Objective Evidence:</b>	Pasir Panjang Estate The contractor workers G22 (under contractor Sri Mahtai) was harvesting on 26/10/17 which was public holiday but the payment was paid on the normal rate. Furthermore seen the bunch counter Employee# 627896 was not given the public holiday pay although no record in check roll but from the check roll of G22 on Oct 2017 has seen he was working on 26/10/17		
<b>Corrective Actions:</b>	<ol style="list-style-type: none"> <li>1. Estate management shall advise, brief and explain to their harvesting contractors on the guidance of offering work to their workers should there' any need for them to work on weekly day of rest and/or public holiday.</li> <li>2. Estates Managers are to ensure the understanding of the harvesting contractor.</li> <li>3. For control purposes, a proper record of harvester's name working on weekly day of rest and/or public holiday and total bunches harvested are to be kept in a book for future reference. The record should be prepared by the contractor and a copy to estate's office for acknowledgement and verification by Estate' Manager/AM incharge.</li> <li>4. The respective contractor is required to provide copy of salary slip for all their workers for estate to check and acknowledge the amount that being paid for the workers are in accordance to the amount that they should receive, inclusive should there' any double/triple pay for work registered and perform on weekly day of rest and/or public holiday.</li> </ol>		
<b>Assessment Conclusion:</b>	Verification during ASA2: There was no repeat issue sighted during ASA2 by verified the payslip and interviewed with the contractor's workers. Thus, the major non-conformance remained closed.		

Opportunity for Improvement	
OFI#	Description
OFI 1	N/A

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**3.4.2 Summary of the Nonconformities and Status**

CAR Ref.	Category (Major / Minor)	P&C Indicator	Issued Date	Status & Date (Closure)
1397865M1	2.1.1	Major	25/10/2016	Closed out on 09/01/2017
1397865M2	6.9.2	Major	25/10/2016	Closed out on 09/01/2017
1397865M3	5.1.1	Major	25/10/2016	Closed out on 23/12/2016
1397865N1	5.3.3	Minor	25/10/2016	Closed out on 16/11/2017
1555463-201709-M1	6.5.1	Major	3/12/2018	Closed out on 31/01/2018
1718450-201810-M1	RSPO Certification System Document (dated June 2017) 4.5.4	Major	06/12/2018	Closed out on 04/03/2019
1718450-201810-M2	RSPO Certification System Document (dated June 2017) 4.5.4	Major	06/12/2018	Closed out on 04/03/2019
1718450-201810-M3	4.7.2	Major	06/12/2018	Closed out on 04/03/2019
1718450-201810-M4	6.5.2	Major	06/12/2018	Closed out on 04/03/2019
1718450-201810-M5	4.1.1	Major	06/12/2018	Closed out on 04/03/2019
1718450-201810-M6	RSPO SCCS 5.3.1	Major	06/12/2018	Closed out on 04/03/2019
1718450-201810-M7	4.4.2	Major	06/12/2018	Closed out on 04/03/2019
1718450-201810-M8	5.3.2	Major	06/12/2018	Closed out on 04/03/2019
1718450-201810-M9	5.2.2	Major	06/12/2018	Closed out on 04/03/2019
1718450-201810-N1	4.7.3	Minor	06/12/2018	"Open"
1718450-201810-N2	6.5.3	Minor	06/12/2018	"Open"
1718450-201810-N3	6.12.2	Minor	06/12/2018	"Open"
1718450-201810-N4	4.1.2	Minor	06/12/2018	"Open"

### 3.5. Stakeholders Consultation

Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone to arrange meetings at a location convenient to them to discuss Pasir Panjang Palm Oil Mill Certification Unit’s environmental and social performance, legal and any known dispute issues.

Meetings were conducted with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and later was verified with the management team. Any comment which is not complying to the RSPO P&C requirements have been incorporated as an assessment finding.

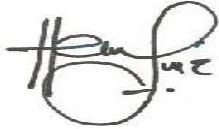

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as below.

List of Stakeholders Contacted	
<b>Internal Stakeholders</b> Mill Operators Sprayer Harvester Workers (Bangladesh and Indonesia) NUPW Representative Estates Operations Department Officer	<b>Union/Contractors/Local Communities</b> NUPW Secretary Kluang Sundry Shop & Canteen Owner Contractors Representative (Kg. Sedili Besar)
<b>Government Departments</b> No complaint by Government department.	<b>NGO</b> No complaint by NGO for PPPOM. Therefore, NGO was not contacted.

IS #	Description
1	<b>Feedbacks:</b> NUPW Secretary Kluang – He informed that the company has given full corporation and supportive to NUPW. No complaint has received from the workers on the company.
	<b>Management Responses:</b> The management will continue to support and assistance whenever needed.
	<b>Audit Team Findings:</b> No other issue.
2	<b>Feedbacks:</b> Sundry Shop & Canteen Owner – They are aware of the complaint procedure and have good relationship with the management. So far no issue with the company.
	<b>Management Responses:</b> The management has no comment and will maintain good relationship with the owners.
	<b>Audit Team Findings:</b> No further issue.
3	<b>Feedbacks:</b> Workers (Bangladesh and Indonesia) – They have informed that their salary was paid according to the regulations. Double pay was given if work on rest day. They have good awareness on RSPO. However, they have some comments related to contract and auditor has raised the finding.

	<p><b>Management Responses:</b> No comment.</p> <p><b>Audit Team Findings:</b> Refer to Non-conformance.</p>
4	<p><b>Feedbacks:</b> NUPW Representative – He informed that the management has given freedom to join NUPW and meeting has been conducted to discuss workers’ issue whenever needed.</p> <p><b>Management Responses:</b> The management will ensure that the workers are given freedom to association.</p> <p><b>Audit Team Findings:</b> No other issue.</p>
5	<p><b>Feedbacks:</b> Contractors – They have signed agreement with the management prior to work and payment was made promptly. They are aware of the complaint procedure.</p> <p><b>Management Responses:</b> The management will make sure the payment will make promptly.</p> <p><b>Audit Team Findings:</b> No other issue.</p>
6	<p><b>Feedbacks:</b> Representative (Kg. Sedili Besar) – He informed that he has no issue with the company as the village is further away from the company. No land issue due to their boundary is next to another company’s land.</p> <p><b>Management Responses:</b> No comment.</p> <p><b>Audit Team Findings:</b> No further issue.</p>
7	<p><b>Feedbacks:</b> Housewife - She informed that there were some defects such as broken door and roof. No action has been taken by the company.</p> <p><b>Management Responses:</b> The management informed that they are BaktiLadang and agreement has signed between the company and the workers saying that they have to be responsible for whatever defects in the house.</p> <p><b>Audit Team Findings:</b> Document reviewed on the agreement between company and the owner found that there was a clause said that the owner take full responsible to any defects in the house. No further issue.</p>
8	<p><b>Feedbacks:</b> Estates Operations Department Officer – He explained the recruitment procedure of foreign workers via phone interview. He told that the company has no control over the agents in Indonesia regarding the process of recruitment.</p> <p><b>Management Responses:</b> No comment.</p> <p><b>Audit Team Findings:</b> Non-conformance has raised.</p>

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<b>Formal Signing-off of Assessment Conclusion and Recommendation</b>	
<p>The audit objectives have been achieved and the certificate scope remains appropriate. Based on the results of this audit, it is concluded that Pasir Panjang Palm Oil Mill has complied with the RSPO P&amp;C MY-NI 2014 &amp; RSPO Supply Chain Certification Standard (June 2017) and audit criteria identified within the audit report. It is deemed that the management system continues to achieve its intended outcomes. Therefore, it is recommended that the certification of Pasir Panjang Palm Oil Mill is continued.</p>	
<b>Report prepared by</b>	<b>Acceptance of Assessment Conclusion</b>
<b>Name:</b> <b>Mohd Hafiz Mat Hussain</b>	<b>Name:</b> <b>Salasah Elias</b>
<b>Company Name:</b> <b>BSI Services Malaysia Sdn Bhd</b>	<b>Company Name:</b> <b>Kulim (Malaysia) Berhad</b>
<b>Title:</b> <b>Lead Auditor</b>	<b>Title:</b> <b>Deputy General Manager</b>
<b>Signature:</b> 	<b>Signature:</b> <i>(I the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents of this report and accept the liability in execution of the procedure in the report.)</i> 
<b>Date: 25/03/2019</b>	<b>Date: 28/03/2019</b>

**Appendix A: Summary of Findings** *include the appropriate checklist used for assessment*

Criterion / Indicator		Assessment Findings	Compliance
<b>Principle 1: Commitment to Transparency</b>			
<b>Criterion 1.1:</b> Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.			
1.1.1	There shall be evidence that growers and millers provide adequate information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making. - Minor compliance -	Adequate information covering on environmental, social and legal issues which are relevant to RSPO Criteria and relevant to stakeholders is shared for effective participation and decision making. Information on environmental, social and legal issues relevant to RSPO Criteria was made available to relevant stakeholders for effective participation in decision making.  In company website ( <a href="http://www.kulim.com.my/">http://www.kulim.com.my/</a> ), publicly available documents such as OSH plan, HCV documents, negotiation procedure, complaint records, sustainability handbook and report, EIA, Management Plans & Continuous Improvement Plans. Other sensitive information such as land title and etc. can be provided upon request.	Complied
1.1.2	Records of requests for information and responses shall be maintained. -Major compliance	All operating units continue to maintain records of information request and response. Request for information are attended promptly and confirmed by stakeholders interviewed.	Complied
<b>Criterion 1.2:</b> 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.			

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Criterion / Indicator		Assessment Findings	Compliance
1.2.1	Publicly available documents shall include, but are not necessary limited to: <ul style="list-style-type: none"> <li>• Land titles/user rights (Criterion 2.2);</li> <li>• Occupational health and safety plans (Criterion 4.7);</li> <li>• Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8);</li> <li>• HCV documentation (Criteria 5.2 and 7.3);</li> <li>• Pollution prevention and reduction plans (Criterion 5.6);</li> <li>• Details of complaints and grievances (Criterion 6.3);</li> <li>• Negotiation procedures (Criterion 6.4);</li> <li>• Continual improvement plans (Criterion 8.1);</li> <li>• Public summary of certification assessment report;</li> <li>• Human Rights Policy (Criterion 6.13).</li> </ul> - Major compliance –	There is a SPO Transparency Program under Kulim Malaysia Berhad. The procedure is to ensure that documents if to be release and made publicly available are readily available. The Corporate Dept. will ensure that the following documents are available if requested and they do not impinge on confidentiality and will not cause detrimental sustainability or social outcomes. Among the documents that were made available for viewing are: <ul style="list-style-type: none"> <li>- Land title (held as hard copy by the property department)</li> <li>- Health and safety plan</li> <li>- Plans and impact assessment- environmental &amp; social</li> <li>- Pollution prevention plans</li> <li>- Details of complaints and grievances</li> <li>- Negotiation procedures</li> <li>- Continuous improvement plan</li> <li>- Biodiversity plans</li> <li>- Policy documents (sustainability handbook)</li> </ul> In addition to the website, the policies were also displayed at various strategic locations at the operating units such as notice boards at the estates, mill office and muster ground for employees and visitors to view.	Complied
<b>Criteria 1.3:</b> Growers and millers commit to ethical conduct in all business operations and transactions.			
1.3.1	There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations. -Minor compliance	Kulim (Malaysia) Berhad has developed Ethics Policy dated 1/5/2018 where the company will run the business with ethic and integrity. They will keep all the record of activities and transactions. Besides, the company has implemented No Gift and Entertainment Policy dated 1/5/2018. The company will not receive any gift or entertainment for personal from any interested parties. All the policies were displayed at the notice board in front of office. Furthermore, briefing of the policies were conducted on 2/8/2018 during stakeholder meeting.	Complied



Criterion / Indicator	Assessment Findings	Compliance
<b>Principle 2: Compliance with applicable laws and regulations</b>		
<b>Criterion 2.1:</b> There is compliance with all applicable local, national and ratified international laws and regulations.		

<p>2.1.1</p>	<p>Evidence of compliance with relevant legal requirements shall be available.          - Major compliance -</p>	<p>PPPOM and supply bases had continued to comply with the legal requirements as per indicator. Compliance to each applicable law and regulation is monitored by the operating units and sustainability team. Pasir Panjang CU had obtained and renewed license and permits as required by the law. Sample of licenses or permit viewed were:</p> <p><u>Pasir Panjang POM:</u></p> <ol style="list-style-type: none"> <li>1. Certificate of Fitness for Boiler (JH PMD 1712 expiry 5/8/19), air receiver (JH PMT 24786 expiry on 5/8/19), Steriliser (JH PMT 25365 expiry on 5/8/19), vacuum dryer (JH PMT 25367). All machineries still valid. 6 machineries were exempted from certificate of fitness based on P.U(A) 261/2017 (JH PMT 25367, JH PMT 25369, JH PMT 25371, JH PMT25372, PMT 78972, PMT 78975). Last inspection by DOSH was done on 6/5/2018.</li> <li>2. Fire certificate: JBPM: JH/7/129/2018 valud until 5/3/2019.</li> <li>3. Engine Driver Gred 1: J.13/98</li> <li>4. Internal combustion engine Gred 2 (034016)</li> </ol> <p><u>Pasir Logok Estate:</u></p> <ol style="list-style-type: none"> <li>1. MPOB License: 502308702000 expiry on 28/2/2019</li> <li>2. Diesel permit: J033086 expiry on 21/7/2019</li> <li>3. Petrol permit: J027858 expiry on 9/1/2019</li> <li>4. License for abstract of river water: 07/A/KT/009 expiry on 31/12/2018</li> <li>5. Electrical fencing permit: ST(KAW/J)11/2/4(3-15)</li> <li>6. Certificate of Fitness for air receiver (JH PMT 22734 expiry 22/7/2019)</li> </ol> <p>- License to divert or abstract water from river #08/A/KT/050, validity 31/12/2018, max 900 m<sup>3</sup>/day</p>	<p>Complied</p>
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Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>- MPOB License #592302004000, valid until 31/12/2018, Licensee: Mahamurni Plantations Sdn Bhd., Kilang Kelapa Sawit Pasir Panjang</li> <li>- License for Private installation (from EC), License #2017/01949, valid until 22/12/2018</li> <li>- Fire Certificate #JBPM:JH/7/129/2018, valid until 5/3/2019</li> <li>- Permit to store diesel #J030177, capacity 20,00 lt, valid until 25/11/2018. The mill has applied for renewal on 4/11/2018 and currently pending for approval.</li> </ul>	
2.1.2	A documented system, which includes written information on legal requirements, shall be maintained. - Minor compliance -	Legal register was identified accordingly as per compliance monitoring. The legal register was reviewed on 10/10/2018 by Executive Regional Controller.	Complied
2.1.3	A mechanism for ensuring compliance shall be implemented. - Minor compliance -	The legal compliance is part of the compliance audit. The audit was conducted by executive regional controller for Tunjuk Laut Complex. The Compliance Framework assessment conducted had also served the purposed to demonstrate internal audit to ensure compliance to local regulations. The compliance audit was conducted on September 18 – October 18 for all operating units at Tunjuk Laut complex.	Complied
2.1.4	A system for tracking any changes in the law shall be implemented. - Minor compliance -	Tracking system available to identify changes in the relevant regulations through head office, sustainability team, website information and the information are communicated from the Head Office. Kulim (Malaysia) Berhad have centralised system for tracking any changes in the law. Latest communication through agency circular (02/2018 and 03/2018) was done on 16/1/2018 related to " <i>Sistem Insurans Pekerja (SIP)</i> ."	Complied
<b>Criterion 2.2:</b> The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.			

Criterion / Indicator		Assessment Findings	Compliance
2.2.1	Documents showing legal ownership or lease, history of land tenure and the actual legal use of the land shall be available. - Major compliance -	<p>Pasir Panjang Palm Oil Mill and Estate operation is on freehold and leasehold land. Land titles and copy of land titles are available during the audit.</p> <p>Pasir Logok Estate hold 3 land titles. Quit rent for 2018 were paid accordingly. Sighted the land title as follow:</p> <ol style="list-style-type: none"> <li>1. Land Title: HS(D) 32184, Lot No: PTD403</li> <li>2. Land Title: HS(D) 32183, Lot No: PTD402</li> <li>3. Land Title: HS(D) 32182, Lot No: PTD401</li> </ol> <p>There was an area at Pasir Logok Estate and Bukit Kelompok Estate (PTD6188-20.54Ha and PTD10-59.04Ha) that belong to Majlis Agama Islam Negeri Johor. The Estate Management Agreement between Majlis Agama Islam Negeri Johor and Mahamurni Plantations Sdn Bhd and Johor Franchise Development Sdn Bhd dated 26/3/2018 was sighted. The letter from <i>Pejabat Pengarah Tanah dan Galian Johor</i> dated 11/11/97 mentioned that the land PTD6188 and PTD10 were belong to <i>Majlis Agama Islam Johor</i>.</p>	Complied
2.2.2	Legal boundaries shall be clearly demarcated and visibly maintained. - Minor compliance -	Using electrical fencing. Sighted the boundary marking (2° 2' 36" N, 104° 0' 35") with Felda Tenggara.	Complied
2.2.3	Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC). - Minor compliance -	Review on land ownership records and interview with relevant stakeholders confirmed there are no conflict or dispute over the land within legal boundary.	Complied

Criterion / Indicator		Assessment Findings	Compliance
2.2.4	There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved. -Major compliance	There is no land dispute in the operating units at the time of audit. The land belongs to Kulim (Malaysia) Berhad and land ownership documents verified. SOP of resolve conflict dispute was made available.	Complied
2.2.5	For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable). -Minor compliance	There is no land dispute in the operating units at the time of audit. The land belongs to Kulim (Malaysia) Berhad and land ownership documents verified. SOP of resolve conflict dispute was made available.	Complied
2.2.6	To avoid escalation of conflict, there shall be no evidence that palm oil operations have instigated violence in maintaining peace and order in their current and planned operations. -Major compliance	There is no land dispute in the operating units at the time of audit. The land belongs to Kulim (Malaysia) Berhad and land ownership documents verified. Sustainability Policy dated 22/06/17 has been established to circumvent instigated violence to maintain peace and order in current and planned operations.	Complied
<b>Criterion 2.3:</b> Use of the land for oil palm does not diminish the legal rights, customary or user right of other users without their free, prior and informed consent.			
2.3.1	Maps of an appropriate scale showing the extent of recognized legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities). - Major compliance -	There is no land dispute in the certification unit and supply base at the time of audit. The land belongs to Kulim (Malaysia) Berhad. Land ownership documents verified.	Complied

Criterion / Indicator		Assessment Findings	Compliance
2.3.2	<p>Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include:</p> <p>a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making;</p> <p>b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken;</p> <p>c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land.</p> <p>- Minor compliance -</p>	<p>There is no land dispute in the certification unit and supply base at the time of audit. The land belongs to Kulim (Malaysia) Berhad. Land ownership documents verified.</p>	<p>Complied</p>
2.3.3	<p>All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.</p> <p>-Minor compliance</p>	<p>There is no land dispute in the certification unit and supply base at the time of audit. The land belongs to Kulim (Malaysia) Berhad. Land ownership documents verified.</p>	<p>Complied</p>
2.3.4	<p>Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel.</p> <p>-Major compliance</p>	<p>There is no land dispute in the certification unit and supply base at the time of audit. The land belongs to Kulim (Malaysia) Berhad. Land ownership documents verified.</p>	<p>Complied</p>
<p><b>Principle 3: Commitment to long-term economic and financial viability</b></p>			
<p><b>Criterion 3.1:</b>            There is an implemented management plan that aims to achieve long-term economic and financial viability.</p>			

Criterion / Indicator		Assessment Findings	Compliance						
3.1.1	A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders. - Major compliance -	PPPOM and both estate visited has established and implemented its commitment to long term sustainability and improvements through a capital expenditure programme. 5 years management plan (2019 - 2023) was verified during the audit. Pasir Panjang Palm Oil Mill and supply bases have made progress towards achieving their performance production targets for the current financial year. The budget for 2018 was include FFB production, capital expenditure, oil palm-mature field expenditure.	Complied						
3.1.2	An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available. - Minor compliance -	Long range replanting programme available until 2043. For 2018-2019, no replanting at Pasir Logok Estate. While for Bukit Kelompok, there was no replanting until 2029. The replanting area after 2019 as follow: <table border="1" data-bbox="1025 794 1301 898"> <thead> <tr> <th>Year</th> <th>Ha</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>141.74</td> </tr> <tr> <td>2021</td> <td>Nil</td> </tr> </tbody> </table>	Year	Ha	2020	141.74	2021	Nil	Complied
Year	Ha								
2020	141.74								
2021	Nil								
<b>Principle 4: Use of appropriate best practices by growers and millers</b>									
<b>Criterion 4.1:</b>									
Operating procedures are appropriately documented, consistently implemented and monitored.									

<p>4.1.1</p>	<p>Standard Operating Procedures (SOPs) for estates and mills are documented          - Major compliance -</p>	<p>Standards Operating Procedure and Quality Manual for PPPOM was established to cover all the station which was updated on 1/6/2016 (PPM/QM). Sighted some of the procedure related to loading ramp, sterilization station, threshing and press station, clarification station, kernel station, depericarping station, kernel station, effluent treatment plant, power house,effluent treatment plant, laboratorym bio-composting plant and etc.</p> <p>Work Instructions have been derived from SOPs and are posted at work stations at the mill and at certain locations at the estates, such as the Muster Notice Boards.</p> <p>Kulim (M) Berhad Agriculture Manual has established covers Replanting, roads drains Bridges culverts and fences, construction of estate building, manuring, harvesting, pruning and ablation, soil conservation, justification of chemical use, weed management, inmtegrated pest management and plant diseases. There are 19 SOPs and 18 WI's covering all aspects of oil palm management.</p> <p>However, the recruitment procedure was not carried out effectively:</p> <ol style="list-style-type: none"> <li>1) Interviewed with the Estates Operations Department officer explained that the process of recruitment of foreign workers were through appointed agents in Indonesia. He informed that they have no rights to control over the agents.</li> <li>2) The assessment team had requested for the signed copy of the contracts signed in home country. However it was not retained by the company.</li> <li>3) The company did not know how much the agents have charged the workers. Interviewed with the Indonesian workers found that</li> </ol>	<p>Major nonconformance</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<p>they were required to pay a fee at roughly RM 1,500 to the agent and signed an agreement with the agent prior departure to Malaysia.</p> <p>4) The Recruitment of New Foreign Workers procedure has not clearly explain the process of recruitment via agents.</p> <p>5) Contract agreements between local contractor and his workers were not available during the audit. This has lead to worker not receiving benefits such as adequate water supplies and PPE. This was verified by interviewing the workers and contractor.</p> <p>6) Two the workers (Passport No.: B 1573086 and B 1573060) have applied for work permit since 1/12/2017. However, the permits have yet to be obtained. According to the Terms and conditions of compliance by contractors, the contractor shall ensure that there is no illegal workers employed (EPA/LBK 1/2014, valid until 31/12/2018).</p> <p>7) There is no monitoring demonstrated by the company to ensure the agents and/or the contractors are fulfilling the contract agreement.</p> <p>Thus, Major NC was raised.</p>	

Criterion / Indicator		Assessment Findings	Compliance
4.1.2	A mechanism to check consistent implementation of procedures shall be in place. - Minor compliance -	<p>However, the implementation of some procedures was not clearly demonstrated. Some lapses were observed during the site visit as follows:</p> <ol style="list-style-type: none"> <li>1) At Pasir Logok Estate, a significant amount of rubbish was seen at a contractor's (Cheng Huat) workshop and house No. A1 &amp; A2 backyard. Amongst the rubbish, empty containers of lubricants were found.</li> <li>2) The ball valves which are connected to the secondary containment of diesel skid tanks of Cheng Huat Contractor and Bukit Kelompok Estate were found to be in "opened" position.</li> <li>3) The oil trap (PCD 9) at Bukit Kelompok Estate was found to be having inadequate amount of water which could allow oil to escape should there be any spillage</li> </ol> <p>Therefore, a non-conformity was raised due to these lapses.</p> <p>At the mill, although the mill is only allowed to discharge its effluent to land application and compost, the condition No. 3.16 which is stipulated in the mill's DOE's license is referring to effluent discharge to water ways. The clarification of whether or not this requirement is applicable could be further improved (OFI).</p>	Minor nonconformance
4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. - Minor compliance -	All the records related to Internal Audit and Mill Inspector/Estate Inspector Visit were maintained and available at Mill and Estate Office.	Complied
4.1.4	The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB). - Major compliance -	There was no third party sourced FFB at PPPOM	N/A
<p><b>Criterion 4.2:</b> Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.</p>			

Criterion / Indicator	Assessment Findings	Compliance
<p>4.2.1</p>	<p>There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible.</p> <p>- Minor compliance -</p> <p>Kulim (M) Berhad Agriculture Manual has established covers Replanting, roads drains Bridges culverts and fences, construction of estate building, manuring, harvesting, pruning and ablation, soil conservation, justification of chemical use, weed management, integrated pest management and plant diseases. There are 19 SOPs and 18 WI's covering all aspects of oil palm management. The related SOP, namely Leaf and Soil Sampling Notes procedure was sighted.</p> <p>All estates operate in accordance with the Agriculture Manual and standard operating procedures. The practices consistently monitored by estate operation management and estate inspectorate. The recommendations for improvements are given to maintain the sustainable practices.</p>	<p>Complied</p>

<p>4.2.2</p>	<p>Records of fertiliser inputs shall be maintained. - Minor compliance -</p>	<p>The fertilizer recommendation done by agronomist was sighted. Fertilizers are applied as per agronomist recommendation. Record shows application date, filed number, dosage applied per palm, type of fertilizer and number of applicators.</p>	<p>Complied</p>
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Criterion / Indicator		Assessment Findings	Compliance
4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. - Minor compliance -	Internal Agronomist from Agronomy Advisory and Services Department visited estates to carry out foliar sampling prior to the fertilizer recommendation for 202018. Leaf and soil nutrient analysis are commonly used in the diagnosis of fertilizer requirements in oil palms. Foliar analysis report (LI/1807/0933-0942) dated 29/7/18 for PLE) was sighted. The Soil analysis report (SI/1707/02225-0228) date 26/7/2017 which was done by UTCL Laboratory was sighted. The frequency for leaf sampling must be conduct for every year while for soil analysis, the frequency for soil sampling is conducted at 5 years intervals (Leaf and Soil Sampling Notes Procedure-Kulim (M) Bhd).	Complied
4.2.4	A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting. - Minor compliance -	POME and composting were applied as per agricultural manual: 1. D05: EFB Utilization at rate 50mt/ha. 2. D06:POME Utilization using tractor tanker and furrow system at 17mt/ha or 125kg/palm 3. D08: Biocompost application at the rate of 7mt/ha or 50kg/palm on selected area.	Complied
<b>Criterion 4.3:</b> Practices minimise and control erosion and degradation of soils.			

Criterion / Indicator		Assessment Findings	Compliance												
4.3.1	Maps of any fragile soils shall be available. - Major compliance -	<p>Soil series map available for both estates visited. No other soil categorised as problematic or fragile soil. Sighted 16 type of soil at Pasir Logok Estate. Sample as follow:</p> <table border="1"> <thead> <tr> <th>No.</th> <th>Type of Soil</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Siri Apek</td> </tr> <tr> <td>2</td> <td>Siri Baling</td> </tr> <tr> <td>3</td> <td>Siri Batu Lapan</td> </tr> <tr> <td>4</td> <td>Siri Bungor</td> </tr> <tr> <td>5</td> <td>Siri Rengam</td> </tr> </tbody> </table> <p>At Pasir Logok Estate, there was 0.74% area of <i>Gambut Dalam</i>. However based on the email by the Head of Agronomist dated 29/11/2018, they will conduct re-survey for soil type assist by department of Agriculture.</p>	No.	Type of Soil	1	Siri Apek	2	Siri Baling	3	Siri Batu Lapan	4	Siri Bungor	5	Siri Rengam	Complied
No.	Type of Soil														
1	Siri Apek														
2	Siri Baling														
3	Siri Batu Lapan														
4	Siri Bungor														
5	Siri Rengam														
4.3.2	A management strategy shall be in place for plantings on slopes above a certain limit (this needs to be soil and climate specific). - Minor compliance -	<p>Sighted Topography map. Slope area constructed with terrace and stop bund. Planting terraces had been constructed where slope &gt;7°.The management practiced to established <i>Vertiver</i> and <i>Guatemala Grass</i> to prevent severe soil erosion. At Pasir Logok Estate, the terrain class as follow:</p> <table border="1"> <thead> <tr> <th>Terrain Class</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>0 – 2 degree</td> <td>7.10</td> </tr> <tr> <td>2 – 6 degree</td> <td>22.99</td> </tr> <tr> <td>6 – 12 degree</td> <td>46.80</td> </tr> <tr> <td>12 – 20 degree</td> <td>23.11</td> </tr> </tbody> </table>	Terrain Class	Percentage	0 – 2 degree	7.10	2 – 6 degree	22.99	6 – 12 degree	46.80	12 – 20 degree	23.11	Complied		
Terrain Class	Percentage														
0 – 2 degree	7.10														
2 – 6 degree	22.99														
6 – 12 degree	46.80														
12 – 20 degree	23.11														
4.3.3	A road maintenance programme shall be in place. - Minor compliance -	<p>Estates has implemented annual road and bridges programme. Example of programme checked at Pasir Logok Estate shows the file road programme indicating road repairs and maintenance for the whole estate roads includes grading, compacting and to strengthen the road surface.</p>	Complied												

Criterion / Indicator		Assessment Findings	Compliance
4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. - Minor compliance -	At Pasir Logok Estate, there was 0.74% area of <i>Gambut Dalam</i> . However based on the email by the Head of Agronomist dated 29/11/2018, they will conduct re-survey for soil type assist by department of Agriculture.	Complied
4.3.5	Drainability assessments shall be required prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. - Minor compliance -	There is no replanting at peat soil. However based on the email by the Head of Agronomist dated 29/11/2018, they will conduct re-survey for soil type assist by department of Agriculture.	Complied
4.3.6	A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils). - Minor compliance -	There is no other fragile and problem soil at both estates.	Complied
<b>Criterion 4.4:</b> Practices maintain the quality and availability of surface and ground water.			
4.4.1	An implemented water management plan shall be in place. - Minor compliance -	Generally, the mill and the estates have their water management plans. As an example at Pasir Logok Estate, water management plan was available which was last reviewed on 1/8/2018. The plan is mainly focusing on minimizing pollution to surface water resource such as pond & river and efficient consumption of water especially during draught season. Pollution is reduced through restriction of agrochemicals application at buffer zones and desilting of drains. Among the actions plan to be implemented during draught season are: - to schedule water supply to avoid overuse of water at nursery, housing, etc. - to provide containers to every house for storing water	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.4.2	<p>Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated.</p> <p>- Major compliance -</p>	<p>Procedure for buffer zone entitled Protection of Natural Water Courses (updated on 1/11/2018) was available. The procedure has spelt out about no chemical spraying is allowed and only selective weeding is allowed.</p> <p>At Pasir Logok Estate, river buffer zone located at 2°2'36"N 104°0'35"E was visited. It was noted that the demarcation of the zone was available using PCV pegs painted with blue &amp; white stripe with 5 m width. However, it was observed that some traces of herbicide spraying had been applied within the buffer zone. At Bukit Kelompok Estate, some of the buffer zone marking pegs for Sungai Payung were found to be less than 5 meters from the river bank as required in the procedure. For the palms which are located very near to the river (within 8' radius) not to be circle sprayed, was also not clearly demonstrated. Thus, a non-conformity was assigned due to this lapse.</p> <p>At Pasir Logok Estate, analysis of incoming and outgoing water is done on monthly basis. Samples were sent to third party laboratory (SAMM #307) for testing. Two parameters tested for quality observed, i.e. Phosphate and Nitrate Nitrogen. Last report is dated 15/11/2018 (report no.: WI/1811/1170-1171).</p>	<p>Major nonconformance</p>
4.4.3	<p>Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD), shall be in compliance with national regulations (Criteria 2.1 and 5.6).</p> <p>- Minor compliance -</p>	<p>The mill applies the biological system with anaerobic lagoon in series for its treatment of effluent. The mill is licensed to discharge its treated effluent to bio-compost plant and land application. The quality of discharged effluent was analysed every month and the parameters are T, pH, BOD, COD, TS, SS, O&amp;G, AN and TN. Last 12 months results were verified where the highest BOD was 900 ppm while the lowest was 127 ppm. The results showed that the mill complied with the legal limit i.e. 1,000 ppm.</p>	<p>Complied</p>



Criterion / Indicator		Assessment Findings	Compliance												
4.4.4	Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. - Minor compliance -	The mill has been monitoring its consumption of water on daily basis. The water was sourced from nearby natural water ways and caught into a collection pond (2°1'3"N 103°57'6"E). Based on the daily records, the consumption in 2017 was 1.38 m <sup>3</sup> /mt FFB whereas for 2018 was 1.20 m <sup>3</sup> /mt FFB as at October. The consumption of water was measured using flowmeter and recorded on daily basis.	Complied												
<b>Criterion 4.5:</b> Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.															
4.5.1	Implementation of Integrated Pest Management (IPM) plans shall be monitored. - Major compliance -	<p>IPM Manual includes the planting of beneficial plants and control of damage by rodents, leaf-eaters, orytes and natural enemies. Beneficial plants such as Turnera subulata, Antigonon Leptopus and Cassia Cobanensis are grown in the estates.</p> <p>Records of planting of new areas and maintenance of existing areas of beneficial plants, location maps and barn owl census are available.</p> <table border="1"> <tr> <td></td> <td>Distance</td> <td>Estate</td> </tr> <tr> <td>Beneficial Plant</td> <td>43,000 mtr</td> <td>PLE</td> </tr> </table> <p>The occupancy rate for Barn owl box on Aug 2018.</p> <table border="1"> <tr> <td></td> <td>Occupancy rate</td> <td>Estate</td> </tr> <tr> <td>Barn owl</td> <td>37%</td> <td>PLE</td> </tr> </table>		Distance	Estate	Beneficial Plant	43,000 mtr	PLE		Occupancy rate	Estate	Barn owl	37%	PLE	Complied
	Distance	Estate													
Beneficial Plant	43,000 mtr	PLE													
	Occupancy rate	Estate													
Barn owl	37%	PLE													
4.5.2	Training of those involved in IPM implementation shall be demonstrated. - Minor compliance -	<p>Training for those involve with IPM implementation was conducted accordingly. Training records for staff and workers on IPM implementation were available and verified to be satisfactory during on-site assessment.</p> <p># cross refer with indicator 4.8.2</p>	Complied												
<b>Criterion 4.6:</b> Pesticides are used in ways that do not endanger health or the environment															

Criterion / Indicator		Assessment Findings	Compliance				
4.6.1	Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available. - Major compliance -	Justification of pesticides applied is available in the agriculture manual. Refer to agriculture manual 21/10/2015, H01: Justification of Chemical Use. The use of pesticide is specific to the target pest, weed and disease. Justification takes consideration to minimize effect on non-target species.	Complied				
4.6.2	Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided. - Major compliance -	Records of pesticides and their active ingredients used, LD50, area treated, amount of a.i. applied per ha, and number of applications was maintained. <table border="1" data-bbox="1025 715 1615 820"> <tr> <td></td> <td>ToDate 2018 (% a.i/ha)</td> </tr> <tr> <td>PLE</td> <td>0.422</td> </tr> </table>		ToDate 2018 (% a.i/ha)	PLE	0.422	Complied
	ToDate 2018 (% a.i/ha)						
PLE	0.422						
4.6.3	Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines. - Major compliance -	The quantity of agrochemicals required for various field conditions are documented and justified in Kulim’s Agriculture Manual. The implementation in the field is consistent with the manual. There is no prophylactic use of pesticides.	Complied				
4.6.4	Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in national Best Practice guidelines. The use of such pesticides shall be minimised and eliminated as part of a plan, and shall only be used in exceptional circumstances. - Minor compliance -	Kulim (M) Bhd has stopped paraquat usage since February 2015. Alternatives such as Glyphosate were used. The implementation in the field is consistent with the SOP. During the site visit to chemical store, there was no Class 1 chemical.	Complied				

Criterion / Indicator		Assessment Findings	Compliance
4.6.5	Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7). - Major compliance -	Pesticide operators given training on the safe handling and application of the pesticides. Suitable personal protective equipment's and application equipment provided to the operators. All precautions attached to the products explained to operators and understood by them. This was noted during the interview with workers. #cross refer with indicator 4.8.2	Complied
4.6.6	Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). - Major compliance -	The operating units comply with Regulation 9 of the Pesticides Act 1974 requiring balance of remaining solution to be kept under lock and key. During visit it was noted that all the remaining pesticides are kept in the store and securely locked and comply with regulation.	Complied
4.6.7	Application of pesticides shall be by proven methods that minimise risk and impacts. - Minor compliance -	The quantity of agrochemicals required for various field conditions are documented and justified in Agriculture Manual, Section I: Weeds Management. The implementation in the field is consistent with the Agriculture Manual.	Complied
4.6.8	Pesticides shall be applied aurally only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application. - Major compliance -	No aerial spraying at all estates.	Complied
4.6.9	Maintenance of employee and associated smallholder knowledge and skills on pesticide handling shall be demonstrated, including provision of appropriate information materials (see Criterion 4.8). - Minor compliance -	There is no associated smallholder at Pasi Logok Estate. Employees handling pesticide given knowledge and skill required to cover safe handling practices and standard operating procedures.  #cross refer with indicator 4.8.2	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.6.10	Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3). - Minor compliance -	Proper disposal of waste material are carried out as per the company procedures. The procedures are fully understood by workers and managers. Interview with workers revealed that they are aware of the zero burning policy including domestic waste are not allowed to be burned. The management dispose waste material as per regulation for schedule waste and domestic waste.	Complied

Criterion / Indicator		Assessment Findings	Compliance																				
4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. - Major compliance -	<p>Annual medical surveillance for sprayers and pesticide operators were demonstrated.</p> <p>Medical examination programme established for sprayers which conducted by Kulim Safety Training and Services Sdn Bhd (HQ/17/DOC/00/00053).</p> <table border="1"> <thead> <tr> <th>ID No</th> <th>Date of Medical check up</th> <th>Result</th> <th>Estate</th> </tr> </thead> <tbody> <tr> <td>632766</td> <td rowspan="3">23/9/18</td> <td>Fit to work</td> <td rowspan="3">Pasir Logok Estate</td> </tr> <tr> <td>632767</td> <td>Fit to work</td> </tr> <tr> <td>632665</td> <td>Fit to work</td> </tr> <tr> <td>633916</td> <td rowspan="3">26/8/18</td> <td>Unfit (dermatitis)</td> <td rowspan="3">Bukit Kelompok</td> </tr> <tr> <td>633955</td> <td>Unfit (dermatitis)</td> </tr> <tr> <td>633782</td> <td>Unfit (asthma)</td> </tr> </tbody> </table> <p>All the workers found fit with no of workers diagnose with abnormal results (occupational caused).</p> <p>For sprayers and manure, based on the report, all found fit to work except 3 workers mentioned (USECHH 3 stated unfit). 3 of them were re-test for medical surveillance on 18/11/18 by Klinik Moiz Sdn Bhd. From 3 workers, the OHD advice 2 workers (633916 and 633955) should continue avoiding pesticides spraying and should repeat blood investigation in 3 months' time. The management has transfer both 2 sprayers to other activity.</p>	ID No	Date of Medical check up	Result	Estate	632766	23/9/18	Fit to work	Pasir Logok Estate	632767	Fit to work	632665	Fit to work	633916	26/8/18	Unfit (dermatitis)	Bukit Kelompok	633955	Unfit (dermatitis)	633782	Unfit (asthma)	Complied
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633955		Unfit (dermatitis)																					
633782		Unfit (asthma)																					
4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women. - Major compliance -	No female sprayers at Pasir Logok Estate and Bukit Kelompok Estate.	Complied																				

Criterion / Indicator	Assessment Findings	Compliance
<b>Criterion 4.7:</b> An occupational health and safety plan is documented, effectively communicated and implemented. The health and safety plan shall cover the following:		

<p>4.7.1</p>	<p>A health and safety policy shall be in place. A health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored. - Major compliance -</p>	<p>Pasir Panjang complex has maintained an approved Occupational Health and Safety Policy dated 1/5/2018 that is displayed prominently on notice boards in English. OSH Programme/Training Programme was established.</p> <p><u>Chemical Health Risk Assessment (CHRA)</u> <b>Pasir Panjang POM</b> - CHRA conducted on 19/7/2016 by registered assessor JKKP HIE 127/171-2(160). Based on the CHRA, a total of 47 findings/recommendations reported.</p> <p><b>Pasir Logok Estate</b> - CHRA conducted on 25/4/18 – 13/8/18 by registered assessor HQ/12/ASS/00/309 &amp; JKKP HIE 127/171-2(154). Based on the CHRA, a total of 17 findings/recommendations reported.</p> <p><b>Bukit Kelompok Estate</b> - CHRA conducted on 26/4/18 – 13/8/18 by registered assessor HQ/12/ASS/00/309 &amp; JKKP HIE 127/171-2(154). Based on the CHRA, a total of 10 findings/recommendations reported.</p> <p><u>Health Surveillance Program</u> Health surveillance was done on 2/9/2018 (lab operator, workshop) to those workers who expose to n-hexane n manganese. The test was done by Kulim Safety Training and Services Sdn Bhd. All the workers found fit to work.</p> <p><u>Annual Audiometric Testing</u> Pasir Panjang POM – Annual Audiometric testing was conducted on 21/1/2018 by Kulim Safety Training &amp; Services Sdn Bhd (HQ/15/DOC/00/395). Total of 79 workers were sent for this test. Results from testing: 8 workers was found with hearing impairment</p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<p>and 4 workers were found with STS. The JKPP 7 was submit to DOSH on 20/2/2018 for those workers found with hearing impairment.</p> <p><u>Chemical Exposure Monitoring</u>                      The assessment was done on 9/7/2018 (lab operator, workshop and store) to those workers who expose to n-hexane, mineral oil mist manganese. The test was done by Kulim Safety Training and Services Sdn Bhd. All the workers found fit to work except for worker handled n-hexane. The assessor recommended to examine the LEV system by Hygiene Tech not more than 12 months. The management has plan to conduct the LEV assessment on 11/12/2018.</p>	



<p>4.7.2</p>	<p>All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers. - Major compliance -</p>	<p>Pasir Panjang complex had identified and reviewed significant hazards and risks and determined appropriate risk control measures.</p> <p>The hazard identification, risk assessment and risk control (HIRARC) records, as well as CHRA reports were verified during the assessment. Appropriate control measure has been determined and revised in the HIRARC register.</p> <p><b>Pasir Panjang POM</b> - HIRARC was reviewed on 5/8/2018 and approved by the Manager. The review was done by the safety officer, however no changes to the HIRARC. For Press station, HIRARC was reviewed on 17/6/2018 after the accident happened. The review was done by OSH committee. The HIRARC for Mill activities was identified and risk assessed with respect to weighbridge, ramp, sterilization, threshing station, pressing station, clarification station, nut cracking station, kernel storage, boiler station, laboratory, office.</p> <p>At the estate, among the HIRARC carried out covered activities like office, receiving diesel, chemical management, estate clinic, workshop, elephant patrolling, engine room, rat baiting, spraying, manuring, harvesting.</p> <p><b>Pasir Logok Estate</b> - HIRARC was reviewed on April 2018 and approved by the Manager.</p> <p>However, the HIRARC was not adequately identified, updated and implemented the activities in the estate:</p> <p>Pasir Logok Estate</p> <p>1. The HIRARC was only last reviewed on April 18 and it did not adequately identify and update the activities that were found</p>	<p>Major nonconformance</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<p>recorded as accidents from the clinic treatment book, happened from Jan – Dec 2018, , as follow:                      Activity: Harvesting, Hazard: Thorn prick                      Activity: Harvesting, Hazard: Stab wound                      Activity: Harvesting, Hazard: Axe slash wound</p> <p>Bukit Kelompok Estate</p> <p>1. The HIRARC was last reviewed on 5 Jan 18 but the scoring was not adequately implemented as per HIRARC table based on activities found recorded as accidents from the clinic treatment book, happened from Jan 2017 – Dec 2018, :                      Activity: Harvesting, Hazard: Thorn prick, scoring: L(2) X S(3)                      Activity: Harvesting, Hazard: Sharp object, Scoring: L(2) X S(3)                      Activity: Transport FFB, Hazard: Stab wound, Scoring: L(2) X S(2)</p> <p>2. The activity at PCD area for workers from workshop moving down to PCD 2 for maintenance work was not identified in the HIRARC</p> <p>3. The PPE for working at height was not fully addressed</p> <p>Thus, major NC was raised.</p>	

<p>4.7.3</p>	<p>All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning. - Minor compliance -</p>	<p>Awareness and training program had been carried out. All workers involved had been adequately trained in safe working practices. The objective was to ensure all workers involved have been adequately trained in understanding MSDS, safe working practices and the correct use of PPE.</p> <p>Suitable PPE has been provided to the workers based on the information in the MSDS and CHRA assessor's recommendation. List of Personal Protective Equipment (PPE) Provided – identifies the type of PPE for the respective activities.</p> <ul style="list-style-type: none"> <li>i. Ramp/Sterilizer/Laboratory/Press/Oil room/Boiler/Engine operator – Safety Helmet, Semi leather Hand Glove, Cotton Gloves, Safety Shoes, Safety Vest and Ear Muff.</li> <li>ii. Field workers (sprayer, harvester) – half face mask with respirator, anti-mist goggles, wellington boots, apron and sickle cover.</li> </ul> <p>During the site visit, it was noted that the PPE will be replaced by the workers when damaged or lost. The PPE was implemented effectively at all site visited.</p> <p>The chemical store was found to be adequately organized, properly labelled, secured and person in charge understands the OSH procedures. CSDS was placed at the chemical stores and is available. The person in charge understands the information written in CSDS.</p> <p>However,</p> <ol style="list-style-type: none"> <li>1. All workers involved in the operation was found not adequately trained in safe working practices</li> <li>2. Adequate and appropriate protective equipment were not available to all workers at the place of work</li> </ol>	<p>Minor nonconformance</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<p>Bukit Kelompok Estate:            During site visit at field P08/3, it was found that the tractor driver (LYS Estate Work) were in violation of "Panduan Kerja Selamat, Semakan Pertama, Unit OSH 2009, 18 Mei 2009,</p> <ol style="list-style-type: none"> <li>1. No evidence of training and tractor driving competency card as per "Clause 7.4.1".</li> <li>2. Not wearing safety shoes and hand glove as per "Clause 7.1.3 and clause 7.13".</li> </ol> <p>Thus, minor NC was raised.</p>	

<p>4.7.4</p>	<p>The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded. - Major compliance -</p>	<p>Pasir Panjang complex OSH policy is well briefed to all workers. Interview with workers reveal that they understand the policy and the importance of safety at work.</p> <p><b><u>Pasir Panjang POM</u></b> OSH/ESH meeting conducted on quarterly basis and last meeting conducted on 25/9/2018.</p> <p>The work place inspection and review of accident record was discussed during the OSH meeting. No any unresolved safety and health issues noted.</p> <p><u>OSH Committee Members for 2018</u> Chairman – Mill Manager Appointment letters for OSH committee for members was sighted. OSH/EHS meeting: 25/9/18, 27/6/2018, 25/3/2018 and 26/12/17.</p> <p><b><u>Pasir Logok Estate</u></b> OSH/ESH meeting conducted on quarterly basis and last meeting conducted on 19/10/2018.</p> <p>The work place inspection and review of accident record was discussed during the OSH meeting. No any unresolved safety and health issues noted.</p> <p><u>OSH Committee Members for 2018</u> Chairman – Estate Manager Appointment letters for OSH committee members was sighted. OSH/EHS meeting: 19/10/2018, 13/7/2018, 3/4/2018 and 16/11/2017.</p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<p><b><u>Bukit Kelompok Estate</u></b>            OSH/ESH meeting conducted on quarterly basis and last meeting conducted on 26/9/2018.</p> <p>The work place inspection and review of accident record was discussed during the OSH meeting. No any unresolved safety and health issues noted.</p> <p><u>OSH Committee Members for 2018</u>            Chairman – Estate Manager            Appointment letters for OSH committee members was sighted.            OSH/EHS meeting: 26/9/2018, 29/6/2018, 26/3/2018.</p>	

<p>4.7.5</p>	<p>Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed.          - Minor compliance -</p>	<p>Accident and emergency procedures have been communicated to employees, contractors and visitors.</p> <ol style="list-style-type: none"> <li><b>Pasir Panjang POM</b> - Fire evacuation drill was last conducted on 4/11/18 to test the state of readiness during emergency situation.</li> <li>Fire drill was last conducted on 9/8/2018 (Bukit Kelompok Estate) to test the state of readiness during emergency situation. Accident and emergency procedures are in Bahasa Malaysia and this is understood by the responsible workers, staff or executives involved in the operation. Good understanding level observed among the workers.             <ol style="list-style-type: none"> <li>Training for First Aid is conducted once in two years. Last training was conducted accordingly. Sighted the certificate by PBSM (BB0160489, RK0136519, RK0131749).</li> <li>First aid equipment is available at worksites. During the site visit there is evident that First Aid Box is available at the relevant area with sufficient contents and in good condition.</li> <li>Fire extinguisher (ABC Powder) assessed during the site observation are available and within the expiry date.</li> <li>Emergency eye wash facility available at chemical store and laboratory. Both are in good working condition.</li> </ol> </li> </ol> <p>Quarterly review on accident cases carried out during OSH quarterly meeting.  <b>Pasir Panjang POM</b>          JKPP 8 was sent to DOSH on 4/1/2018.</p> <p>03 accident reported for 2018. Eg: Accident on 18/7/18 while repairing machine at Press Station. The JKPP 6 was sent to DOSH accordingly. The HIRARC was reviewed after the accident 1/8/18.</p> <p><b>Pasir Logok Estate</b></p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<p>No accident reported for 2018. For 2017, 14 case of accidents (&lt; 4 days MC) were reported. Eg: accident on 4/6/17 (harvesting activity) and 8/8/17 (harvesting area), the incident report by the estate was available. JKKP 8 was sent to DOSH on 5/1/18.</p>	



Criterion / Indicator		Assessment Findings	Compliance																					
4.7.6	All workers shall be provided with medical care, and covered by accident insurance. - Minor compliance -	<p>Medical care is provided to all the employees. Reviewed on workers profile records found that all workers are covered by the accident insurances.</p> <p>Malaysian workers are covered by SOCSO or Perkeso (Pertubuhan Keselamatan Sosial). Refer to form 8A, "Jadual Caruman" for Sept 18 and Oct 18.</p> <p>Foreign workers are covered by Foreign Workers Compensation Scheme Certificate of Insurance.</p> <table border="1"> <thead> <tr> <th>Insurance</th> <th>Period</th> <th>Remark</th> </tr> </thead> <tbody> <tr> <td>SOCSO</td> <td>Sept 18, Oct 18</td> <td>ID No: 640062, 640142, 640055</td> </tr> <tr> <td>MSIG (JB-10063368-FWC)</td> <td>21/9/18 – 20/9/19</td> <td>ID No:640159</td> </tr> <tr> <td>MSIG (JB-10036210-FWC)</td> <td>12/8/18-11/8/19</td> <td>ID No:640138</td> </tr> <tr> <td>MSIG (JB-10064019-FWC)</td> <td>2/9/18-1/9/19</td> <td>ID No: 632583</td> </tr> <tr> <td>MSIG (JB-10124689-FIG)</td> <td>4/11/18-3/5/20</td> <td>ID No:632504, 632665</td> </tr> <tr> <td>SOCSO</td> <td>Sept 18, Oct 18</td> <td>ID No: 632021, 632003, 632285</td> </tr> </tbody> </table>	Insurance	Period	Remark	SOCSO	Sept 18, Oct 18	ID No: 640062, 640142, 640055	MSIG (JB-10063368-FWC)	21/9/18 – 20/9/19	ID No:640159	MSIG (JB-10036210-FWC)	12/8/18-11/8/19	ID No:640138	MSIG (JB-10064019-FWC)	2/9/18-1/9/19	ID No: 632583	MSIG (JB-10124689-FIG)	4/11/18-3/5/20	ID No:632504, 632665	SOCSO	Sept 18, Oct 18	ID No: 632021, 632003, 632285	Complied
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Criterion / Indicator		Assessment Findings	Compliance						
4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics - Minor compliance -	<p>Accident records are found to be updated. All records on Lost Time Accident (LTA) metrics are maintained.            Samples of accident statistic as shown below :</p> <table border="1"> <thead> <tr> <th>Year to-date</th> <th>PPOM</th> <th>PLE</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>1 (LTA 119)</td> <td>26 (LTA 31)</td> </tr> </tbody> </table> <p>*LTA is equivalent to lost man days (MC)</p>	Year to-date	PPOM	PLE	2017	1 (LTA 119)	26 (LTA 31)	Complied
Year to-date	PPOM	PLE							
2017	1 (LTA 119)	26 (LTA 31)							
<p><b>Criterion 4.8:</b>            All staff, workers, smallholders and contract workers are appropriately trained.</p>									
4.8.1	A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme. - Major compliance -	Pasir Panjang POM and supply base has established an annual training program that covers all aspects of the RSPO Principles and Criteria. The training need and program was made available for verification at all visited sites.	Complied						

<p>4.8.2</p>	<p>Records of training for each employee shall be maintained.          - Minor compliance -</p>	<p>Training records for employees available and maintained at the office. Records are verified on a sampling basis which covers all aspect of training and RSPO P&amp;C requirement.</p> <p><b>Pasir Panjang POM</b></p> <table border="1"> <thead> <tr> <th>Date</th> <th>Training</th> </tr> </thead> <tbody> <tr> <td>23/11/18</td> <td>S/Waste</td> </tr> <tr> <td>11/11/18</td> <td>Noise exposure</td> </tr> <tr> <td>2/9/18</td> <td>Boiler Station</td> </tr> <tr> <td>12/8/18</td> <td>Polisy company</td> </tr> <tr> <td>6/8/18</td> <td>Water treatment plant</td> </tr> <tr> <td>22/4/18</td> <td>Laboratory</td> </tr> <tr> <td>19/4/18</td> <td>First aid training</td> </tr> <tr> <td>19/4/18</td> <td>Oil Room</td> </tr> </tbody> </table> <p><b>Pasir Logok Estate</b></p> <table border="1"> <thead> <tr> <th>Date</th> <th>Training</th> </tr> </thead> <tbody> <tr> <td>22/9/18</td> <td>Mechanical Buffalo (Driving)</td> </tr> <tr> <td>14/8/18</td> <td>Company policies</td> </tr> <tr> <td>12/7/18</td> <td>Safety &amp; SOP during Elephant Incursion</td> </tr> <tr> <td>24/6/18</td> <td>Chemical handling</td> </tr> <tr> <td>17/6/18</td> <td>Workshop</td> </tr> <tr> <td>6/6/18</td> <td>Scheduled waste</td> </tr> <tr> <td>12/6/18</td> <td>Fertilizer handling</td> </tr> <tr> <td>18/3/18</td> <td>Chemical mixing</td> </tr> <tr> <td>7/3/18</td> <td>Landfill</td> </tr> <tr> <td>12/3/18</td> <td>HCV/Buffer zone</td> </tr> <tr> <td>18/3/18</td> <td>Manuring</td> </tr> <tr> <td>16/3/18</td> <td>Harvesting</td> </tr> </tbody> </table>	Date	Training	23/11/18	S/Waste	11/11/18	Noise exposure	2/9/18	Boiler Station	12/8/18	Polisy company	6/8/18	Water treatment plant	22/4/18	Laboratory	19/4/18	First aid training	19/4/18	Oil Room	Date	Training	22/9/18	Mechanical Buffalo (Driving)	14/8/18	Company policies	12/7/18	Safety & SOP during Elephant Incursion	24/6/18	Chemical handling	17/6/18	Workshop	6/6/18	Scheduled waste	12/6/18	Fertilizer handling	18/3/18	Chemical mixing	7/3/18	Landfill	12/3/18	HCV/Buffer zone	18/3/18	Manuring	16/3/18	Harvesting	<p>Complied</p>
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<b>Principle 5: Environmental responsibility and conservation of natural resources and biodiversity</b>															
<b>Criterion 5.1:</b> 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 continual improvement.															
5.1.1	An environmental impact assessment (EIA) shall be documented. - Major compliance -	<p>The EIA for all of the activities in the mill is documented in Environmental Risk Assessment Form (Form No: EPA-PPPOM-2017). There are 18 activities listed in the Risk Assessment Register (Activity code # ER 001 to ER 018); Rev. 2/2018. The risk assessment was last reviewed on 4/9/2018. Among the activities assessed were Chemical Mixing Storage, Lab Operation, POME Treatment, Empty Bunch Press, Storage of Scheduled Wastes, Bio-gas plant and Bio-compost plant.</p> <p>At the estates, documented Environmental Risk Assessment Form (Form No: EPA-(LBK)/(LPL)-2017) available. All the estates activities such as nursery, land preparation for replanting, harvesting &amp; evacuation and field maintenance have been risk assessed for environmental impacts.</p>	Complied												

Criterion / Indicator		Assessment Findings	Compliance
5.1.2	Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons. - Minor compliance -	Environmental management plan for 2018 (Pollution & Emission) at all the visited operating units were available. The management plan was derived from the environmental aspect and impact evaluations. Generally, the mitigation measures established were implementation of SOPs and improvement of work station facilities.	Complied
5.1.3	This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts. - Minor compliance -	An environmental improvement plan was implemented to monitor the effectiveness of the mitigation measures. This plan incorporated a monitoring protocol, which is adaptive to operational changes and is reviewed every year to reflect the results of monitoring operational changes that may have positive and negative environmental impacts.	Complied
<b>Criterion 5.2:</b> The status of rare, threatened or endangered species and other 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 and operations managed to best ensure that they are maintained and/or enhanced.			

Criterion / Indicator	Assessment Findings	Compliance
<p>5.2.1</p>	<p>Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors).                      - Major compliance -</p> <p>Initial HCV assessment was carried out in July 2009 by A.J.F.M. Deeker Consultant, Biodiversity. Based on the report, there is an immediate recommendation from the consultant for the estate to commission migratory bird survey for BKE. Kulim Bhd has conducted "Recce survey of birds and bats" on 16-23/11/2011 by Wildlife Conservation Society and the survey report had been submitted to the management. However, there is no management plan establish to implement measures to maintain and/or enhance the findings in the survey report. Hence, a non-conformity was assigned due to this lapse.</p> <p>Re-assessment of HCV was carried out in September 2016 by Malaysia Environmental Consultants Sdn Bhd (ALS14023KJ &amp; ALS15035TN) and approved by HCV Network.</p>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance
5.2.2 Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through a management plan. - Major compliance -	<p>The biodiversity improvement plan which reviewed annually has incorporated different management plan such as encroachment control, develop reserve area, animal sighting record, boundary survey and bird survey. Estate has taken steps to inform the Department of Wildlife and National Park which conduct regular visit to the site. Kulim (Malaysia) Berhad is also continuing to support the Kulim Wildlife Defenders Program to detect illegal hunters and handing them to regulatory departments for further action.</p> <p>In an HCV assessment report dated July 2009, A.J.F.M. Deeker Consultant has recommended the management to commission migratory bird survey at Bukit Kelompok Estate. The birds survey had been carried out by Wildlife Conservation Society in November 2011 and the survey report had been submitted to the management. However, there is no management plan establish to implement measures to maintain and/or enhance the findings in the survey report. Thus, Major NC was raised.</p>	<p>Major nonconformance</p>
5.2.3 There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instigated in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species. - Minor compliance -	<p>Various training program had been conducted to enhance the awareness of the worker on HCV and human-wildlife conflict. All the visited estates have maintained their training records for verification. Details of the trainings are mentioned in Indicator 4.8.2 above. Interview the workers confirmed that they were aware for the conservation of the wildlife.</p>	<p>Complied</p>

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Criterion / Indicator	Assessment Findings	Compliance
5.2.4	<p>Where a management plan has been created there shall be ongoing monitoring:</p> <ul style="list-style-type: none"> <li>• The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported;</li> <li>• Outcomes of monitoring shall be fed back into the management plan.</li> </ul> <p>- Minor compliance -</p> <p>Regular patrols within the operating unit estates were carried out and findings recorded by the field staff to monitor the conservation/buffer zones. Mechanism for reporting the sightings of various types of wildlife, were found to have been in place. Monitoring and control of any illegal hunting, fishing or collecting activities was also implemented and recorded under HCV Buffer zone maintenance book.</p> <p>At Pasir Logok Estate, the patrolling of the HCV area conducted on daily basis by assistant manager or field staff and the observation (animal sighting record) are recorded in "Ronda Pagar Gajah, 2018". Verification of the report showed that encroachment of elephant was quite often, e.g. in Nov 2018 alone, there have been around 10 intrusions of elephant identified. The estate has reported to the Wildlife Department through phone call but no records.</p>	<p>Complied</p>
5.2.5	<p>Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights.</p> <p>- Minor compliance -</p> <p>No HCV with existing rights of local communities was identified that needs to be set aside.</p>	<p>Complied</p>
<p><b>Criterion 5.3:</b>            Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.</p>		



Criterion / Indicator		Assessment Findings	Compliance
5.3.1	All waste products and sources of pollution shall be identified and documented. - Major compliance -	<p>At the mill, Lab discarded chemical and empty chemical containers were disposed through authorised collector. For the estates, they are triple rinsed and punctured before being disposed.</p> <p>The Scheduled Wastes such as contaminated chemical containers (SW 409), spent hydraulic oil (SW306), spent lubricants (SW 306) and contaminated rags and filters (SW410). Verification of DOE’s Sixth Schedule showed that the scheduled wastes were adequately managed through implementation of SW regulations.</p> <p>At the visited estates, the empty chemical containers were triple rinsed and punctured in accordance to the established procedure before they were sent to recycle vendors. Receipt of deliveries were maintained by the estates for verification.</p> <p>Nonetheless, some lapses as follows were found which led to issuance of non-conformity:</p> <p>1) During the site visit, two pieces of herbicide empty containers were found to be disposed at Pasir Logok’s workers housing No. A1 &amp; A2 backyard.</p> <p>Based on the scheduled wastes inventory records, Pasir Logok Estate had given away 10 litres of spent lubricants (SW305) to a school for them to make lines on their grass field. This was also confirmed by the school representative during stakeholders meeting conducted by the assessment team.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
5.3.2	All chemicals and their containers shall be disposed of responsibly. - Major compliance -	<p>At the mill, DOE's Second Schedule (Notification of Scheduled Wastes) was used to notify the authority what kind of Scheduled Wastes generated by the mill. Among the main Scheduled Wastes registered were SW305, SW409 and SW410.</p> <p>The estates have maintained its Wastes and Pollution Management Plan (last review 1/8/2018). Among the type of wastes identified were domestic waste, recyclable wastes (plastic, bottles, etc.), scheduled wastes, scrap (metal, used welding rods/tools), liquid waste (septic tank overflow &amp; spillage, waste water from PCD), office wastes (used papers, spent printer cartridge, broken computer, spent bulbs), medical (used dressing materials) and rubber materials (tyres, etc.).</p> <p>However, the handling of chemicals and their containers according to the established procedure was not adequately demonstrated.</p> <ol style="list-style-type: none"> <li>1. During the site visit, two pieces of herbicide empty containers were found to be disposed at Pasir Logok's workers housing No. A1 &amp; A2 backyard.</li> <li>2. Based on the scheduled wastes inventory records, Pasir Logok Estate had given away 10 litres of spent lubricants (SW305) to a school for them to make lines on their grass field. This was also confirmed by the school representative during stakeholders meeting conducted by the assessment team.</li> </ol> <p>Thus, Major NC was raised.</p>	Major nonconformance

Criterion / Indicator		Assessment Findings	Compliance
5.3.3	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented. - Minor compliance -	The estates and mill have also their programme for recycling. Among the wastes material identified that can be recycled were plastic, glass, paper and scrap iron. At the mill, internal receipt #CR20180699 to a recycler dated 19/11/2018 with amount of 14 mt of scrap iron was verified. Domestic wastes from household were collected and landfilled. The landfill locations were appropriately selected in such a way that they are far from residential area and water ways. Nonetheless, the verification of the content of rubbish pit at Bukit Kelompok Estate landfill could be further improved. The verification was not possible due to the last pit was closed a day before the assessment visit and the newly dug pit was still empty (OFI).	Complied
<b>Criterion 5.4:</b> Efficiency of fossil fuel use and the use of renewable energy is optimised.			
5.4.1	A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored. - Minor compliance -	Pasir Panjang POM has the plan to improve its diesel consumption by i) planning to install 400 kW Gas Engine & Auxiliaries, therefore bio-gas produced would be utilised to generate electricity to workers quarters. A contractor has been appointed to design, supply, install, testing and commissioning for one unit 600kW containerised biogas engine [ref.: letter dated 13/9/2018, MPSB/C1/2/24(2018)] ii) installation of burner to the new boiler, so that the boiler can operate using biomass and gas instead of biomass and diesel (by generator set). The burner has been installed and expected to commission in mid Dec 2018. As at Oct 2018, the diesel consumption by the mill is 1.18 lt/mt FFB process.	Complied
<b>Criterion 5.5:</b> Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice.			

Criterion / Indicator		Assessment Findings	Compliance
5.5.1	There shall be no land preparation by burning, other than in specific situations as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Major compliance -	There was no replanting operation at both of the visited estates. Nonetheless, Kulim (M) Bhd has its preparation of land for replanting in its Agricultural Manual. Based on the manual (Chapter A04 – Felling), palm trunks must be fell, chipped and shredded into slices of certain thickness.	Complied
5.5.2	Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Minor compliance -	Not applicable as no fire was used to prepare land for replanting.	Not applicable
<b>Criterion 5.6:</b>			
Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.			
5.6.1	An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4). - Major compliance -	The assessment of polluting activities from gaseous emissions was conducted through the method mentioned in 5.1.1. Among the main gaseous emissions sources identified were effluent treatment plant, boiler operations, fossil fuel consumptions by machinery and fertilizers consumption to name a few.	Complied
5.6.2	Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. - Major compliance	Significant pollutants and greenhouse gas (GHG) emissions were identified includes methane from effluent, smoke and fertilizer usage have been documented. Implementation and monitoring of GHG emissions is carried out and submitted to RSPO.	Complied

Criterion / Indicator	Assessment Findings	Compliance
5.6.3	<p>A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools.</p> <p>- Minor compliance -</p> <p>RSPO GHG calculator was used to calculate the GHG emission of the certification unit. The report had been submitted to RSPO for 2017 performance. Verification of data through inspection of various records such as "Buku Keluar Masuk Diesel" &amp; "Monthly Data Report" verified for diesel and electricity usage, store issuance records and estate's showed that the input data was authentic and verifiable. The mill has only one chimney which is shared by two boilers. Stack samplings were conducted once in every six months as regulated. The last two reports were available for verification, i.e.:</p> <p>2<sup>nd</sup> half 2018 – report # PPJ2-6/10/18, conducted on 9/10/2018, results: chimney no. 2=137 mg/Nm<sup>3</sup></p> <p>1<sup>st</sup> half 2018 – report # PAC-AE-180411, conducted on 3/4/2018, results: chimney no. 2=130 mg/Nm<sup>3</sup></p>	Complied
<p><b>Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and millers.</b></p>		
<p><b>Criterion 6.1:</b>            Aspects of plantation and mill management that have social impacts, including replanting, 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 continual improvement.</p>		

Criterion / Indicator		Assessment Findings	Compliance
6.1.1	A social impact assessment (SIA) including records of meetings shall be documented. - Major compliance -	SIA was carried out on 17-21/7/2016 by Malaysian Environmental Consultants Sdn Bhd where the methodology of assessment was through data collections from internal and external stakeholders, field observations, in-depth interview and field group interview. The impacts that assessed during the assessment such as access and use rights, economic livelihoods, subsistence activities, cultural and religious value, health and education facilities.  Besides, the Sustainability Team has carried out Internal social audit has been conducted on 25/4/2018 for Pasir Panjang POM and 15/9/2018 for whole Kulim (M) Berhad which involved the participation of internal stakeholders such as workers and sundry shop owner. Criteria that assessed during the internal audit such as child labour, forced labour, OSH, housing facilities, discrimination, wages/ deduction, policies and workers' committee.	Complied
6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. - Major compliance -	Methodology of the assessment was through field observation, dialogues with stakeholders and in-depth interview with affected parties. The stakeholders that involved in the assessment included workers, staffs and executives, contractors and suppliers, local authorities, NGOs and adjacent plantations.	Complied
6.1.3	Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation. - Major compliance -	Social Improvement Plan dated June 2017 for the impacts raised during SIA assessment conducted on July 2016 was sighted and the plan has included the time frame and person in charge to resolve the issue.	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.1.4	The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the review has concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties. - Minor compliance -	The social action plan updated on every year after the social internal audit has been carried out. The last audit was on 15/9/2018.	Complied
6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme). - Minor compliance -	There is no scheme smallholder involves in the certification unit.	Not applicable
<b>Criterion 6.2:</b> There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.			
6.2.1	Consultation and communication procedures shall be documented. - Major compliance -	Kulim (M) Berhad has established Communication and Consultation Management Guidelines to effectively communicate with internal and external stakeholders on matters pertaining to the social and environmental aspects and impacts, performance and OSH. The company implemented two-way communication between the management and employees via muster, meeting with representatives, notice boards, suggestion boxes and memo. Any request for information for internal and external shall be recorded in the Enquiry Register and acted upon within 7 working days and grievance shall be recorded according to the Grievance procedure.	Complied
6.2.2	A management official responsible for these issues shall be nominated. - Minor compliance -	Executive Regional Controller has been appointed as Social Person In-Charge to handle all the social issues in the complex with appointment letter dated 23/10/2016 was sighted. Besides, the Mill Manager has established a committee to handle social issue in the mill and seen the Memo dated 23/9/2016 for the appointment of social officer.	Complied

Criterion / Indicator	Assessment Findings	Compliance	
6.2.3	A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained. - Minor compliance -	Stakeholder meeting was conducted on 2/8/2018 which involved the participation of affected stakeholders such as contractors, suppliers, kindergarten’s representative and neighbouring mill’s representative. Briefing of complaint procedures, communication and consultation, policies and land use rights have been conducted during the meeting to all the stakeholders. No issue was raised during the meeting. Invitation letters to other stakeholders that couldn’t make it such as government authorities and customers dated 29/7/2018 was sighted. Enquiry Register Record was implemented to record any requests or visits by stakeholders such as MPOB and MOH visit.	Complied
<b>Criterion 6.3:</b> There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all effected parties.			
6.3.1	The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested. - Major compliance -	Kulim (M) Berhad has developed SPO Grievance Procedure dated 4/9/2007 to ensure that the company has a documented system for dealing with complaints and grievances that is agreeable to all sides and accepted by all stakeholders. The steps of lodge complaint have been clearly described in the procedure. Total 25 working days’ maximum for the complaint to be resolved. Stakeholder can lodge a grievance by email, formal letter or by telephone calls. All the grievances must be recorded in the Grievance and Complaints Register. The complaint recorded will be kept confidential.	Complied
6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. - Major compliance –	Mill and estatrns management has implemented Housing Defect Complaint Form to record all the housing defects in the linesite. Document reviewed on the complaint form and verified that the actions taken to rectify the issues is within 25 working days.	Complied
<b>Criterion 6.4:</b> Any negotiations concerning compensation for loss of legal, customary or user 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.			



Criterion / Indicator		Assessment Findings	Compliance
6.4.1	A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. - Major compliance -	Kulim (M) Berhad has established Estate Land Encroachment Procedure with Doc. No.: PROP/MP/5 dated 1/1/2015. The objective of the procedure is to establish and maintain the procedure on handling estate land encroachment cases professionally without tarnish the company. The procedure has clearly described the process such as legal surveyor to be appointed for demarcation, compensation process involved the government authorities and the company.	Complied
6.4.2	A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land. - Minor compliance -	SOP as per criteria 6.4.1.	Complied
6.4.3	The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available. - Major compliance -	No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported during the time of audit.	Complied
<b>Criterion 6.5:</b> Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.			

Criterion / Indicator		Assessment Findings	Compliance
6.5.1	Documentation of pay and conditions shall be available. - Major compliance -	<p>The mill and estates consist of local workers, foreign workers and contractor’s workers. The management has included basic pay, net pay, gross pay, deduction of salary and days of attended to work on the pay slip. Payslip for March 2018, April 2018, May 2018, July 2018 and October 2018 based on the crop summary was sampled as below:</p> <ul style="list-style-type: none"> <li>a. Employee No.: 640138 (PPPOM)</li> <li>b. Employee No.: 640128 (PPPOM)</li> <li>c. Employee No.: 640064 (PPPOM)</li> <li>d. Employee No.: 640126 (PPPOM)</li> <li>e. Employee No.: 640090 (PPPOM)</li> <li>f. Employee No.: 632526 (PLE)</li> <li>g. Employee No.: 632736 (PLE)</li> <li>h. Employee No.: 632581 (PLE)</li> </ul> <p>All the sampled workers have achieved the Minimum Wage Order 2016.</p>	Complied

<p>6.5.2</p>	<p>Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official. - Major compliance -</p>	<p>1) Reviewed on the employment contract found that the following terms and conditions are not clearly stipulated in the contract:</p> <ul style="list-style-type: none"> <li>i) Resignation Notice period for foreign workers</li> <li>ii) Resignation clauses for foreign workers with evidence that foreign workers (e.g. Indonesia) told the assessment team that they are not allowed to resign before they have completed the first contract which is 2 years.</li> <li>iii) Other conditions (e.g. Annual leave, overtime, medical leave) of MAPA/ NUPW was not stated/ referenced in the contract except condition on wages and public holiday entitlement.</li> <li>iv) Normal working hours for harvesters</li> </ul> <p>2) Besides, under Clause 9 where the contract stipulated that the workers allow the company for passport safe keeping and company will return temporary to workers when needed. There is no option provided to the workers if they would like to surrender or keep the passport by themselves. In additional, the conditions of the management will only return temporary to the workers when needed, shows that as if the company is the owner of the passport. The passport is the identity of the workers and it is their rights to have full access to the passport without restriction or conditions.</p> <p>3) Interviewed with the Bangladeshi worker at Bukit Kelompok found that he could not understand the employment contract he signed with employer due to the contract is in Bahasa Malaysia. The contracts of all workers are only available in Bahasa Malaysia. The contract was not provided in the language understood by the workers.</p>	<p>Major nonconformance</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<p>4) The number of working days stipulated in the employment contract was 6 days per week (equal to 26 days per month). However, the calculation for "no work on raining day" is based on 24 working days which contradicts with the method of determining the working days in the employment contract.</p> <p>Thus, Major NC was raised.</p>	
<p>6.5.3</p>	<p>Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. - Minor compliance –</p> <p>Visit to the linesite found that the housing condition was not satisfactory as below:</p> <p>1) Rubbish were not properly disposed where the rubbish was thrown on empty land behind the houses and rice residue was thrown into the monsoon drain.</p> <p>2) Linesite inspection was not carried out effectively leading to defects such as missing window panel and door knobs at B 15 and B 16 was not fixed (Pasir Logok Estate). As according to the Assistant Manager, even if workers not reported to the office regarding any defects, the HA will have recorded the defects during linesite inspection.</p> <p>3) Linesite in POM found that the monsoon drains were full with dried leaves, fronds and grasses.</p> <p>4) Door knob in House No. 203 (POM) was not fixed.</p> <p>Thus, minor NC was raised.</p>	<p>Minor nonconformance</p>

Criterion / Indicator		Assessment Findings	Compliance
6.5.4	Growers and millers shall make demonstrable efforts to monitor and improve workers' access to adequate, sufficient and affordable food. - Minor compliance –	There is a sundry shop and food stalls located in the estates' compound. Site visit to the food shop found that price was displayed on a whiteboard.	Complied
<b>Criterion 6.6:</b> The employer respects the rights 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.			
6.6.1	A published statement in local languages recognising freedom of association shall be available. - Major compliance -	Kulim (Malaysia) Berhad has established Core Labour Standard Policy dated 1/5/2018 where the company recognized and respected the rights of employees to form and/ or join trade unions of their choice which are given due recognition by KULIM. The policy was in bi-lingual which is Bahasa Malaysia and English. The policy has been displayed at the notice board outside the office and briefed to the workers on 2/8/2018 during stakeholder meeting and workers on 1/10/2018, 2/10/2018, 6-7/10/2018 in Pasir Panjang POM. Besides, document reviewed and interviewed with the workers confirmed that they are allowed to join any association such as NUPW.	Complied
6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. - Minor compliance -	AMESU/ NUPW meeting was held once a year and the last meeting was conducted on 29/7/2018 with total 3 representatives from management, 2 representatives from AMESU and 5 representatives from NUPW. Meeting minutes was sighted and issues raised during last meeting was reviewed and reported the status of the issues. New issues were reported during the meeting and action plan with time frame to resolve was recorded in the minutes.	Complied
<b>Criterion 6.7:</b> Children are not employed or exploited.			

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6.7.1	There shall be documentary evidence that minimum age requirements are met. - Major compliance -	Kulim (Malaysia) Berhad has established Core Labour Standard Policy dated 1/5/2018 where they are not engage in or support the use of Child Labour and will provide adequate support to enable children of its employees to attend and remain in school until no longer a child. Document reviewed of the List of Workers confirmed that all the employees were above 18 years old.	Complied
<b>Criterion 6.8:</b> Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.			
6.8.1	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. - Major compliance -	Kulim (Malaysia) Berhad has established Core Labour Standard Policy dated 1/5/2018 where the company will not engage in nor support discrimination in any form. The policy has been displayed at the notice board outside the office and briefed to the workers on 1/10/2018, 2/10/2018, 6-7/10/2018 in Pasir Panjang POM.	Complied
6.8.2	Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against. - Major compliance -	Interviewed with the workers consisted of different nationalities and different gender confirmed that they are treated equally without any discrimination. The workers were provided with standard treatment such as free medical treatment, fair overtime offered to all the workers whoever want to work and free housing to everyone.	Complied
6.8.3	It shall be demonstrated that recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. - Minor compliance -	Procedure on Staff Recruitment & Termination was developed. The procedure is to ensure the recruitment of the most suitable staff based on job requirement specification (Eg: education and experience). Each of the role has clearly specific the job requirement in the procedure.  Besides, Recruitment of New Foreign Workers procedure has been developed to ensure the new foreign workers recruited for the operating units are legal workers which according to Immigration Act 1959/1963.	Complied

Criterion / Indicator		Assessment Findings	Compliance
<b>Criterion 6.9:</b>			
There is no harassment or abuse in the work place, and reproductive rights are protected.			
6.9.1	Policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. - Major compliance -	Kulim (Malaysia) Berhad has developed Sexual Harassment Policy dated 1/5/2018 where the company seeks to eradicate all forms of sexual harassment in the workplace and wherever possible influence the behavior of its employees. KULIM has a zero tolerance on sexual harassment. The policy has been displayed at the notice board outside the office and briefed to the workers on 1/10/2018, 2/10/2018, 6-7/10/2018 in Pasir Panjang POM.	Complied
6.9.2	A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce. - Major compliance -	Kulim (Malaysia) Berhad has established Core Labour Standard Policy dated 1/5/2018 where the company recognized and respects the right of employees of their rights and freedoms relating to reproduction and reproductive health. The policy has been displayed at the notice board outside the office and briefed to the workers on 1/10/2018, 2/10/2018, 6-7/10/2018 in Pasir Panjang POM.	Complied
6.9.3	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. - Minor compliance -	Women on Wards committee (WOW) was established in the operating units. The committee was chaired by RC Executive and wives of assistants and participated by the female workers. Complaint form and flowchart for complaint related to WOW was implemented in the company. Interviewed with the female staffs confirmed that no case of sexual harassment reported and they were understood the process of lodged complaint. They informed that their information will be treated as confidential by company.	Complied
<b>Criterion 6.10:</b>			
Growers and mills deal fairly and transparently with smallholders and other local businesses.			
6.10.1	Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. - Minor compliance -	There is no smallholder dealing with the palm oil mill. Pricing mechanism for FFB is not applicable because the FFB sourced is from own company estates.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
6.10.2	Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation). - Major compliance -	There is no smallholder dealing with the palm oil mill. Pricing mechanism for FFB is not applicable because the FFB sourced is from own company estates.	Complied
6.10.3	Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. - Minor compliance -	Sampled of contract agreements with the contractors as below: Contract No.: MPSB/CPO 1/2016 for transporting CPO which valid from 28/2/2018 to 29/2/2020.	Complied
6.10.4	Agreed payments shall be made in a timely manner. - Minor compliance -	Payment of fees shall be made within 30 days from the date of certification of submitted invoices by the company. Interviewed with the contractors confirmed that payment was made accordingly.	Complied
<b>Criterion 6.11:</b>			
Growers and millers contribute to local sustainable development where appropriate.			
6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. - Minor compliance –	The company has made contribution such as donation to school events upon request, provided free transportation to send the students to schools and festival celebration together with the workers.	Complied



Criterion / Indicator		Assessment Findings	Compliance
6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. - Minor compliance –	There is no scheme smallholder involves in the certification unit.	Not applicable
<b>Criterion 6.12:</b> No forms of forced or trafficked labour are used.			
6.12.1	There shall be evidence that no forms of forced or trafficked labour are used. - Major compliance -	<p>Kulim (Malaysia) Berhad has implemented Core Labour Standard Policy dated 1/5/2018 where the company does not engage in or support the use of Forced Labour in all the operations and administrations.</p> <p>The company has recruited all the employees with legal identification for local and valid passport and work permit for foreign workers and contract workers. Contract of employment was signed by the workers prior to work. Sampled of foreign workers with valid work permit as below:</p> <ul style="list-style-type: none"> <li>a. Permit No.: PE 1544436 valid until 11/8/2019 (PPPOM)</li> <li>b. Permit No.: PE 0950281 valid until 6/6/2019 (PPPOM)</li> <li>c. Permit No.: PE 0554306 valid until 13/4/2019 (PPPOM)</li> <li>d. Permit No.: PE 1736195 valid until 1/9/2019 (PLE)</li> <li>e. Permit No.: PE 6306251 valid until 3/11/2019 (PLE)</li> </ul>	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. - Minor compliance –	<p>Reviewed on the sample of Work Contract signed by workers in Indonesia found that some clauses contradict or not stipulated in the contract they signed in Malaysia.</p> <p>1) Clause 3, Section b, for salary payment purposes, Employer shall open an account in the name of the Employee.</p> <p>2) Clause 5, Section b, Employer shall provide living accommodation for the Employee equipped with the minimum facilities of electricity, clean water, bathroom and toilet, ....., all of which shall be provided free of charge.</p> <p>3) Clause 8, Section a, Employee shall be entitled to annual leave after completing one year of service upon the following conditions:</p> <ul style="list-style-type: none"> <li>i) After 1 year of service - 8 days</li> <li>ii) 2 to 5 years of service - 12 days</li> <li>iii) After 5 years of service - 16 days</li> </ul> <p>Thus, minor NC was raised.</p>	Minor nonconformance
6.12.3	Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented. - Major compliance -	<p>Kulim (Malaysia) Berhad has developed Employee Handbook dated 1/9/2018 and Core Labour Standard Policy dated 1/5/2018 which has included the following terms:</p> <ul style="list-style-type: none"> <li>a. No forced labour and no contract substitution for all the employees.</li> <li>b. Provide the appropriate trainings to each of the employees.</li> <li>c. The company will provide decent living conditions according to Minimum Housing and Amenities Act 1990.</li> <li>d. The company will not engage in nor support discrimination in any form.</li> </ul> <p>Induction training for new recruited workers was conducted to the new recruited foreign workers during their arrival to the estates.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
<b>Criterion 6.13:</b> Growers and millers respect human rights.			
6.13.1	A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1). - Major compliance -	Kulim (Malaysia) Berhad has developed Sustainability Policy where the company respects, supports and upholds fundamental human rights and does not engage in any discrimination of race, religion and gender. The policy has been displayed at the notice board outside the office and briefed to the workers on 1/10/2018, 2/10/2018, 6-7/10/2018 in Pasir Panjang POM.	Complied
6.13.2	As long as children of foreign workers in Sabah and Sarawak are ineligible to attend government school, the plantation companies should engage in a process to secure these children access to education as a moral obligation.	Not applicable in Peninsular Malaysia.	Not applicable
<b>Principle 7: Responsible development of new plantings</b>			
Pasir Panjang Palm Oil Mill Certification Unit and supply base did not carry out any new plantings since November 2005. Therefore, Principle 7 is not applicable during this annual surveillance assessment. The immature areas are replanted area.			
<b>Principle 8: Commitment to continual improvement in key areas of activity</b>			
<b>Criterion 8.1:</b> Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.			

Criterion / Indicator	Assessment Findings	Compliance
<p>8.1.1</p> <p>The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria.</p> <p>As a minimum, these shall include, but are not necessarily be limited to:</p> <ul style="list-style-type: none"> <li>• Reduction in use of pesticides(Criterion 4.6);</li> <li>• Environmental impacts (Criteria 4.3, 5.1 and 5.2);</li> <li>• Waste reduction (Criterion 5.3);</li> <li>• Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);</li> <li>• Social impacts (Criterion 6.1);               <ul style="list-style-type: none"> <li>• Optimising the yield of the supply base.</li> </ul> </li> </ul> <p>- Major compliance -</p>	<p>The estate has developed and established the continuous improvement plan dated 9/09/17 the covered OSHA element, Social, Environmental, biodiversity, water management plan, waste and pollution management plan, &amp; etc:-</p> <ul style="list-style-type: none"> <li>i) RSPO awareness training for the contractor workers to ensure the workers are aware the requirement.</li> <li>ii) Recycle campaign to be continued 'Recycle- We Care We Share'</li> <li>iii) Reduce the use of chemical with good agriculture practice and continue monthly monitoring of the usage of chemical.</li> <li>iv) Erosion control – Guatamela planting, vertivar planting, road maintenance, culvert and road side drain maintenance programme.</li> </ul>	<p>Complied</p>

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**Appendix B: Approved Time Bound Plan**

Project	Estate	Plan
Indonesia: PT Wisea Inspirasi Nusantara (PT WIN)	PT Harapan Barito Sejahtera (PT HBS)	2019
	PT Sawit Sumber Rejo (PT SSR)	
	PT Wahana Semesta Karisma (PT WSK)	
Indonesia: PT Agro Maku Raya (PT AMARA)	PT Nusa Persada Indonesia (PT NPI)	To be included in TBP upon completion of acquisition (expected completion in 2019)
	PT Surya Panen Subur (PT SPS)	
	PT Tempirai Palm Resources (PT TPR)	
	PT Rambang Agro Jaya (PT RAJ)	
Malaysia Trader	Eng Lee Heng	2019

List of Estate Manage by Kulim (Malaysia) Berhad			
Mill Base	Kulim / Jcorp Estate	Estate	Status
Tereh Mill		Tereh Utara	Certified RSPO
		Tereh Selatan	
		Selai	
		Enggang	
		Mutiara	
		Sg Sembrong	
		Sg Tawing	
		Rengam	
Sedenak Mill	Kulim Estate	Sedenak	
		Basir Ismail	
		Ulu Tiram	
		Kuala Kabong	
Sindora Mill		REM/Pasak	
		Sindora	
Palong Mill		Sungai Papan	
		Sepang Loi	
		UMAC	
		Labis Bahru	
		Mungka	
		Kemedak	
		Palong	

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Pasir Panjang Mill	Kulim Estate	Pasir Panjang	Certified RSPO
		Siang	
	Jcorp Estate	Bukit Kelompok	
		Tunjuk Laut	
		Pasir Logok	
		Bukit Payung	

**Appendix C: GHG Reporting Executive Summary**

The GHG emissions that were produced in 2017 for Pasir Panjang Palm Oil Mill and supply base was calculated using the PalmGHG Calculator version 3.0.1. The assessment team had verified the data input in the PalmGHG Calculator against operations records. PalmGHG Calculation Options selected 'Full version' and 'Exclude LUC Emission' calculation option is not applied. The records verified includes:

- i. Estates area planted data
- ii. Fuel consumed
- iii. Mill datas include CPO produced, PKO Produced and FFB Processed
- iv. Fertilizer consumed data for both estates and smallholders.

The summary of the Net GHG emitted in 2017 for Pasir Panjang Palm Oil Mill and supply base are as following:

Emission per product	tCO <sub>2</sub> e/tProduct
CPO	0.75
PK	0.75

Extraction	%
OER	21.17
KER	5.19

Production	t/yr
FFB Process	238,449.66
CPO Produced	50,478.53
PKO Produced	12,379.40

Land Use	Ha
OP Planted Area	13,589.65
OP Planted on peat	0
Conservation (forested)	0
Conservation (non-forested)	565.40
<b>Total</b>	<b>14,155.05</b>

**Summary of Field Emission and Sink**

	Own Crop*		Group		3 <sup>rd</sup> Party		Total	
	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB
<b>Emission</b>								
Land Conversion	109,380.54	0.45	0	0	0	0	109,380.54	0.45
CO <sub>2</sub> Emission from fertilizer	9,114.48	0.04	0	0	0	0	9,114.48	0.04
NO <sub>2</sub> Emmision	8,719.97	0.04	0	0	0	0	8,719.97	0.04
Fuel Consumption	2,838.09	0.01	0	0	0	0	2,838.09	0.01
Peat Oxidation	0	0	0	0	0	0	0	0
<b>Sink</b>								
Crop Sequestration	-105,010.16	-0.43	0	0	0	0	-105,010.16	-0.43
Conservation Sequestration	-2,483.63	-0.01	0	0	0	0	-2,483.63	-0.01
<b>Total</b>	<b>22,559.29</b>	<b>0.09</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22,559.29</b>	<b>0.09</b>

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*\*Note: Includes both estates and smallholders*

**Summary of Mill Emission and Credit**

	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB
<b>Emission</b>		
POME	26,055.26	0.11
Fuel Consumption	819.55	0
Grid Electricity Utilisation	0	0
<b>Credit</b>		
Export of Grid Electricity	-135.35	0
Sales of PKS	-2,352.68	-0.01
Sales of EFB	0	0
<b>Total</b>	<b>24,386.78</b>	<b>0.1</b>

**Summary of Kernel Crusher Emission and Credit (if applicable)**

Emissions	tCO <sub>2</sub> e
PK from own mill	9,245.68
PK from other source	0
Fuel Consumptions	0
<b>Total Crusher emissions</b>	<b>0</b>

\*This mill has no kernel crusher operation.

<b>Palm Oil Mill Effluent (POME) Treatment:</b>	
Divert to Compost (%)	
Divert to anaerobic diversion (%)	100

<b>POME Diverted to Anaerobic Digestion:</b>	
Divert to anaerobic pond (%)	100
Divert to methane captured (flaring) (%)	
Divert to methane captured (energy generation) (%)	



**Appendix D: General Chain of Custody Requirements for the Supply Chain**

<b>5.1 Applicability of the general chain of custody requirements for the supply chain</b>			
	<b>Requirement</b>	<b>Evidence</b> For any N/A raised, justification is required.	<b>Compliance</b> (Yes / No or N/A)
5.1.1	The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors. After the end product manufacturer, there is no further requirement for certification.	Pasir Panjang POM takes legal ownership and physically handles RSPO certified FFB from the estates and produced CPO and PK.	Yes
5.1.2	Traders and distributors require a licence obtained from RSPO Secretariat to sell RSPO certified product but do not themselves require certification. When selling RSPO certified products, a licensed trader and/or distributor shall pass on the certification number of the product manufacturer and the applicable supply chain model.	Pasir Panjang POM is not a trader and distributor. The POM is not receiving FFB from trader and distributors as well. Therefore, no license is required.	N/A
5.1.3	Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform.	Johor Corporation held RSPO membership number: 1-0080-09-000-00 since 15 June 2009 where Kulim (Malaysia) Berhad is under management of Johor Corporation. Company has registered in Palm Trace system as follows: Members ID: RSPO_PO1000005256 License valid until 03/08/2019 Member category : Oil Mill	Yes

5.1.4	Processing aids do not need to be included within an organization's scope of certification.	Pasir Panjang POM is not refinery, therefore no processing aids need to be included.	N/A
<b>5.2 Supply chain model</b>			
5.2.1	The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance.	Pasir Panjang POM is using the Identity Preserved supply chain model since it received the FFB from own certified estates. Declassification of the CPO or PK was done in accordance to the correct order.	Yes
5.2.2	The site can use one (1) or a combination of supply chain models as audited and certified by the CB.	Pasir Panjang POM is using Identity Preserved model since it only receives FFB from own certified supply bases.	Yes
<b>5.3. Documented Procedures</b>			
5.3.1	The site shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following: <ul style="list-style-type: none"> <li>Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements.</li> </ul>	Pasir Panjang POM has developed RSPO Supply Chain Procedure (Procedure No.: MKD/001 dated 9/10/2018) and Traceability Procedure (Doc. No.: SQD/SMS/ 1.2 dated 9/10/2018) to explain the process from receiving of FFB to despatch CSPO and CSPK. However, the procedure did not clearly state process of handling on certified and uncertified materials. Thus, major NC was raised.	Major nonconformance
	<ul style="list-style-type: none"> <li>Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records).</li> </ul>	<p>The facility has prepared a dedicated records and forms in relation to RSPO Supply Chain Certification.</p> <p>The training record was sighted for Supply Chain Training on 8/11/2018 for relevant personnel and 2/8/2018 for transporter. Training attendance and training materials were sighted.</p>	Yes
	<ul style="list-style-type: none"> <li>Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and</li> </ul>	The respective Mill Manager shall be the responsible for overall Supply Chain traceability activities at the mill level as stipulated in the RSPO Supply Chain Procedure. The Head of Operating Unit (Mill Manager) has been appointed as the	Yes

	compliance with all applicable requirements. This person shall be able to demonstrate awareness of the organization's procedures for the implementation of this standard.	person responsible for traceability system to manage and implement the requirements for traceability. Seen the appointment letter dated 30/6/2018 issued by Head of Plantation Division.	
5.3.2	The site shall have a written procedure to conduct annual internal audit to determine whether the organization; i) conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.	The company has developed Internal Audit Procedure, Doc. No. SQD/SMS/5.0 dated 1/7/2018. The frequency of the audit has clearly indicated in the procedure where the mill has to carry out at least once within 12 months (before expiry of the certificate). The internal audit has made reference to RSPO Supply Chain Certification Standard November 2017 and RSPO Rules on Market Communications and Claims 2016.	Yes
	ii) effectively implements and maintains the standard requirements within its organization	Internal audit was carried out on 16/8/2018 in the POM and audit plan was sighted. The audit coverage has included RSPO Supply Chain Certification Standard 2017 and RSPO Market Communications and Claims 2016. No non-conformance has been raised for the POM during the audit.	Yes
<b>5.4. Purchasing and goods in</b>			
5.4.1	The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier in document form: <ul style="list-style-type: none"> <li>• The name and address of the buyer;</li> <li>• The name and address of the seller;</li> <li>• The loading or shipment/delivery date;</li> <li>• The date on which the documents were issued;</li> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);</li> </ul>	The Traceability Procedure (SQD/SMS/1.2, Issue No: 1, Rev. No:01, Dated: 9/10/18) was established. The daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the certified FFB. The records of Receipt weighing listing report, weighbridge ticket, D/O No. was sighted. The records verified during the audit as follow:  <u>Crop from own supply base (RSPO657192-Pasir Panjang POM)</u> Bukit Payung Estate Date: 30/11/2017 DO No:#34828 Weighbridge Ticket No#R050064 Field : P14/2 Mill Tonnage: 1,640 kg Transport: LBP 3 With security seal no	Yes

	<ul style="list-style-type: none"> <li>• The quantity of the products delivered;</li> <li>• Any related transport documentation;</li> <li>• Supply Chain certificate number of the seller;</li> <li>• A unique identification number</li> </ul>	<p>Tunjuk Laut Estate  Date: 25/11/2017  DO No:#125109  Weighbridge Ticket No#R049739  Field : P07-08-11  Mill Tonnage: 26,630 kg  Transport: JKK 3088</p> <p>Pasir Panjang Estate  Date: 22/12/2017  DO No:#97538  Weighbridge Ticket No#R051419  Field : P92/4  Mill Tonnage: 4,040 kg  Transport: LPP 6</p> <p>Siang Estate  Date: 19/10/2018  DO No:#104434  Weighbridge Ticket No#R065335  Field : P03, P04, P05, P06, P07, P08  Mill Tonnage: 32,980 kg  Transport: PCW6093</p> <p>Pasir Logok Estate  Date: 17/10/2018  DO No:#107802  Weighbridge Ticket No#R065194  Field : P03, P09, P11  Mill Tonnage: 25,110 kg  Transport: JEV4961</p>	
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		<p>Bukit Kelompok Estate  Date: 25/11/2018  DO No:#201646  Weighbridge Ticket No#R0067638  Field : P2009  Mill Tonnage: 7,820 kg  Transport: LBK 1</p> <p><u>Diversion from other own supply base under Sindora CU (RSPO612392), License expiry on 22/1/2019:</u>  Sg Papan Estate Date: 28/3/2018  DO No:#136782  Weighbridge Ticket No#R055201  Field : P14, P11, P07  Mill Tonnage: 35,530 kg  Transport: JKE 5231</p>	
<ul style="list-style-type: none"> <li>Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation).</li> </ul>		<p>The Traceability Procedure (SQD/SMS/1.2, Issue No: 1, Rev. No:01, Dated: 9/10/18) was established. The daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the certified FFB. The records of Receipt weighing listing report, weighbridge ticket, D/O No. was sighted. The records verified during the audit as follow:</p> <p><u>Crop from own supply base (RSPO657192-Pasir Panjang POM)</u>  Bukit Payung Estate  Date: 30/11/2017  DO No:#34828  Weighbridge Ticket No#R050064  Field : P14/2  Mill Tonnage: 1,640 kg  Transport: LBP 3</p>	<p>Yes</p>

		<p>With security seal no</p> <p>Tunjuk Laut Estate Date: 25/11/2017 DO No:#125109 Weighbridge Ticket No#R049739 Field : P07-08-11 Mill Tonnage: 26,630 kg Transport: JKK 3088 Pasir Panjang Estate Date: 22/12/2017 DO No:#97538 Weighbridge Ticket No#R051419 Field : P92/4 Mill Tonnage: 4,040 kg Transport: LPP 6</p> <p>Siang Estate Date: 19/10/2018 DO No:#104434 Weighbridge Ticket No#R065335 Field : P03, P04, P05, P06, P07, P08 Mill Tonnage: 32,980 kg Transport: PCW6093</p> <p>Pasir Logok Estate Date: 17/10/2018 DO No:#107802 Weighbridge Ticket No#R065194 Field : P03, P09, P11 Mill Tonnage: 25,110 kg Transport: JEV4961</p>	
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		<p>Bukit Kelompok Estate  Date: 25/11/2018  DO No:#201646  Weighbridge Ticket No#R0067638  Field : P2009  Mill Tonnage: 7,820 kg  Transport: LBK 1</p> <p><u>Diversion from other own supply base under Sindora CU (RSPO612392), License expiry on 22/1/2019:</u>  Sg Papan Estate Date: 28/3/2018  DO No:#136782  Weighbridge Ticket No#R055201  Field : P14, P11, P07  Mill Tonnage: 35,530 kg  Transport: JKE 5231</p>	
	<ul style="list-style-type: none"> <li>The site receiving RSPO certified oil palm products shall ensure that the products are verified as being RSPO certified. For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements/Announcements and Confirmations on the RSPO IT platform per shipment or group shipments. Refer to section 5.7.1 of this document for further guidance.</li> </ul>	<p>The Traceability Procedure (SQD/SMS/1.2, Issue No: 1, Rev. No:01, Dated: 9/10/18) was established. The daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the certified FFB. The records of Receipt weighing listing report, weighbridge ticket, D/O No. was sighted. The records verified during the audit as follow:</p> <p><u>Crop from own supply base (RSPO657192-Pasir Panjang POM)</u>  Bukit Payung Estate  Date: 30/11/2017  DO No:#34828  Weighbridge Ticket No#R050064  Field : P14/2  Mill Tonnage: 1,640 kg  Transport: LBP 3</p>	<p>Yes</p>

		<p>With security seal no</p> <p>Tunjuk Laut Estate Date: 25/11/2017 DO No:#125109 Weighbridge Ticket No#R049739</p> <p>Field : P07-08-11 Mill Tonnage: 26,630 kg Transport: JKK 3088</p> <p>Pasir Panjang Estate Date: 22/12/2017 DO No:#97538 Weighbridge Ticket No#R051419 Field : P92/4 Mill Tonnage: 4,040 kg Transport: LPP 6</p> <p>Siang Estate Date: 19/10/2018 DO No:#104434 Weighbridge Ticket No#R065335 Field : P03, P04, P05, P06, P07, P08 Mill Tonnage: 32,980 kg Transport: PCW6093</p> <p>Pasir Logok Estate Date: 17/10/2018 DO No:#107802 Weighbridge Ticket No#R065194</p>	
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		<p>Field : P03, P09, P11          Mill Tonnage: 25,110 kg          Transport: JEV4961</p> <p>Bukit Kelompok Estate          Date: 25/11/2018          DO No:#201646          Weighbridge Ticket No#R0067638          Field : P2009          Mill Tonnage: 7,820 kg          Transport: LBK 1</p> <p><u>Diversion from other own supply base under Sindora CU (RSPO612392), License expiry on 22/1/2019:</u>          Sg Papan Estate Date: 28/3/2018          DO No:#136782          Weighbridge Ticket No#R055201          Field : P14, P11, P07          Mill Tonnage: 35,530 kg          Transport: JKE 5231</p>	
	<ul style="list-style-type: none"> <li>• A check of the validity of the Supply Chain Certification of suppliers is required for all sites that are SC certified. This shall be checked via the list of RSPO Supply Chain Certified sites on the RSPO website (<a href="http://www.rspo.org">www.rspo.org</a>) at least annually or through the RSPO IT Platform by confirmation of (shipping) announcements.</li> </ul>	<p>Not applicable</p>	<p>N/A</p>
	<ul style="list-style-type: none"> <li>• The validity of licence for traders and distributors shall also be checked via the RSPO website at least</li> </ul>	<p>Not applicable</p>	<p>N/A</p>

	annually or through the RSPO IT platform by confirmation of shipping announcements / announcements.		
5.4.2	The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents.		
<b>5.5. Outsourcing activities</b>			
5.5.1	<p>In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mil cannot outsource processing activities like refining or crushing.</p> <p>This requirement is not applicable to outsourced storage facilities where the management of the oil palm product(s) and instructions for tank movements are controlled by the certified organization (not the tank farm manager).</p>	Pasir Panjang POM identify transportation of CPO as the outsourcing activities. The agreements for Selama Masai Sdn Bhd and Pengangkutan Olimpik Sdn Bhd were sighted. As per LOA(letter of acceptance, the contractor is required to comply with all RSPO requirements related to the execution of this contract.	Yes
5.5.2	<p>Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:</p> <p>a. The site has legal ownership of all input material to be included in outsourced processes;</p>	<p>The site (PPPOM) has legal ownership of CPO. Sighted the contract as follow:</p> <ol style="list-style-type: none"> <li>1. Selama Masai Sdn Bhd – contract no: MPSB/CPO 1/2016 (SELAMA): Transport of CPO from Mahamurni Plantations Sdn Bhd Group Mills to various refineries dated 4/4/2016</li> <li>2. Pengangkutan Olimpik Sdn Bhd – contract no: MPSB/CPO 1/2016 (OLIMPIK): Transport of CPO from Mahamurni Plantations Sdn Bhd Group Mills to various refineries dated 4/4/2016</li> </ol>	Yes

	b. The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.	There was no outsourced process and activities except for transportation of CPO. The site (PPPOM) has legal ownership of CPO. Sighted the contract as follow: 1. Selama Masai Sdn Bhd – contract no: MPSB/CPO 1/2016 (SELAMA): Transport of CPO from Mahamurni Plantations Sdn Bhd Group Mills to various refineries dated 4/4/2016 2. Pengangkutan Olimpik Sdn Bhd – contract no: MPSB/CPO 1/2016 (OLIMPIK): Transport of CPO from Mahamurni Plantations Sdn Bhd Group Mills to various refineries dated 4/4/2016	Yes
	c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.	There was no outsourced process and activities except for transportation of CPO. The site (PPPOM) has legal ownership of CPO. Sighted the contract as follow: 1. Selama Masai Sdn Bhd – contract no: MPSB/CPO 1/2016 (SELAMA): Transport of CPO from Mahamurni Plantations Sdn Bhd Group Mills to various refineries dated 4/4/2016 2. Pengangkutan Olimpik Sdn Bhd – contract no: MPSB/CPO 1/2016 (OLIMPIK): Transport of CPO from Mahamurni Plantations Sdn Bhd Group Mills to various refineries dated 4/4/2016	Yes
	d. The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance.	There was no outsourced process and activities except for transportation of CPO. The site (PPPOM) has legal ownership of CPO. Sighted the contract as follow: 1. Selama Masai Sdn Bhd – contract no: MPSB/CPO 1/2016 (SELAMA): Transport of CPO from Mahamurni Plantations Sdn Bhd Group Mills to various refineries dated 4/4/2016 2. Pengangkutan Olimpik Sdn Bhd – contract no: MPSB/CPO 1/2016 (OLIMPIK): Transport of CPO from Mahamurni Plantations Sdn Bhd Group Mills to various refineries dated 4/4/2016	Yes
5.5.3	The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.	All the information related to contractors for transportation of CPO were identified in the stakeholder list.	Yes
5.5.4	The site shall at its next audit inform its CB of the names and contact details of any new contractor used	No new contractor used for the processing or physical handling of RSPO certified oil palm products especially for transportation of CPO.	Yes

	for the processing or physical handling of RSPO certified oil palm products.		
<b>5.6. Sales and goods out</b>			
5.6.1	<p>The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form.</p> <ul style="list-style-type: none"> <li>• The name and address of the buyer;</li> <li>• The name and address of the seller;</li> <li>• The loading or shipment/ delivery date;</li> <li>• The date on which the documents were issued;</li> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);</li> <li>• The quantity of the products delivered;</li> <li>• Any related transport documentation;</li> <li>• Supply chain certificate number of the seller;</li> <li>• A unique identification number</li> </ul>	<p>The PPPOM sold their product as RSPO certified. The weighbridge ticket, shipping documents as per sampled below:</p> <p>Buyer: XXXXX, Pasir Gudang, Johor  Contract No: CPOIP-M1840 dated 16/7/2018  Quantity: 500 MT  Product: RSPO IP CPO  Despatch No:C03978 date:1/8/2018  Quantity: 37,540 kg  Lorry No: BFL1071 (Pengangkutan Olimpik Sdn Bhd)  Certificate No: RSPO657192</p> <p>Buyer: XXXXX, Pasir Gudang, Johor  Contract No: CPOIP-M1804 dated 17/1/2018  Quantity: 300 MT  Product: CPO RSPO IP  Despatch No: C03468 date:14/2/2018  Quantity: 42,420 kg  Lorry No: Selama (Masai) Sdn Bhd  Certificate No: RSPO657192</p> <p>Buyer: XXXXX, Pasir Gudang, Johor  Contract No: MPOK 1802IP dated 29/8/2018  Quantity: 350 MT  Product: PK RSPO IP  Despatch No:K01020 date:13/9/2018  Quantity: 43,000 kg</p>	Yes

		Lorry No: JQQ9636 (XTE Trading & Transport (M) Sdn Bhd) Certificate No: RSPO657192	
	<ul style="list-style-type: none"> <li>Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation).</li> </ul>	The above information can be seen across a range of documents such as weighbridge tickets, Despatch Note, transporter’s collection order, MPOB form and buyers’ weighbridge tickets.	Yes
	<ul style="list-style-type: none"> <li>For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements / Announcements and Confirmations on the RSPO IT platform per shipment or group of shipments. Refer to section 5.7.1 of this document for further guidance.</li> </ul>	Verification of Transaction Report in RSPO Palmtrace confirmed that the facility has made announcements of all its CPO and PK trading.	Yes
<b>5.7. Registration of transactions</b>			
5.7.1	<p>Supply chain actors who:</p> <ul style="list-style-type: none"> <li>are mills, traders, crushers and refineries and;</li> <li>take legal ownership and/or physically handle RSPO Certified Sustainable oil palm products that are available in the yield scheme of the RSPO IT Platform (Figure 2 and 3, Refer Annex 1) shall register their transaction in the RSPO IT platform and confirm upon receipt where applicable.</li> </ul>	<p>Company has registered their mill in the PalmTrace:-  Members ID – KULIM (MALAYSIA) BERHAD – Pasir Panjang Palm Oil Mill:  RSPO_PO1000005256  Licence valid until 03/08/2019  Member category : Oil Mill</p>	Yes
5.7.2	The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform:	<p>The PPPOM sold their product as RSPO certified. The weighbridge ticket, shipping documents as per sampled below:  Buyer: XXXXX, Pasir Gudang, Johor</p>	Yes

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	<ul style="list-style-type: none"> <li>Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures.</li> </ul>	<p>Contract No: CPOIP-M1840 dated 16/7/2018          Quantity: 500 MT          Product: RSPO IP CPO          Despatch No:C03978 date:1/8/2018          Quantity: 37,540 kg          Lorry No: BFL1071 (Pengangkutan Olimpik Sdn Bhd)          Certificate No: RSPO657192</p> <p>Buyer: XXXXX, Pasir Gudang, Johor          Contract No: CPOIP-M1804 dated 17/1/2018          Quantity: 300 MT          Product: CPO RSPO IP          Transaction ID: TR-caa6f5ec-b05f          Despatch No: C03468 date:14/2/2018          Quantity: 42,420 kg          Lorry No: Selama (Masai) Sdn Bhd          Certificate No: RSPO657192</p> <p>Buyer: XXXXX, Pasir Gudang, Johor          Contract No: MPOK 1802IP dated 29/8/2018          Quantity: 350 MT          Product: PK RSPO IP          Transaction ID: TR-cd7fc29Z-927c          Despatch No:K01020 date:13/9/2018          Quantity: 43,000 kg          Lorry No: JQQ9636 (XTE Trading &amp; Transport (M) Sdn Bhd)          Certificate No: RSPO657192</p>	
	<ul style="list-style-type: none"> <li>Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain</li> </ul>	<p>The PPPOM sold their product as RSPO certified. The weighbridge ticket, shipping documents as per sampled below:</p>	<p>Yes</p>

	<p>beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually.</p>	<p>Buyer: XXXXX, Pasir Gudang, Johor Contract No: CPOIP-M1840 dated 16/7/2018 Quantity: 500 MT Product: RSPO IP CPO Transaction ID: xxxx Despatch No:C03978 date:1/8/2018 Quantity: 37,540 kg Lorry No: BFL1071 (Pengangkutan Olimpik Sdn Bhd) Certificate No: RSPO657192</p> <p>Buyer: XXXXX, Pasir Gudang, Johor Contract No: CPOIP-M1804 dated 17/1/2018 Quantity: 300 MT Product: CPO RSPO IP Transaction ID: TR-caa6f5ec-b05f Despatch No: C03468 date:14/2/2018 Quantity: 42,420 kg Lorry No: Selama (Masai) Sdn Bhd Certificate No: RSPO657192</p> <p>Buyer: XXXXX, Pasir Gudang, Johor Contract No: MPOK 1802IP dated 29/8/2018 Quantity: 350 MT Product: PK RSPO IP Transaction ID: TR-cd7fc29Z-927c Despatch No:K01020 date:13/9/2018 Quantity: 43,000 kg Lorry No: JQQ9636 (XTE Trading &amp; Transport (M) Sdn Bhd) Certificate No: RSPO657192</p>	
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	<ul style="list-style-type: none"> <li>Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.</li> </ul>	<p>There was RSPO certified volumes sold under other scheme or conventional as mentioned in Public Summary Report (supply chain declaration).</p>	<p>Yes</p>
	<ul style="list-style-type: none"> <li>Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.</li> </ul>	<p>All the announcements were done accordingly by the management. Sighted the shipping announcement as follow:</p> <p>Buyer: XXXXX, Pasir Gudang, Johor  Contract No: CPOIP-M1840 dated 16/7/2018  Quantity: 500 MT  Product: RSPO IP CPO  Despatch No:C03978 date:1/8/2018  Quantity: 37,540 kg  Lorry No: BFL1071 (Pengangkutan Olimpik Sdn Bhd)  Certificate No: RSPO657192</p> <p>Buyer: XXXXX, Pasir Gudang, Johor  Contract No: CPOIP-M1804 dated 17/1/2018  Quantity: 300 MT  Product: CPO RSPO IP  Transaction ID: TR-caa6f5ec-b05f  Despatch No: C03468 date:14/2/2018  Quantity: 42,420 kg  Lorry No: Selama (Masai) Sdn Bhd  Certificate No: RSPO657192</p> <p>Buyer: XXXXX, Pasir Gudang, Johor  Contract No: MPOK 1802IP dated 29/8/2018  Quantity: 350 MT  Product: PK RSPO IP</p>	<p>Yes</p>



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		Transaction ID: TR-cd7fc29Z-927c Despatch No:K01020 date:13/9/2018 Quantity: 43,000 kg Lorry No: JQQ9636 (XTE Trading & Transport (M) Sdn Bhd) Certificate No: RSPO657192	
<b>5.8. Training</b>			
5.8.1	The organization shall have a training plan on RSPO Supply Chain Standards requirements, which is subject to on-going review and is supported by records of the training provided to staff.	The mill has developed Training Schedule 2018 (ISO/ RSPO/ ISCC/ HALAL/ MSPO/ OSH) where the plan has covered for RSPO Supply Chain training.	Yes
5.8.2	Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification standard requirements. Training shall be specific and relevant to the task(s) performed.	The mill has conducted Supply Chain Training on 8/11/2018 which involved the critical point personnel such as weighbridge operators and security guards by Assistant Mill Manager. Training attendance and training materials were sighted.	Yes
<b>5.9. Record Keeping</b>			
5.9.1	The organization shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements.	Pasir Panjang POM has maintained the accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification requirement and sampled as below: <ul style="list-style-type: none"> <li>a. Internal audit reports</li> <li>b. FFB lorry record</li> <li>c. CPO tanker record</li> <li>d. CPO &amp; Kernel Production Book</li> <li>e. Corrective Action Report</li> </ul>	Yes
5.9.2	Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal	All the records are kept for minimum 3 years as per the Quality Records List. The records to be kept for minimum 3 years such as daily maintenance/ repair book,	Yes

	and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.	CPO tanker record, press station logbook, FFB lorry record and internal audit report.	
5.9.3	The organization shall be able to provide the estimate volume of palm oil/palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.	The forecast volume for Period Mar 19 – Feb 20: CPO=74,774 mt PK= 17,754 mt	Yes
<b>5.10. Conversion factors</b>			
5.10.1	Where applicable a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website ( <a href="http://www.rspo.org">www.rspo.org</a> ); RSPO Rules for Physical Transition of Oleochemicals and its Derivatives. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries.	Not applicable	N/A
5.10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.	Not applicable	N/A
<b>5.11. Claims</b>			

5.11.1	The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.	The company does not make any claims regarding the use of or support of RSPO certified oil palm products through verified the company website, purchase order, contract and any other company communication method.  However, Kulim (Malaysia) Berhad [Parent Company: Johor Coporation] has applied Trademark License from RSPO. Seen the license with license number 1-0080-09-000-00 which start from 16/8/2017 to 15/8/2019 for IP and MB model.	Yes
<b>General corporate communications</b>			
4.1	A corporate communication is one made by any RSPO member that highlights its membership of the RSPO and/or its commitment to the principles of the RSPO. Corporate communication is an 'off-product' claim.	No off-product claim made by Pasir Pasir POM and verified through document and site review (notice board, business card, shipping documentation, contract). Kulim (M) Berhad has stated the member's history with regard to RSPO in the company's website.	Yes
4.2	In corporate communications a member is allowed to: a. Display its RSPO membership status b. Display the RSPO web address (www.rspo.org) c. State that the member supports the work of the RSPO d. State the member's history with regard to the RSPO. e. Use the RSPO trademark to promote its membership of the RSPO. Additionally, where an RSPO member displays the RSPO trademark in digital format this must be accompanied by the text 'Check our progress at www.rspo.org' where the link must lead to the member's profile page.	Pasir Panjang POM does not use any RSPO trademark or logo in any general corporate communication by verified through the company website, invoices, letter head, contract with customers and others relevant records. Kulim (M) Berhad has stated the member's history with regard to RSPO in the company's website.	Yes
4.3	In corporate communications RSPO members must not make any statement that may lead consumers to	The statement of member's history with regard to RSPO in the company's website does not implies the company is selling RSPO-certified oil palm products.	Yes

	believe that RSPO membership by itself implies the selling of RSPO-certified oil palm products.		
4.4	Members must ensure that all communication is consistent, clear and cannot mislead consumers or other stakeholders as to the certified content of oil palm products in the member's own products.	The statement of member's history with regard to RSPO in the company's website does not implies the company is selling RSPO-certified oil palm products.	Yes
4.5	Members are not allowed to use the RSPO corporate logo as shown in the RSPO Rules on Market Communications & Claims document. This is for the sole use of the RSPO secretariat.	No evidence of RSPO corporate logo used by Pasir Panjang POM and verified through document and site review (notice board, business card, shipping documentation, contract).	Yes
<b>Business to business communications</b>			
5.1	Business to Business communication relates to RSPO members in the supply chain selling to and/or communicating with other organizations in the supply chain about the use of certified sustainable oil palm products.	Business to business communication is demonstrated via shipping documentation and invoices to the next supply chain actor or buyer.	Yes
5.2	When confirming the sale of certified oil palm products, members must adhere to the requirements of the RSPO SCCS. This includes stating the supply chain model and certificate number under which the claim is being made.	Shipping documentation verified and conformance with the requirements of RSPO SCCS. In the weighbridge ticket, it stated that RSPO	Yes
5.3	Where a distributor or wholesaler takes title to products containing certified sustainable oil palm products, the requirements of the RSPO SCCS can follow either of two options: a. If the distributor or wholesaler holds only a Distributor license, it may only communicate RSPO-certified oil palm products by linking the	Pasir Panjang POM is not under distributor or wholesaler category. Thus, this requirement is not applicable.	N/A

	<p>product to the manufacturer using the manufacturer’s SCCS certificate number. This covers both brand and own brand products. However, in the case of own brand products it is essential that customers are aware that the product has been made on behalf of the distributor or wholesaler, with specific evidence either through on-pack claims or documentation.</p> <p>b. If the distributor or wholesaler is supply chain-certified they should follow the requirements outlined in section 5.2.</p>		
5.4	<p>A certified member can provide information to its customers detailing the presence of certified palm oil contained within a product even if it is not eligible for a product-specific under RSPO rules. The end product must not be labelled as certified or sold in such a way that implies RSPO certification.</p> <p>For example, a retailer or food service company may require a breakdown of all palm based ingredients within an end product and the certified status of each. This information may be provided by a certified RSPO member without constituting a product-specific claim.</p>	<p>Pasir Panjang POM is producing crude palm product and does not involved in any labelling of end product and the presence of certified palm oil contained within a product. This requirement is for the next supply chain actor and not applicable for POM.</p>	N/A
<b>Business to consumer communication</b>			
6.1	<p>Only RSPO members that have supply chain certification are allowed to make business to consumer claims about the certified sustainable oil palm products contained within product(s), which are known as ‘product-specific’ claims. Product-specific claims are voluntary.</p>	<p>No business to consumer communication on product specific claim made Pasir Panjang POM and only produce crude and unfinished product. This is not applicable for POM.</p>	N/A

6.2	Only RSPO members who have supply chain certification are authorised to use the RSPO trademark and/or RSPO label, with the exception of RSPO Credits and of retailers in accordance with 6.8 below.	No business to consumer communication on product specific claim made Pasir Panjang POM and only produce crude and unfinished product. This is not applicable for POM.	N/A
6.3	When on-pack claims on RSPO-certified sustainable oil palm products are used, the RSPO trademark and associated identification number must be present.	No business to consumer communication on product specific claim made Pasir Panjang POM and only produce crude and unfinished product. This is not applicable for POM.	N/A
6.4	Business to consumer communication shall not include information about the claimant's RSPO membership status.	No business to consumer communication on product specific claim made Pasir Panjang POM and only produce crude and unfinished product. This is not applicable for POM.	N/A
6.5	Members shall not communicate to consumers information about their suppliers' RSPO membership status.	No business to consumer communication on product specific claim made Pasir Panjang POM and only produce crude and unfinished product. This is not applicable for POM.	N/A
6.6	Use of the RSPO trademark is restricted to claims about RSPO-certified sustainable palm oil products and it is not authorised for use in relation to any other ingredient.	No business to consumer communication on product specific claim made Pasir Panjang POM and only produce crude and unfinished product. This is not applicable for POM.	N/A
6.7	Use of any other trademark or logo to highlight the presence of RSPO-certified sustainable oil palm products is an unauthorised product-specific claim.	No business to consumer communication on product specific claim made Pasir Panjang POM and only produce crude and unfinished product. This is not applicable for POM.	N/A
6.8	RSPO members who are retailers or food service companies can apply for an RSPO trademark license for use in business to consumer communications, provided they can demonstrate the validity of these claims to an RSPO-accredited certification body (CB). This will be undertaken via a remote audit, prior to the trademark use, during which the retailer or food	No business to consumer communication on product specific claim made Pasir Panjang POM and only produce crude and unfinished product. This is not applicable for POM.	N/A

	<p>service company will need to demonstrate that the use of the trademark is in compliance with the rules contained within this document and that the claim itself can be supported through a certified supply chain. Any other palm oil claims, including those highlighting the absence of palm oil, must be highlighted to the CB during the audit to ensure that all claims comply with the requirements of these rules. The CB will confirm the outcome of these audits, to be conducted annually, to RSPO who may continue to grant a trademark license or withdraw permission based upon the audit findings. This is in keeping with the rules applying to RSPO supply chain certified members. The guidance document for audits is available on <a href="http://www.rspo.org">www.rspo.org</a>.</p>		
<p><b>MODULE A – IDENTITY PRESERVED &amp; SEGREGATED SPECIFIC RULES</b></p>			
<p><b>Auditor Hint:</b></p>			
<p>This specific rules shall be audited concurrently with the relevant Module A and Module B (including Module F &amp; G) under the Supply Chain Modular Requirements</p>			
<p><b>Certified oil palm content (IP)</b></p>			
	<p>For IP, 95% or above of the oil palm content must be RSPO IP-certified.</p>	<p>Pasir Panjang POM is producing crude palm product and does not involved in any labelling of end product.</p>	<p>N/A</p>
	<p>For SG, 95% or above of the oil palm content must be SG, or a combination of SG and IP.</p>	<p>Pasir Panjang POM is producing crude palm product and does not involved in any labelling of end product.</p>	<p>N/A</p>
	<p>Where there is any percentage of non-certified oil palm within the product, the reason for this must be fully justified and an action plan for moving to fully certified oil palm must be in place, in accordance with the requirements of the RSPO SCCS. In addition, the volume of non-certified oil palm products must be</p>	<p>Pasir Panjang POM is producing crude palm product and does not involved in any labelling of end product.</p>	<p>N/A</p>

	covered by the purchase of RSPO Credits of equivalent volume.		
<b>Labelling and trademark (IP)</b>			
	<p>Members are allowed to use the RSPO label in one of the following ways:</p> <ol style="list-style-type: none"> <li>RSPO trademark which includes the tag 'CERTIFIED' or</li> <li>RSPO trademark which includes the tag 'This product contains certified sustainable palm oil'. Wherever a RSPO trademark is displayed, the applicable trademark license number must be shown immediately under or next to the trademark or the 'statement'. Font must be Calibri, font size must be at least 4pt (1.4 mm or 0.06 inch). In on-pack communications, the RSPO trademark can be printed anywhere on the pack.</li> </ol>	Pasir Panjang POM is producing crude palm product and does not involved in any labelling of end product.	N/A
<b>Messaging (IP)</b>			
	<p>Messaging ALLOWED in storytelling in product-related communications may include some or all of the following elements:</p> <ul style="list-style-type: none"> <li>The oil palm products contained in this product have been certified to come from RSPO sources. <a href="http://www.rspo.org">www.rspo.org</a></li> <li>By choosing this product, you are sure it contains RSPO-certified palm oil. For more information: <a href="http://www.rspo.org">www.rspo.org</a></li> </ul>	Pasir Panjang POM is producing crude palm product and does not involved in any labelling of end product.	N/A



	<ul style="list-style-type: none"> <li>• RSPO-certified sustainable oil palm products were kept apart from other oil palm products throughout the supply chain. www.rspo.org</li> <li>• Certified sustainable oil palm products can be traced back to RSPO-certified mills and plantations. www.rspo.org</li> <li>• The entire supply chain is monitored by independent, RSPO-accredited auditors. www.rspo.org</li> <li>• RSPO-certified sustainable palm oil has been produced to stringent environmental and social criteria. www.rspo.org</li> <li>• References to (or images of) particular RSPO-certified production units, if the relationship to those units can be shown by company records.</li> </ul>		
<b>5.12. Complaints</b>			
5.12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	Pasir Panjang POM has developed Managing Customer Feedback, Doc. No.: PPM/SOP/7.2 dated 1/6/2016 where the procedure is to ensure all complaints are handled and resolved received from customers. Complaints received by customers were recorded in the Control of Non-Conforming Product (Disposition) and initiated the Corrective Action Request (CAR) form. All the complaints have been closed.	Yes
<b>5.13. Management Review</b>			
5.13.1	The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken.	The frequency of the management review meeting will be reviewed periodically which is at least once within a business year as stipulated in the Internal Audit Procedure. The management review meeting was carried out 13/9/2018 which chaired by Mill Manager.	Yes
5.13.2	The input to management review shall include information on:	Seen the meeting minutes of the management review meeting found that inputs of the management review are such as results of internal audit, traceability,	Yes

	<ul style="list-style-type: none"> <li>• Results of internal audits covering RSPO Supply Chain Certification Standard.</li> <li>• Customer feedback.</li> <li>• Status of preventive and corrective actions.</li> <li>• Follow-up actions from management reviews.</li> <li>• Changes that could affect the management system.</li> <li>• Recommendations for improvement.</li> </ul>	<p>continual improvement plan, customer feedback and status of preventive and corrective actions.</p>	
5.13.3	<p>The output from the management review shall include any decisions and actions related to:</p> <ul style="list-style-type: none"> <li>• Improvement of the effectiveness of the management system and its processes.</li> <li>• Resource needs.</li> </ul>	<p>Output from the management review meeting has been discussed during the management review meeting which has included resource needs and improvement of the effectiveness of the management systems and its processes.</p>	<p>Yes</p>

**Appendix E : CPO Mill Supply Chain Assessment Report (Module D - CPO Mills: Identity Preserved )**

<b>D.1 Definition</b>			
	<b>Requirement</b>	<b>Evidence</b> For any N/A raised, justification is required.	<b>Compliance</b> (Yes / No or N/A)
D.1.1	A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from plantation/ estates that are certified against the RSPO Principles and Criteria (RSPO P&C), or against the Group Certification scheme. Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. If a mill process certified and uncertified FFB without physically separating them, then only Module E is applicable.	Pasir Panjang Palm Oil Mill only accepts certified FFB. Therefore qualifies for the Identity Preserved supply chain system and module. During the P&C assessment, the audit team verified the volumes and sources of certified FFB entering the mill, the implementation of processing controls and volume sales of RSPO certified products.	Yes
<b>D.2 Explanation</b>			
D.2.1	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the certification body (CB) in the public summary of the P&C certification report. For an independent mill, the estimated tonnage of CPO and PK products must be recorded in the RSPO IT platform, supply chain certificate and public summary audit report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill is recorded in this public summary report.	Yes
D.2.2	The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform).	Company has registered their mill in the PalmTrace:- Members ID – KULIM (MALAYSIA) BERHAD – Pasir Panjang Palm Oil Mill: RSPO_PO1000005256 Licence valid until 03/08/2019	Yes

		Member category : Oil Mill	
<b>D.3 Documented procedures</b>			
D.3.1	The site 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;	Pasir Panjang POM has developed RSPO Supply Chain Procedure (Procedure No.: MKD/001 dated 9/10/2018) and Traceability Procedure (Doc. No.: SQD/SMS/ 1.2 dated 9/10/2018) to explain the process from receiving of FFB to despatch CSPO and CSPK.	Yes
	b. The role 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 site's procedures for the implementation of this standard.	The respective Mill Manager shall be the responsible for overall Supply Chain traceability activities at the mill level as stipulated in the RSPO Supply Chain Procedure. The Head of Operating Unit (Mill Manager) has been appointed as the person responsible for traceability system to manage and implement the requirements for traceability. Seen the appointment letter dated 30/6/2018 issued by Head of Plantation Division.	Yes
D.3.2	The site shall have documented procedures for receiving and processing certified FFBs.	Pasir Panjang POM has developed RSPO Supply Chain Procedure (Procedure No.: MKD/001 dated 9/10/2018) and Traceability Procedure (Doc. No.: SQD/SMS/ 1.2 dated 9/10/2018) to explain the process from receiving of FFB to despatch CSPO and CSPK.	Yes
<b>D.4 Purchasing and goods in</b>			
D.4.1	The site shall verify and document the tonnage and sources of certified FFBs received.	The Traceability Procedure (SQD/SMS/1.2, Issue No: 1, Rev. No:01, Dated: 9/10/18) was established. The daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the certified FFB. The records of Receipt weighing listing report, weighbridge ticket, D/O No. was sighted. The records verified during the audit as follow:	Yes

		<p><u>Crop from own supply base (RSPO657192-Pasir Panjang POM)</u>          Bukit Payung Estate          Date: 30/11/2017          DO No:#34828          Weighbridge Ticket No#R050064          Field : P14/2          Mill Tonnage: 1,640 kg          Transport: LBP 3          With security seal no</p> <p>Tunjuk Laut Estate          Date: 25/11/2017          DO No:#125109          Weighbridge Ticket No#R049739          Field : P07-08-11          Mill Tonnage: 26,630 kg          Transport: JKK 3088</p> <p>Pasir Panjang Estate          Date: 22/12/2017          DO No:#97538          Weighbridge Ticket No#R051419          Field : P92/4          Mill Tonnage: 4,040 kg          Transport: LPP 6</p> <p>Siang Estate          Date: 19/10/2018          DO No:#104434          Weighbridge Ticket No#R065335          Field : P03, P04, P05, P06, P07, P08          Mill Tonnage: 32,980 kg</p>	
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		<p>Transport: PCW6093</p> <p>Pasir Logok Estate Date: 17/10/2018 DO No:#107802 Weighbridge Ticket No#R065194 Field : P03, P09, P11 Mill Tonnage: 25,110 kg Transport: JEV4961</p> <p>Bukit Kelompok Estate Date: 25/11/2018 DO No:#201646 Weighbridge Ticket No#R0067638 Field : P2009 Mill Tonnage: 7,820 kg Transport: LBK 1</p> <p><u>Diversion from other own supply base under Sindora CU (RSPO612392), License expiry on 22/1/2019:</u> Sg Papan Estate Date: 28/3/2018 DO No:#136782 Weighbridge Ticket No#R055201 Field : P14, P11, P07 Mill Tonnage: 35,530 kg Transport: JKE 5231</p>	
D.4.2	The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	The management aware on the issue if there is a projected overproduction of certified tonnage.	Yes
<b>D.5 Record keeping</b>			

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D.5.1	<p>The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis.</p> <p><i>IP Mill must report on real time basis.</i></p>	<p>Based on receipt weighing listing report which capture every trip when PPPOM received FFB and deliveries of RSPO certified CPO and PK. All the inventory records are maintained and updated on daily basis and monthly report shows monthly inventory. Computerized system in place. Daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the FFB received. Records of certified FFB received verified during this audit.</p> <p>Sighted the Sustainable Product Monthly Movements for Pasir Panjang POM for year 2017 and 2018 in monthly basis was updated with FFB receiving, FFB processed, CPO production and PK production.</p>	Yes
<b>D.6 Processing</b>			
D.6.1	<p>The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept separated from non- certified oil palm product including during transport and storage to strive for 100% separation.</p>	<p>During this assessment it was confirmed that only certified source of FFB from own plantation is processed. This ensures that there is no possibility of mixing during processing.</p>	Yes

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**Supply Chain Declaration** *(Applicable For Appendix E)*

<b>A. Monthly Records of Certified and Uncertified FFB Received since the last audit (<i>November 17 – November 18</i>)</b>				
<b>No.</b>	<b>Month - Year</b>	<b>Volume of FFB from certified supply bases (mt)</b>	<b>Volume of FFB from uncertified supply bases (mt)</b>	<b>Total FFB/Month (mt)</b>
1	Nov 2017	24534.11	-	24534.11
2	Dec 2017	23295.45	-	23295.45
3	Jan 2018	15424.79	-	15424.79
4	Feb 2018	12952.87	-	12952.87
5	Mac 2018	18686.47	-	18686.47
6	Apr 2018	13938.25	-	13938.25
7	Mei 2018	12862.62	-	12862.62
8	Jun 2018	15766.78	-	15766.78
9	July 2018	19676.14	-	19676.14
10	Aug 2018	23703.71	-	23703.71
11	Sept 2018	23950.04	-	23950.04
12	Oct 2018	26227.19	-	26227.19
13	Nov 2018	22844.6	-	22844.6
	<b>TOTAL</b>	<b>253,863.02</b>		<b>253,863.02</b>

**Note:**  
Notes for Auditor: The reporting shall be from the last assessment period until current period. The period of the volume reported can be more than 12 months or less than 12 months depending on the assessment period.  
Example:  
Certification date is 01/01/2017.  
ASA 1 conducted on 01/10/2017 – the volume to be verified and reported is from 01/01/2017 – 30/09/2017 (9 months)  
ASA 2 conducted on 14/12/2018 – the volume to be verified and reported is from 01/10/2017 – 30/11/2018 (13 months)

<b>B. Monthly Records of Certified CPO &amp; PK since the last audit (<i>November 17 – November 18</i>)</b>			
<b>No.</b>	<b>Month - Year</b>	<b>Certified CPO (mt)</b>	<b>Certified PK (mt)</b>
1	Nov 2017	5049.02	1290.78
2	Dec 2017	4949.95	1223.54
3	Jan 2018	3076.75	867.25
4	Feb 2018	2739.25	738.56
5	Mac 2018	4183.72	1069.12
6	Apr 2018	3069.54	709.53
7	Mei 2018	2867.97	646
8	Jun 2018	3522.98	766.37



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9	July 2018	4309.33	1015.44
10	Aug 2018	5407.69	1330.37
11	Sept 2018	5328.53	1278.48
12	Oct 2018	5869.93	1402.04
13	Nov 2018	5075.85	1151.79
	TOTAL	55450.51	13489.27

**Note:**

Notes for Auditor: The reporting shall be from the last assessment period until current period. The period of the volume reported can be more than 12 months or less than 12 months depending on the assessment period.

Example:

Certification date is 01/01/2017.

ASA 1 conducted on 01/10/2017 – the volume to be verified and reported is from 01/01/2017 – 30/09/2017 (9 months)

ASA 2 conducted on 14/12/2018 – the volume to be verified and reported is from 01/10/2017 – 30/11/2018 (13 months)

<b>A. Records of Certified CPO &amp; PK Sold under PalmTrace to Buyers since the last audit (if any)</b> <b>(November 17 – November 18)</b>							
No	Buyers Name	Palmtrace Trading License Number	Certified CPO Sold (mt)	No.	Buyers Name	Palmtrace Trading License Number	Certified PK Sold (mt)
1	XXXX	TR-fc07eae0-51d1	324.95	1	XXXX	TR-f23339e8-5f73	81.11
2	XXXX	TR-53c3b58e-10a3	502.05	2	XXXX	TR-3baa955b-05bf	151.89
3	XXXX	TR-b32b6f8a-a75b	500	3	XXXX	TR-cd7fc292-927c	83.27
4	XXXX	TR-dda97ea6-5c71	499.47	4	XXXX	TR-2fda0ee3-39be	77.89
5	XXXX	TR-bbd9e9e8-be58	122.77	5	XXXX	TR-99f7f9ae-acb1	116.64
6	XXXX	TR-69310d39-3b84	400.92	6	XXXX	TR-dd947985-2e0b	83.07
7	XXXX	TR-6ce3b195-ac69	1,146.98	7	XXXX	TR-bcd887b8-aa08	79.61
8	XXXX	TR-1dd782ec-6c34	212.41	8	XXXX	TR-cd625f81-daf7	61.38
9	XXXX	TR-cce9f90f-3345	551.34	9	XXXX	TR-1000a55e-7507	172.38
10	XXXX	TR-a130abcf-eda7	423.49	10	XXXX	TR-080ae414-30c0	79.21
11	XXXX	TR-e1469d55-ee0b	88.97	11	XXXX	TR-5edffd30-1867	161.88
12	XXXX	TR-19e73c93-3245	300	12	XXXX	TR-1fb44cb9-f7a1	144.86
13	XXXX	TR-43653e7b-d2fc	190.13	13	XXXX	TR-412297f8-5ba7	72.11
14	XXXX	TR-ee5356ad-ded3	107.4	14	XXXX	TR-9cb8867c-a117	274.61
15	XXXX	TR-657d0c2c-0af6	597.05	15	XXXX	TR-f25029b1-6765	124.6
16	XXXX	TR-485b051c-661e	195.62	16	XXXX	TR-66aff416-be36	67.59
17	XXXX	TR-feb5225c-7a24	110.33	17	XXXX	TR-e5a9228f-008e	78
18	XXXX	TR-c99791e4-d93f	200	18	XXXX	TR-34c1db99-fbf2	115.37

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19	XXXX	TR-8745830e-c7a4	45.06		<b>Total PK (IP)</b>		<b>2025.47</b>
20	XXXX	TR-08231c8d-2b37	304.38	19	XXXX	TR-7c8c4c12-9dc0	40.42
21	XXXX	TR-46024e90-3f1f	254.94	20	XXXX	TR-fd54d958-5014	78.15
22	XXXX	TR-caa6f5ec-b05f	300	21	XXXX	TR-bdef3800-e9c5	39.9
23	XXXX	TR-ead089af-b423	990.32	22	XXXX	TR-ad83383b-e645	101.5
24	XXXX	TR-fabc440e-0d73	600	23	XXXX	TR-0e124527-f96d	79.54
25	XXXX	TR-44f41901-3fa8	123.74	24	XXXX	TR-0fff6b04-54b0	38.02
26	XXXX	TR-7cf46042-9dbf	600	25	XXXX	TR-51f62af3-1afc	34.41
27	XXXX	TR-f52ebfd6-0c2d	82.96	26	XXXX	TR-be5890b1-134c	36.23
28	XXXX	TR-f75be076-0775	41.25	27	XXXX	TR-e7f353ea-cb76	105.16
29	XXXX	TR-99a76be4-a6b2	300	28	XXXX	TR-0e44fa41-f146	49.45
30	XXXX	TR-b0885bc3-0358	136.32		<b>Total PK MB</b>		<b>602.78</b>
31	XXXX	TR-0bd69b4f-3543	313.01				
32	XXXX	TR-b4e77577-9dba	386.78				
	<b>TOTAL CSPO (IP)</b>		<b>10952.64</b>				
33	XXXX	TR-e1da36b0-c1e3	278.07				
34	XXXX	TR-3cb4c9e9-16d4	574.26				
35	XXXX	TR-fe76f355-dcb4	243.02				
36	XXXX	TR-4ffefd0c-e0cf	638.71				
37	XXXX	TR-d5d183d0-c058	145.89				
38	XXXX	TR-3301ef5d-e951	217.51				
39	XXXX	TR-534f4334-52df	306.62				
40	XXXX	TR-aa8eb798-75a8	764.63				
41	XXXX	TR-10ef04be-f28d	274.11				
42	XXXX	TR-b732d06f-fe64	872.34				
43	XXXX	TR-ad5435bc-62dd	521.31				
44	XXXX	TR-7d090748-71fb	91.64				
45	XXXX	TR-69dfd4c4-5a3d	886.66				
46	XXXX	TR-4b0248ba-0f37	5.63				
47	XXXX	TR-4b537125-bf02	340.5				
48	XXXX	TR-9170903b-a241	216.12				
49	XXXX	TR-f90984d5-1c09	711.02				
	<b>TOTAL CSPO (MB)</b>		<b>7088.04</b>				
	<b>TOTAL CSPO</b>		<b>18,040.68</b>		<b>TOTAL CSPK</b>		<b>2,628.25</b>

**Note:**

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The reporting shall be from the last assessment period until current period. The period of the volume reported can be more than 12 months or less than 48 months depending on the assessment period.

Example:

Certification date is 01/01/2017.

ASA 1 conducted on 01/10/2017 – the volume to be verified and reported is from 01/01/2017 – 30/09/2017 (9 months)

ASA 2 conducted on 14/12/2018 – the volume to be verified and reported is from 01/10/2017 – 30/11/2018 (13 months)

Please add rows if necessary

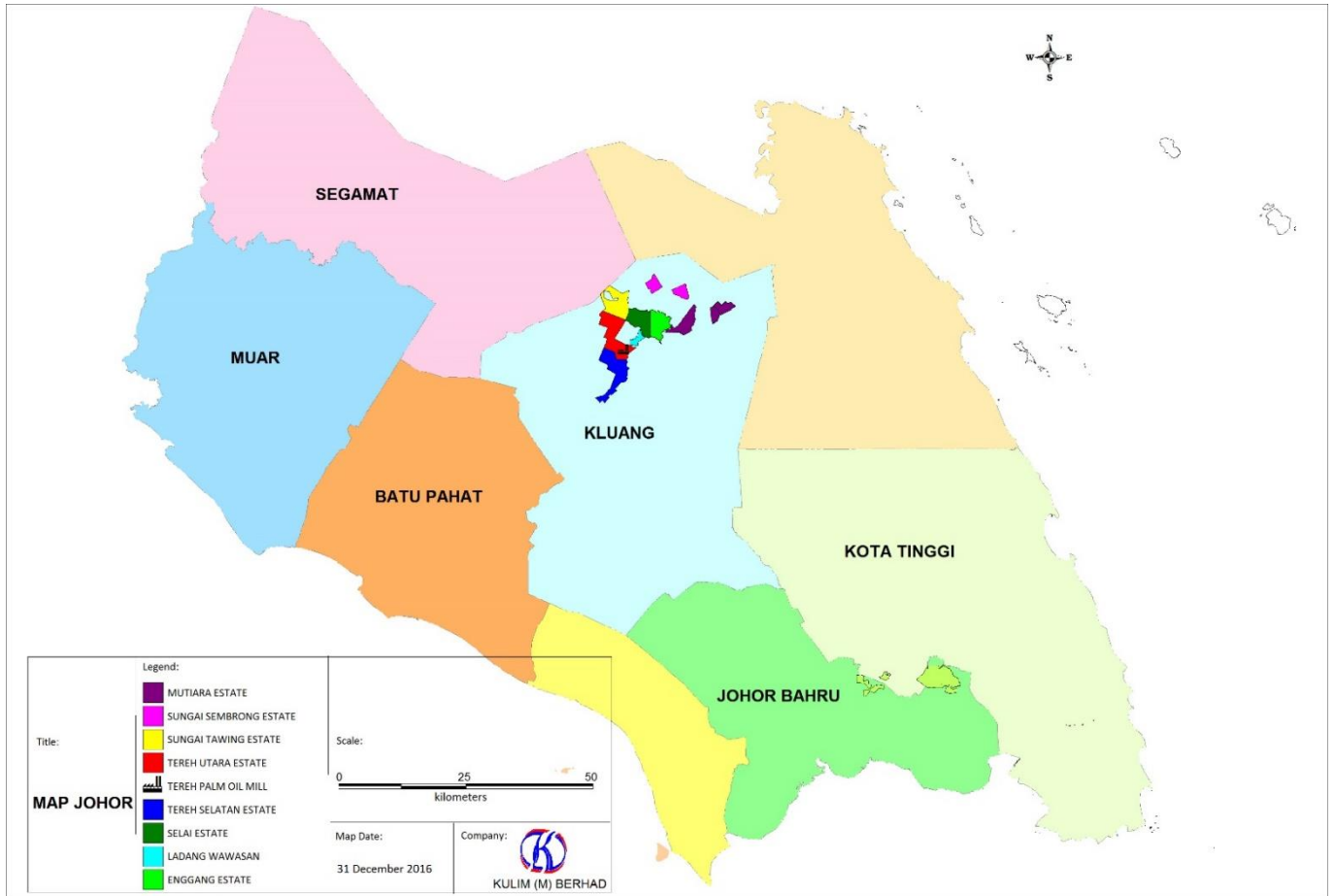
<b>B. Records of CPO &amp; PK Sold under other schemes to Buyers since the last audit (if any)</b>				
<b>No.</b>	<b>Buyers Name</b>	<b>Scheme Name</b>	<b>CPO Sold (mt)</b>	<b>PK Sold (mt)</b>
1	XXXX	ISCC	9,292.81	-
2	XXXX	ISCC	4,567.89	-
<b>TOTAL</b>			<b>13,860.70</b>	-

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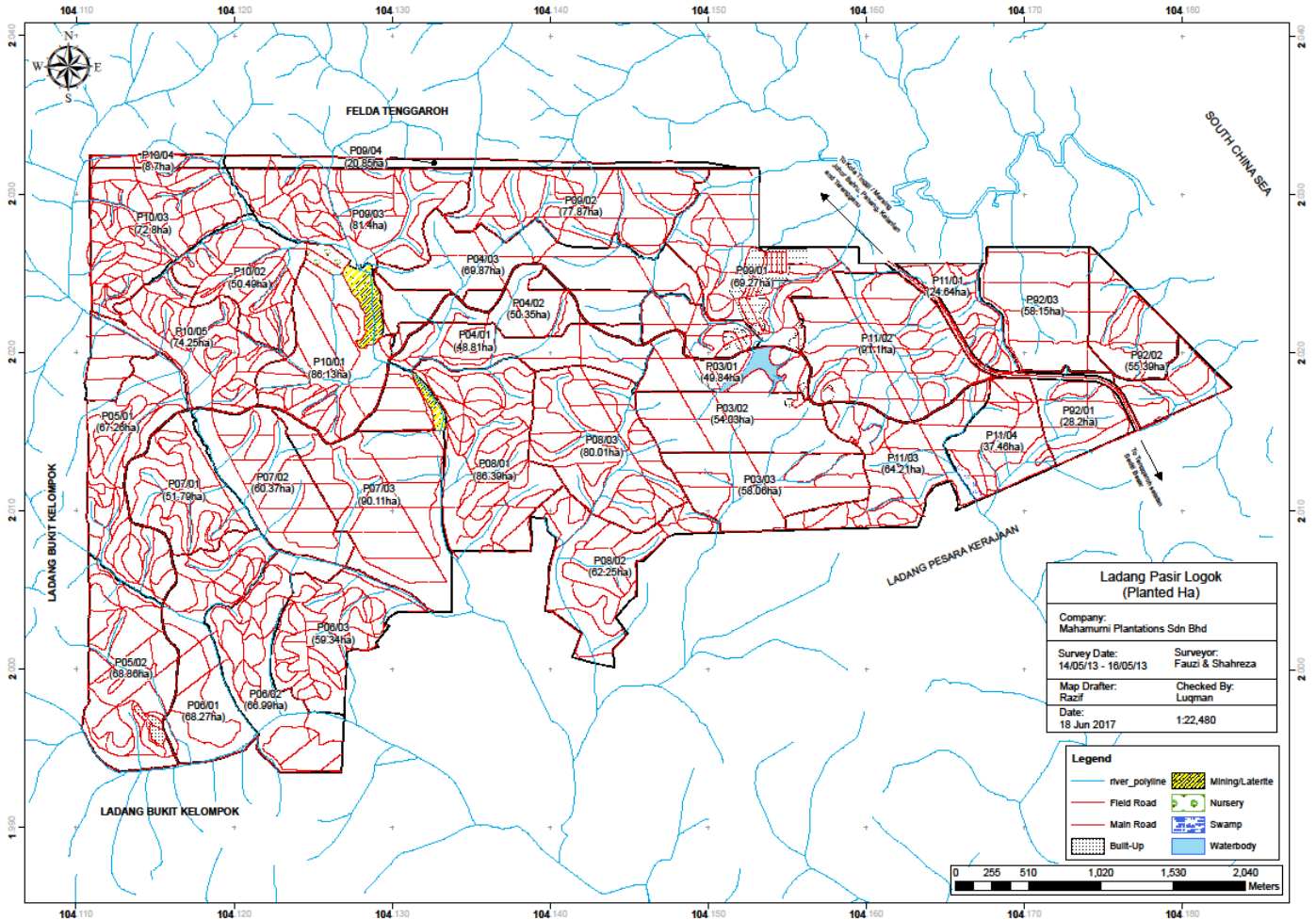
<b>C. Records of CPO &amp; PK Sold as conventional to Buyers since the last audit (if any)</b>			
<b>No.</b>	<b>Buyers Name</b>	<b>CPO Sold (mt)</b>	<b>PK Sold (mt)</b>
1	XXXX	19,819.66	
2	XXXX		10,232.64
	<b>TOTAL</b>	<b>19,819.66</b>	<b>10,232.64</b>

<b>D. Records of Certified CPO Sold under RSPO Credits to Buyers since the last audit (if any)</b>			
<b>No.</b>	<b>Buyers Name</b>	<b>PalmTrace Trading License Number</b>	<b>RSPO Credits of Certified CPO Sold (mt)</b>
N/A			

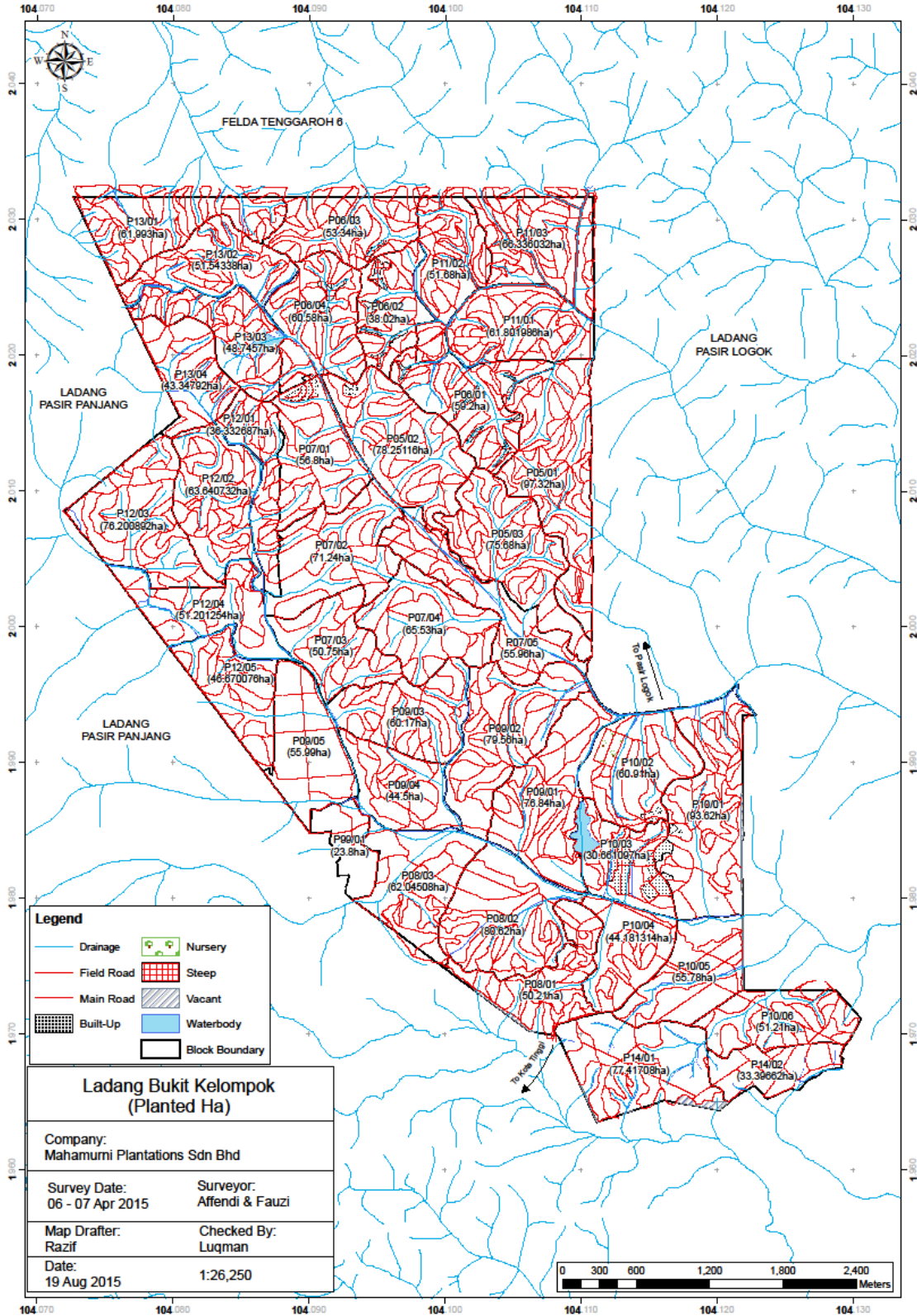
**Appendix F: Location Map of Pasir Panjang Palm Oil Mill Certification Unit and Supply bases**



**Appendix G: Pasir Logok Estate Field Map**



**Appendix H: Bukit Kelompok Estate Field Map**



**Appendix I: List of Smallholder Sampled** *(If applicable – scheme/associated/group certification)*



## Appendix J: List of Abbreviations

a.i	Active Ingredient
BKE	Bukit Kelompok Estate
BOD	Biochemical Oxygen Demand
CB	Certification Bodies
CHRA	Chemical Health Risk Assessment
COD	Chemical Oxygen Demand
CPO	Crude Palm Oil
CSPO	Certified Sustainable Palm Oil
CSPKO	Certified Sustainable Palm Kernel Oil
EFB	Empty Fruit Bunch
EHS	Environmental, Health and Safety
EIA	Environmental Impact Assessment
EMS	Environmental Management System
FFB	Fresh Fruit Bunch
FPIC	Free, Prior, Informed and Consent
GAP	Good Agricultural Practice
GHG	Greenhouse Gas
GMP	Good Manufacturing Practice
GPS	Global Positioning System
HCV	High Conservation Value
IPM	Integrated Pest Management
IP	Identity Preserved
IS - CSPO	Independent Smallholder Certified Sustainable Palm Oil
IS – CSPKO	Independent Smallholder Certified Sustainable Palm Kernel Oil
IS – CSPKE	Independent Smallholder Certified Sustainable Palm Kernel Expeller
ISCC	International Sustainable Carbon Certification
LD50	Lethal Dose for 50 sample
MB	Mass Balance
MSDS	Material Safety Data Sheet
MT	Metric Tonnes
OER	Oil Extraction Rate
OSH	Occupational Safety and Health
PK	Palm Kernel
PKO	Palm Kernel Oil
PLE	Pasir Logok Estate
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
PPPOM	Pasir Panjang Palm Oil Mill
RSPO	Roundtable on Sustainable Palm Oil
P&C	Principles & Criteria
RTE	Rare, Threatened or Endangered species
SCCS	Supply Chain Certification Standard
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure