

**RSPO PRINCIPLE AND CRITERIA
PUBLIC SUMMARY REPORT**

- Initial Assessment
- Annual Surveillance Assessment (2_3)
- Recertification Assessment (Choose an item.)
- Extension of Scope

Client Company name (Parent Company): Kulim (M) Berhad
Client company Address: Level 16, Menara Komtar, Johor Bahru City Centre, 80000 Johor Bahru, Johor, Malaysia.
Certification Unit: Kulim (M) Berhad – Palong Cocoa Palm Oil Mill
Location of Certification Unit: KM 8.5, Off Lebuhraya Tun Razak 85000 Segamat, Johor, Malaysia
Date of Final Report: 24/04/2022

TABLE of CONTENTS	Page No
Section 1: Scope of the Assessment.....	3
1. Company Details	3
2. Certification Information	3
3. Other Certifications.....	4
4. Location(s) of Mill & Supply Bases	4
5. Description of Supply Base	4
6. Plantings & Cycle.....	5
7. Summary of Certified Tonnage of FFB (Own Certified Scope)	5
8. Summary of Certified Tonnage of FFB (from other certified unit(s))	5
9. Summary of Non-Certified Tonnage of FFB (outside supplier – excluded from certificate).....	6
10. Summary of Certified Tonnage (not applicable for ISS)	7
11. Summary of Actual Volume sold	8
12. Independent Smallholders Certified Tonnage / Volume	9
13. Independent Smallholders Actual Sold Tonnage / Volume	9
Section 2: Assessment Process	10
2.1 Assessment Methodology, Programme, Site Visits.....	10
2.2 BSI Assessment Team	11
2.3 Assessment Plan.....	14
Section 3: Assessment Findings	19
3.1 Multiple Management Units and Time Bound Plan.....	19
3.2 Progress of scheme smallholders and/or outgrowers.....	20
3.3 Details of Nonconformities	22
3.3.1 Status of Nonconformities Previously Identified and Observations.....	23
3.3.2 Summary of the Nonconformities and Status	24
3.4 Stakeholders and previous land owner / user consultation.....	25
3.5 Impartiality and conflict of interest	27
Formal Signing-off of Assessment Conclusion and Recommendation	28
Appendix A: Summary of Findings	29
Appendix B: GHG Reporting Executive Summary	108
Appendix C: Location Map of Certification Unit and Supply bases.....	110
Appendix D: Estate Field Map.....	111
Appendix E: List of Smallholder Registered and sampled.....	117
Appendix F: List of Abbreviations.....	118

Section 1: Scope of the Assessment

1. Company Details			
Parent Company	Johor Corporation		
RSPO Membership Number	1-0080-09-000-00	Membership Approval Date	15/06/2009
Address	Level 16, Menara Komtar, Johor Bahru City Centre, 80000 Johor Bahru, Johor, Malaysia.		
Palm Oil Mill / Group Manager / Estate (Certification Unit)	Kulim (M) Berhad – Palong Cocoa Palm Oil Mill		
Location / Address	KM 8.5, Off Lebuhraya Tun Razak 85000 Segamat, Johor, Malaysia		
Website	www.kulim.com.my		
Management Representative	Salasah Elias	E-mail	salasih@kulim.com.my
Telephone	+607-8611611	Facsimile	+607-8631084

2. Certification Information			
Certificate Number	RSPO 613087	Certificate Start Date	23/01/2019
Date of First Certification	23/01/2009	Certificate Expiry Date	22/01/2024
Scope of Certification	Production of Palm Oil and Palm Kernel		
Visit Objectives	<ul style="list-style-type: none"> • Determination of the conformity of the client's management system, or parts of it, with audit criteria • Evaluation of the ability of the management system to ensure the client organization meets applicable statutory, regulatory and contractual requirements • 70% onsite assessment as continuation to 30% remote assessment 		
Assessment Cycle	<input type="checkbox"/> Pre Assessment (Choose an item.) <input type="checkbox"/> Initial Assessment <input checked="" type="checkbox"/> Annual Surveillance Assessment (ASA 2_3) <input type="checkbox"/> Recertification Assessment (Choose an item.) <input type="checkbox"/> Scope Extension		
Applicable Standards / Normative Reference	RSPO Certification System for P&C and RSPO ISH 2020 <input type="checkbox"/> Choose an item. <input checked="" type="checkbox"/> Malaysia National Interpretation 2019 for RSPO P&C 2018 for the Production of Sustainable Palm Oil		
Supply Chain Module	<input checked="" type="checkbox"/> Identity Preserved; <input type="checkbox"/> Mass Balance	Mill Capacity	40 mt/hr
ISH certification Phase	<input type="checkbox"/> Eligibility <input type="checkbox"/> Milestone A <input type="checkbox"/> Milestone B <input checked="" type="checkbox"/> Not Applicable		

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

3. Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
EU-ISCC-Cert-PL214-67800421	ISCC	ASG Cert	18/05/2022
MSPO 698010	MS 2530-4:2013	BSI	31/03/2024
MSPO 698011	MS 2530-3:2013	BSI	31/03/2024
HALAL A158821	MS 1599-2009	JAKIM	15/09/2023

4. Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base / Group Manager / Smallholders)	Location	GPS Coordinates	
		Latitude	Longitude
Palong Cocoa POM	KM 8.5, Off Lebuhraya Tun Razak 85000 Segamat, Johor, Malaysia	2° 42' 23.09" N	102° 47' 06.04" E
Palong Estate	Mukim Buloh Kasap, Segamat, Johor, Malaysia	2° 44' 55.89" N	102° 44' 55.53" E
Mungka Estate	Mukim Buloh Kasap, Segamat, Johor, Malaysia	2° 41' 15.44" N	102° 47' 08.35" E
UMAC Estate	Mukim Keratong, Daerah Rompin, Bandar Tun Razak, Pahang, Malaysia	2° 53' 03.31" N	102° 48' 23.94" E
Labis Bahru Estate	Mukim Pogoh, Segamat, Johor, Malaysia	2° 25' 49.29" N	102° 52' 27.92" E

Note: Palong Estate and Kemedak Estate are merged to be Palong Estate and Mungka Estate and Sepang Loi Estate are merged to be Mungka Estate. Thus, the number of supplying is now 4 compare to 6 in previous report.

5. Description of Supply Base					
New Planting Development	<input checked="" type="checkbox"/> No (no change in total planted area)		<input type="checkbox"/> Yes (please refer to Principle 7 for details)		
Estate / Smallholders	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Palong Estate	3,521.58	20.74	159.60	3,701.92	95.13
Mungka Estate	2,646.42	80.79	171.06	2,898.27	91.31
UMAC Estate	1,555.98	2.24	68.78	¹ 1,627.00	95.63
Labis Bahru Estate	1,947.24	14.53	148.12	² 2,109.89	92.29
Total	9,671.22	118.30	547.56	10,337.08	93.56

Notes:
Palong Estate and Kemedak Estate are merged to be Palong Estate and Mungka Estate and Sepang Loi Estate are merged to be Mungka Estate. Thus, the number of supplying is now 4 compare to 6 in previous report.
¹Total Area of UMAC Estate is greater by 16.94 Ha compared to previous report due to resurvey by the company's Agronomy Advisory Services Department (AASD) in year 2020 and encroachment by neighbouring company.

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

²Total Area of Labis Bahru Estate is greater by 1.73 Ha compared to previous report due to resurvey by AASD.

6. Plantings & Cycle

Estate / Smallholders	Age (Years)					Mature	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Palong Estate	-	1,974.40	1,547.18	-	-	3,521.58	-
Mungka Estate	113.90	584.75	1,947.77	-	-	2,532.52	113.90
UMAC Estate	28.85	173.89	1,353.24	-	-	1,527.13	28.85
Labis Bahru Estate	271.39	247.69	988.24	439.92	-	1,675.85	271.39
Total (ha)	414.14	2,980.73	5,836.43	439.92	-	9,257.08	414.14

Note:

Palong Estate and Kemedak Estate are merged to be Palong Estate and Mungka Estate and Sepang Loi Estate are merged to be Mungka Estate. Thus, the number of supplying is now 4 compare to 6 in previous report.

7. Summary of Certified Tonnage of FFB (Own Certified Scope)

Estate / Smallholders	Tonnage / year			
	Estimated last year (Jan 2021-Dec 2021)	Actual (Dec 2020-Nov 2021)		Forecast (Jan 2022-Dec 2022)
		Previous license period (Dec 2020)	Current license period (Jan 2021-Nov 2021)	
Palong Estate	76,688.00	5,261.36	61,832.24	72,942.00
Mungka Estate	62,586.00	4,671.65	46,242.05	58,319.00
UMAC Estate	37,013.00	2,120.98	25,337.76	36,061.00
Labis Bahru Estate	39,401.00	2,440.93	29,938.05	36,343.00
Total	215,688.00	177,845.02		203,665.00

Note:

Palong Estate and Kemedak Estate are merged to be Palong Estate and Mungka Estate and Sepang Loi Estate are merged to be Mungka Estate. Thus, the number of supplying is now 4 compare to 6 in previous report.

8. Summary of Certified Tonnage of FFB (from other certified unit(s))

Estate / Smallholders	Tonnage / year			
	Estimated last year (Jan 2021-Dec 2021)	Actual (Dec 2020-Nov 2021)		Forecast (Jan 2022-Dec 2022)
		Previous license period (Dec 2020)	Current license period (Jan 2021-Nov 2021)	
Renggam Estate		-	107.00	
Total		107.00		

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

9. Summary of Non-Certified Tonnage of FFB (outside supplier – excluded from certificate)				
Estate / Smallholders	Tonnage / year			
	Estimated last year (Jan 2021-Dec 2021)	Actual (Dec 2020-Nov 2021)		Forecast (Jan 2022-Dec 2022)
		Previous license period (Dec 2020)	Current license period (Jan 2021-Nov 2021)	
NA		-	-	
Total		N/A		

9A. Monthly Records of Certified and Uncertified FFB Received since the last audit				
No.	Month - Year	Volume of FFB from certified supply base (mt)	Volume of FFB from uncertified supply base (mt)	Total FFB/Month (mt)
1	Dec-20	14,494.92	-	14,494.92
2	Jan-21	11,322.45	-	11,322.45
3	Feb-21	12,349.23	-	12,349.23
4	Mar-21	14,563.91	-	14,563.91
5	Apr-21	14,156.79	-	14,156.79
6	May-21	15,727.53	-	15,727.53
7	Jun-21	13,616.96	-	13,616.96
8	Jul-21	13,889.39	-	13,889.39
9	Aug-21	13,212.23	-	13,212.23
10	Sep-21	14,859.13	-	14,859.13
11	Oct-21	18,572.84	-	18,572.84
12	Nov-21	21,186.64	-	21,186.64
	TOTAL	177,952.02		177,952.02

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

10. Summary of Certified Tonnage (not applicable for ISS)			
Estimated last year (Jan 2021-Dec 2021)	Actual (Dec 2020-Nov 2021)		Forecast (Jan 2022-Dec 2022)
	<i>Previous license period (Dec 2020)</i>	<i>Current license period (Jan 2021-Nov 2021)</i>	
FFB	FFB		FFB
215,688.00 mt	14,494.92 mt	163,457.10 mt	203,665.00 mt
	177,952.02 mt		
CPO (OER: 21.90%)	CPO (OER: 21.01%)		CPO (OER: 22.00%)
46,981.30 mt	3,106.25 mt	34,278.93 mt	44,806.00 mt
	37,385.18 mt		
PK (KER: 5.35%)	PK (KER: 5.22%)		PK (KER: 5.45%)
11,567.00 mt	725.21 mt	8,572.09 mt	11,100.00 mt
	9,297.30 mt		

10A. Monthly Records of Certified CPO & PK since the last audit			
No.	Month - Year	Certified CPO (mt)	Certified PK (mt)
1	Dec-20	3,106.25	725.21
2	Jan-21	2,223.37	574.38
3	Feb-21	2,703.33	633.92
4	Mar-21	3,050.15	783.00
5	Apr-21	2,866.13	745.47
6	May-21	3,351.02	851.05
7	Jun-21	2,917.99	648.73
8	Jul-21	2,949.24	681.73
9	Aug-21	2,725.28	755.18
10	Sep-21	3,068.12	805.74
11	Oct-21	3,920.33	992.01
12	Nov-21	4,503.97	1,100.88
	TOTAL	37,385.18	9,297.30

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

11. Summary of Actual Volume sold					
Current License period (Jan 2021-Nov 2021)					
	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	Others		
CPO (MT)	30,199.37	0	0	0	30,199.37
PK (MT)	8,635.80	0	0	9.88	8,645.68
Credits	6,000.00	0	0	0	6,000.00
Previous License period (Dec 2020)					
CPO (MT)	1,026.71	0	0	0	1,026.71
PK (MT)	758.69	0	0	0	758.69
Credits	0	0	0	0	0
Note: Difference of -107.07 mt for PK compared to production due to carried forward stock from previous period.					

11A. Records of Certified CPO & PK Sold under PalmTrace since the last audit (if any) (Dec 2020-Nov 2021)				
No.	Buyers Name	Palmtrace Trading License Number	Certified CPO Sold (mt)	Certified PK Sold (mt)
1	Non-disclosure 1	NA	406.21	-
2	Non-disclosure 2	NA	26,378.29	-
3	Non-disclosure 3	NA	1,153.23	-
4	Non-disclosure 4	NA	211.15	-
5	Non-disclosure 5	NA	887.41	-
6	Non-disclosure 6	NA	206.18	-
7	Non-disclosure 7	NA	1,729.13	-
8	Non-disclosure 8	NA	254.48	-
9	Non-disclosure 9	NA	-	804.97
10	Non-disclosure 10	NA	-	4,698.78
11	Non-disclosure 11	NA	-	3890.74
TOTAL			31,226.08	9,394.49

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

11B. Records of CPO & PK Sold under other schemes since the last audit (if any) (Dec 2020-Nov 2021)				
No.	Buyers Name	Scheme Name	CPO Sold (mt)	PK Sold (mt)
	Nil			
TOTAL				

11C. Records of CPO & PK Sold as conventional since the last audit (if any) (Dec 2020-Nov 2021)			
No.	Buyers Name	CPO Sold (mt)	PK Sold (mt)
1	Non-disclosure 16	-	9.88
TOTAL		-	9.88

11D. Records of Certified CPO Sold under RSPO Credits since the last audit (if any) (Dec 2020-Nov 2021)			
No.	Buyers Name	PalmTrace Trading License Number	RSPO Credits of Certified CPO Sold (mt)
1	Non-disclosure 18	-	6,000
TOTAL			6,000

12. Independent Smallholders Certified Tonnage / Volume - NA									
Phase	Estimated last year (key in period)			Actual (key in period)			Forecast (key in period)		
	Eligibility	MS A	MS B	Eligibility	MS A	MS B	Eligibility	MS A	MS B
	40%	70%	100%	40%	70%	100%	40%	70%	100%
FFB									
IS-CSPO									
IS-CSPKO									
IS-CSPKE									

13. Independent Smallholders Actual Sold Tonnage / Volume -NA						
	FFB	FFB Conventional	FFB Other schemes	IS-CSPO	IS-CSPK	IS-CSPKE
Current License period (key in period)						
Credits						
Physical						

Section 2: Assessment Process

Certification Body:

BSI Services Malaysia Sdn. Bhd. (ASI Accreditation Number: ASI-ACC-067)
Suite 29.01 Level 29, The Gardens North Tower,
Mid Valley City, Lingkaran Syed Putra,
59200 Kuala Lumpur, Malaysia.
Tel +60 (3) 9212 9638 Fax +60 (3) 9212 9639
Representative: Azrul Wan Azizan (Azrul.WanAzizan@bsigroup.com)
Website: www.bsigroup.com

BSI is a leading global provider of management systems assessment and certification, with more than 92,000 certified locations and clients in over 193 countries. BSI 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.

2.1 Assessment Methodology, Programme, Site Visits

The on-site assessment was conducted on 28/2-03/03/2022. The audit programme is included as Section 2.3. Due to the COVID-19 pandemic, this assessment involved a partial remote audit as allowed by RSPO Secretariat – RSPO P&C On-site & Remote Audits dated 24th March 2020. The remote audit was conducted on 28-29/09/2021.

The approach to the audit was to treat the mill and supply base as an RSPO Certification Unit. A range of occupational health and safety, environmental, best practice management, and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas, local communities engagement and workers welfare and safety.

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. Malaysia National Interpretation 2019 of the RSPO P&C 2018 was used as the normative reference to assess compliance. The comments made by external stakeholders were also taken into account in the assessment.

The minimum sample size is four estates. Sample size for certification unit with more than four (4) estates were determined based on formula $N = (\sqrt{y}) \times (z)$ where y is the number of estates and where z is the multiplier defined by risk assessment. While, the sampling of smallholders were based on the formula $(\sqrt{y}) \times (z)$; where y is total number of group member and where z is the multiplier defined by the risk assessment. The sampled smallholder listed in Appendix E. This assessment is also to complete the remaining 70% assessment after 30% of it was completed in Sep 2021. Apart from that, the client has also applied 4 of the estates to be merged into 2 estates, i.e. Palong Estate and Kemedak Estate are merged to be Palong Estate; and Mungka Estate and Sepang Loi Estate are merged to be Mungka Estate. Therefore, all estates are to be sampled in this on-site assessment, based on the sampling calculation method.

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 3.4.

RSPO P&C Public Summary Report

Revision 12 (Jun 2021)

The non-conformities for this audit are detailed in Section 3.3 and unless it is stated in this section, all previous nonconformities including minor nonconformities are remains closed.

This report is structured to provide a summary of assessment finding as provided in Appendix A. The assessment was conducted based on risk based approach sampling and therefore nonconformities may exist.

For Initial, Re-certification and Extension of Scope assessment, the report was externally reviewed by approved external peer 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

Assessment Program					
Name (Mill / Supply Base)	Year 1 (Certification)	Year 2 (ASA 2_1)	Year 3 (ASA 2_2)	Year 4 (ASA 2_3)	Year 5 (ASA 2_4)
Palong Cocoa Palm Oil Mill	✓	✓	✓	✓	✓
Palong Estate	-	✓	✓ (Kemedak Estate)	✓	✓
Mungka Estate	-		✓ (Sepang Loi Estate)	✓	✓
UMAC Estate	✓		-	✓	✓
Labis Baru Estate	-	✓	-	✓	✓

Tentative Date of Next Visit: September 26, 2022 - September 30, 2022

Total Number of Mandays: 15

2.2 BSI Assessment Team

Name	Role	Competency
Valence Shem (VSH)	Team Leader	<p>Education: BTech (Hons) Bachelor Degree in Industrial Technology, University of Science Malaysia</p> <p>Work Experience:</p> <ol style="list-style-type: none"> 1) 9 years working experience in oil palm plantation industry 2) Management system auditing since 2009 for various standards such as ISO 140001, RSPO P&C, RSPO SCCS, MSPO and SMETA <p>Training attended:</p> <ol style="list-style-type: none"> 1) ISO 14001 Lead Auditor Course 2) ISO 9001 Lead Auditor Course 3) Endorsed RSPO P&C Lead Auditor Course 4) Endorsed RSPO SCCS Lead Assessor Course

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

		<p>5) MSPO Awareness Training 6) ISO 45000 Lead Auditor Course 7) SMETA Auditor training 8) HCV-HCS training 9) RSPO-endorsed RSPO ISH Standard 2019 Lead Auditors Course</p> <p>Aspect covered in this audit: Legal requirements, natural and HCV conservation, water & wastes management, environmental aspects, occupational health and safety, GAP, mill best practices, training, economic management plan and supply chain.</p> <p>Language proficiency: English and Bahasa Malaysia</p>
<p>Mohd Hidir Zainal Abidin (MHZ)</p>	<p>Team Member</p>	<p>Education: Bachelor Degree in Chemical Engineering, National University of Malaysia</p> <p>Work Experience:</p> <p>1) 7 years working experience in palm oil industry specifically on palm oil milling for 5 years 2) Auditor for several standards including ISO 9001, ISO 140001, OHSAS 18001, MSPO and RSPO since 2012</p> <p>Training attended:</p> <p>1) ISO 9001 Lead Auditor Course 2) ISO 14001 Lead Auditor Course 3) OHSAS 18001 Lead Auditor Course in 2012 4) Endorsed RSPO P&C Lead Auditor Course in 2013 5) MSPO Awareness Training in 2014 6) Endorsed RSPO SCCS Lead Auditor Course 7) SMETA Auditor training</p> <p>Aspect covered in this audit: Legal requirements, policies and commitment, social aspects, contract agreement, human rights, land use rights, workers' welfare, and supply chain.</p> <p>Language proficiency: English and Bahasa Malaysia</p>
<p>Muhamad Naquiuddin Mazeli (MNM)</p>	<p>Team Member</p>	<p>Education: Bachelor of Science Horticulture at University Putra Malaysia.</p> <p>Work Experience:</p>

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

		<p>11 years working experience in oil palm plantation industry as sustainability team – managing, implementing and monitoring of RSPO, ISCC, MSPO and ISO9001 and ISO 18001 certification requirements for estates, mills, refineries and smallholders. He also support in providing training related to RSPO, MSPO and other certifications where applicable to the operations during previous company.</p> <p>Training attended:</p> <ol style="list-style-type: none"> 1) Safety and Health Officer 2) Food Safety System (FSSC and ISO 22000) for mill and refineries 3) ISO 9001 Lead Auditor Course 4) ISO 45000 Lead Auditor Course 5) Endorsed RSPO P&C Lead Auditor Course 6) Endorsed RSPO SCCS Lead Assessor Course 7) MSPO Awareness Training 8) SMETA Auditor training 9) HCV-HCS training 10) RSPO-endorsed RSPO ISH Standard 2019 Lead Auditors Course <p>Aspect covered in this audit:</p> <p>Legal requirements, natural and HCV conservation, water & wastes management, environmental aspects, GAP, mill best practices, training, and economic management plan.</p> <p>Language proficiency:</p> <p>English and Bahasa Malaysia</p>
--	--	--

Accompanying Persons:

Name	Role
Nil	

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

1.3 Assessment Plan

The Assessment plan was sent to the client prior to the assessment.

Remote assessment plan (30%)

Date	Time	Subjects	VSH	MHZ	ICT Planned	
Tuesday 14/09/2021	1100	Preparatory/test call between client and BSI auditors Communication on document preparation for remote/ICT audit	✓ Room 1		MS Teams	
Tuesday 28/09/2021	0900-0930	Opening meeting <ul style="list-style-type: none"> Opening presentation by audit team leader Confirmation of assessment scope and finalize audit plan 	✓ Room 1		MS Teams, share drive, Whatsapp, email, etc.	
	0930-1030	<u>Palong Cocoa POM, Mungka Estate & UMAC Estate</u> Assessment and documentation review on legal requirements, good agriculture practice, economic management plan, OSH, environment, water management, GHG, HCV and continual improvement	✓ Room 1	-		
		<u>Palong Cocoa POM, Mungka Estate & UMAC Estate</u> Assessment and documentation review on social aspects, SIA, land use right, legal requirements, employees' welfare, complaint & grievance, and contractors & stakeholder management	-	✓ Room 2		
	1030-1040	10-minute break				
	1040-1230	Continue assessment and documentation review	✓ Room 1	✓ Room 2		
	1230-1330	Lunch break				
	1330-1500	Continue assessment and documentation review	✓ Room 1	✓ Room 2		
	1500-1510	10-minute break				
	1510-1630	Continue assessment and documentation review	✓ Room 1	✓ Room 2		
	1630-1700	Interim closing	✓ (Room 1)			
Wednesday 29/09/2021	0900-1030	Continue assessment and documentation review	✓ Room 1	✓ Room 2		
	1030-1040	10-minute break				

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

Date	Time	Subjects	VSH	MHZ	ICT Planned
	1040-1200	Continue assessment and documentation review	✓ Room 1	✓ Room 2	
	1200-1230	Assessment team discussion and preparation of closing meeting	✓ (Room 1)		
	1230-1300	Closing meeting	✓ (Room 1)		

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

On-site assessment plan (70%)

Date	Time	Subjects	VSH	MHZ	MNM
Monday 28/02/2022	0900-0915	Opening meeting: <ul style="list-style-type: none"> Opening presentation by audit team leader Confirmation of assessment scope and finalize audit plan (including stakeholder's consultation) 	✓	✓	✓
	0915-1300	<u>Palong Cocoa POM</u> 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.	✓	✓	✓
	1000-1200	<u>Stakeholder consultation (for mill, Palong & Mungka estates)</u> Consultation with relevant stakeholders which consists of various categories such as government agencies/enforcers, NGO, contractors, suppliers, surrounding communities (e.g. neighboring estates, smallholders, villages, workers representative, etc.), etc.	-	✓	-
	1300-1400	Lunch break			
	1400-1630	<u>Palong Cocoa POM</u> Document Review P1 – P7: SOPs, Supply chain, Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation, etc.	✓	✓	✓
	1630-1700	Interim closing briefing	✓	✓	✓
Tuesday 01/03/2022	0900-1300	<u>Palong Estate</u> 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, Scheduled waste management, worker housing, clinic, Landfill, etc.	✓	✓	✓
	1300-1400	Lunch break			
	1400-1630	<u>Palong Estate</u> Document review P1 – P7: (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.).	✓	✓	✓
	1630-1700	Interim closing briefing	✓	✓	✓

Wednesday 02/03/2022	0900-1300	<u>UMAC Estate</u> 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, Scheduled waste management, worker housing, clinic, Landfill, etc. and documentation review.	✓	✓	✓
	1000-1200	<u>Stakeholder consultation</u> Consultation with relevant stakeholders which consists of various categories such as government agencies/enforcers, NGO, contractors, suppliers, surrounding communities (e.g. neighboring estates, smallholders, villages, workers representative, etc.), etc.	-	✓	-
	1300-1400	Lunch break			
	1400-1630	<u>Mungka Estate</u> 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, Scheduled waste management, worker housing, clinic, Landfill, etc. and documentation review.	✓	✓	✓
	1630-1700	Interim closing briefing			
Thursday 03/03/2022	0900-1300	<u>Labis Bahru Estate</u> 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, Scheduled waste management, worker housing, clinic, Landfill, etc.	✓	✓	✓
	1000-1200	<u>Stakeholder consultation</u> Consultation with relevant stakeholders which consists of various categories such as government agencies/enforcers, NGO, contractors, suppliers, surrounding communities (e.g. neighboring estates, smallholders, villages, workers representative, etc.), etc.	-	✓	-
	1300-1400	Lunch break			
	1400-1530	<u>Labis Bahru Estate</u> Document review P1 – P7: (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.).	✓	✓	✓

**RSPO P&C Public Summary Report
Revision 12 (Jun 2021)**

	1530-1600	Interim closing briefing	✓	✓	✓
	1600-1630	Audit team discussion & preparation for closing meeting	✓	✓	✓
	1630-1700	Closing meeting	✓	✓	✓

Section 3: Assessment Findings

3.1 Multiple Management Units and Time Bound Plan

Requirement	Assessment	Compliance
Does the time bound plan include all current subsidiaries, estates and mills that is under the control and/or minor shareholding of the holding company?	Yes, the plan includes all current subsidiaries, estates and mills that is under management control.	Complied.
Have all the estates and mills certified within five (5) years after obtaining RSPO membership?	Yes, all the estates and mills have been certified within 5 years after obtaining RSPO membership except Palm Oil Plantations Asset at Indonesia (SUMSEL) following resolutions by Board of Director of Kulim to disposal of Palm Oil Plantations Asset at Indonesia (SUMSEL) on 2021.	Complied
Have there been any new acquisitions? If yes, the new acquisitions shall be certified within three (3) years from the date of acquisition. Certification plan for the new acquisition shall be available.	There have not been any new acquisitions.	Complied
Any deviations from the maximum periods requires approval by the RSPO Secretariat.	There have no any deviations from the maximum periods requires approval by the RSPO Secretariat.	Complied
Have there been any changes to the time-bound plan since the last audit (both new acquisition and existing)? If yes, justification is required. Is this consistent with the ACOP reporting?	There has no any changes to the time-bound plan since the last audit. This is consistent with the latest ACOP2020 reporting.	Complied
Have there been any isolated lapses in implementation of the plan? If yes a Minor non-compliance shall be raised	There is no isolated lapse in Time Bound Plan except for smallholder proposed certification program that halted due to unstable supply to mill.	Complied
Have there been any fundamental failure (e.g. unable to justify delay in planning the assessments) to proceed with implementation of the plan? If yes a Major non-compliance shall be raised	There has been no fundamental failure to proceed with the implementation of the plan.	Complied
Un-Certified Units or Holdings		
No replacement of primary forest or any area required to maintain or enhance HCVs and HCS in accordance with RSPO P&C criterion 7.12.	There is no new plantings that replace primary forest.	Complied
Any new plantings since January 1 st 2010 shall comply with the RSPO New Plantings Procedure.	There are no new plantings since January 1 st 2010.	Complied
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 4.4, 4.5,	There is No land conflict under all certification units as verified in the RSPO RaCP Tracker, updated 01/02/2022.	Complied

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

4.6, 4.7 and 4.8.		
Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 4.2	There is no labour dispute.	Complied
Any Legal non- compliance is being addressed through measures consistent with the requirements of RSPO P&C criteria 2.1	There is No legal non-compliance.	Complied
Did the company conduct internal audit for those uncertified estates against the uncertified management units requirement and covering the RSPO P&C criterion 2.1 4.2, 4.4, 4.5, 4.6, 4.7, 4.8 and 7.12? If yes, a positive assurance statement shall be available and justified.	No internal audit have been conducted for uncertified estates in Indonesia following resolutions by Board of Director of Kulim to disposal of Palm Oil Plantations Asset at Indonesia (SUMSEL).	Complied
Are there any Critical (Major) non-compliance raised against any of the RSPO P&C criterion 2.1 4.2, 4.4, 4.5, 4.6, 4.7, 4.8 and 7.12 during the last internal audit of the uncertified estates? If yes is the NC(s) actively addressed with RSPO?	N/A	Complied
Have there been any stakeholder (including NGO) consultation conducted?	N/A	Complied

3.2 Progress of scheme smallholders and/or outgrowers

Progress of scheme smallholders or outgrowers towards compliance with relevant standards		
Requirement	Remarks	Compliance
Has 100% of scheme smallholders and/or scheme outgrowers comply with the standard within three years of the mill's initial certification? OFI shall be raised if after one year where 100% of the scheme smallholders and scheme outgrowers are not in compliance, a minor NC after two years, and a major NC if this requirement is not met after three years.	Not applicable as there is no smallholder scheme under Palong Cocoa Certification Unit.	Complied

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

Approved Time Bound Plan

Project	Estate	Plan
Indonesia	PT RAJ	Kulim Malaysia Berhad had agreed to proceed with Sale and Purchase Agreement ("SPA") to dispose two palm oil plantation assets in South Sumatera, Indonesia during special BOD meeting held on 20 October 2021.
	PT TPR	
Kulim Estate	Bukit Layang Estate	Certified RSPO in 2020
Trader	Eng Lee Heng	Certified RSPO in 2020 under Wild Asia Sdn. Bhd (Wild Asia Group Scheme)

List of Estate Managed by KULIM				
Mill Base	Estate	Estate	Status	Remarks
Tereh Mill	Kulim Estate	TEREH SELATAN	Certified RSPO in March 2009	*Merged Estates effective on 01 Jan 2021 as follows: 1. Selai & Enggang under the name of Selai Estate 2. Mutiara & Sg Sembrong under the name of Mutiara Estate 3. REM & Ulu Tiram under the name of Rem Estate 4. Mungka & Sepang Loi under the name of Mungka Estate 5. Palong & Kemedak under the name of Palong Estate 6. Pasir Panjang & Bukit Payung under the name of Pasir Panjang Estate
		TEREH UTARA		
		SG. TAWING		
		RENGAM		
		*SELAI		
		*ENGGANG		
		*MUTIARA		
*SG. SEMBRONG				
Sindora Mill		SINDORA	Certified RSPO in March 2017	**Changes and additional of supply base for Sindora as follows: 1. Basir Ismail Estate 2. Ulu Tiram Estate
		SUNGAI PAPAN		
		**BASIR ISMAIL		
Sedenak Mill		*REM		
		* **ULU TIRAM		
Palong Mill		SEDENAK		
		KUALA KABONG		
		UMAC		
		LABIS BAHRU		
		*MUNGKA		
		*SEPANG LOI		
Pasir Panjang Mill		*PALONG		
	*KEMEDAK			
	*PASIR PANJANG			
	*BUKIT PAYUNG			
	SIANG			
	BUKIT KELOMPOK			
TUNJUK LAUT				
PASIR LOGOK				

3.3 Details of Nonconformities

The nonconformities are listed below. The findings summary of the assessment by criteria are listed in Appendix A. During this Assessment there was no Critical; no Minor nonconformities and 3 Opportunity For Improvement raised. Below is the summary of the non-conformity raised during this assessment.

Non-conformity			
NCR Ref #	N/A	Date Issued	
Due Date		Date of nonconformity Closure	
Clause & Category (Critical / Minor)			
Statement of Nonconformity:			
Requirement Reference:			
Objective Evidence:			
Corrections:			
Root Cause Analysis:			
Corrective Actions:			
Assessment Conclusion:			

Opportunity for Improvements	
OFI #	Description
2170104-202202-I1	<p><u>Indicator 3.6.2</u></p> <p>The recording of the communication between Palong Cocoa POM and the Audiometric Test Centre (ATC) can be further enhanced, therefore the reason of the delayed submission of the Audiometric Test Report to the mill can be evident.</p>
2170104-202202-I2	<p><u>Indicator 6.7.2</u></p> <p>The monitoring of the first aid kit contents and the knowledge of the first aiders at UMAC and Labis Bahru estates can be further improved to ensure the expire date of any item is not exceeded and identification of items by the first aider is accurate as per the content list provided.</p>
2170104-202202-I3	<p><u>Indicator 7.3.1</u></p> <p>At Palong Cocoa POM, the monitoring of disposal of wastewater and contaminated soil from the pollution control device (PCD) can be further improved, therefore the disposal is consistent with the waste management plan i.e. to dispose as scheduled waste.</p>

Positive Findings	
PF #	Description
PF 1	Very good cooperation and hospitality by management team/staff/sustainability team
PF 2	Good awareness on sustainability aspects among the workers and stakeholders

3.3.1 Status of Nonconformities Previously Identified and Observations

Non-conformity NA			
NCR Ref #	1995620-202012-N1	Date Issued	03/12/2020
Due Date	29/09/2021	Date of nonconformity Closure	29/09/2021
Clause & Category (Critical / Minor)	7.12.7 (minor)		
Statement of Nonconformity:	Outcomes of RTE species monitoring are not fed back into the management plan.		
Requirement Reference:	The status of HCVs, HCS forests after 15 November 2018, other natural ecosystems, peatland conservation areas and RTE species is monitored. Outcomes of this monitoring are fed back into the management plan.		
Objective Evidence:	<u>Sepang Loi Estate</u> There was no specific management plan for RTE species incorporated in the Biodiversity Management plan dated 5/5/20. Based on sighting record dated 26/11/20, a RTE species named "Tapir" spotted near field P03/01.		
Corrections:	1. Estate to include the RTE species and incorporated in the Biodiversity management Plan. 2. SQD will list the RTE species and provide to all Operating Units for guide monitoring. 3. OU to record into animal sighting and submit to SQD immediately when any RTE species is sighted. SQD shall initiate and include the RTE Management in the Biodiversity Management Plan.		
Root Cause Analysis:	The Person In Charge of Biodiversity was unaware on the RTE species monitoring should be included in the biodiversity management plan.		
Corrective Actions:	1. SQD will provide the communication briefing on updated Biodiversity Management Plan focusing on newly included RTE species Management plan to PIC for a better understanding. SQD will provide the communication briefing related to RTE species Management plan to all operating unit.		
Assessment Conclusion:	The corrective action plan is accepted. Effectiveness of corrective action taken will be further verified in the next assessment.		
ASA2_3 verification	Evidence verified: 1) RTE species and incorporated in the Biodiversity management Plan 2021		

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

	<p>2) The list of RTE species entitled "Garis Panduan Pengurusan Konflik Hidupan Liar/RTE Dalam Ladang" had been provided to all the Operating Units</p> <p>3) Record of Animal Sightings 2021 by Sepang Loi Estate</p> <p>4) Attendance record dated 05/04/2021 that shows SQD has provided the communication briefing on updated Biodiversity Management Plan focusing on newly included RTE species Management plan to PIC for a better understanding</p> <p>The correction and corrective action evidence were found to be adequate to close the Minor NC. Continuous effective implementation shall be verified in the next assessment.</p>
--	--

Opportunity for Improvement	
OFI#	Description
OFI 1	<p>OFI Statement: N/A</p> <p>Verification / Follow-up actions: N/A</p>

3.3.2 Summary of the Nonconformities and Status

CAR Ref.	Category (Critical / Minor)	P&C Indicator	Issued Date	Status & Date (Closure)
1693979-201810-M1	Major	2.1.1	25/10/2018	Closed on 16/01/2019
1693979-201810-M2	Major	8.1.1	25/10/2018	Closed on 16/01/2019
1693979-201810-M3	Major	4.6.11	25/10/2018	Closed on 16/01/2019
1693979-201810-N1	Minor	2.1.3	25/10/2018	Closed out on 27/09/2019
1825761-201903-M1	Major	6.1.1	27/09/2019	Closed out on 23/12/2019
1825761-201903-M2	Major	6.1.3	27/09/2019	Closed out on 23/12/2019
1825761-201903-N1	Minor	5.6.3	27/09/2019	Closed out on 03/12/2020
1995620-202012-N1	Minor	7.12.7	03/12/2020	Closed out on 29/09/2021

3.4 Stakeholders and previous land owner / user 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 Palong Cocoa 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.

Stakeholders contacted		
Type of Stakeholder (e.g. Internal, Union, Contractor, Governmental Department, NGO, External, Communities)	Stakeholder name / organization	Means of communication (e.g. face to face interview, email, phone interview, comment from public notice)
Internal stakeholder	General clerk (New mother)	Face to face interview
Union representative	Store assistant	Face to face interview
Internal stakeholder	General clerk (Gender committee)	Face to face interview
Supplier/Contractor	Spare part suppliers	Face to face interview
Supplier/Contractor	Estate contractors	Face to face interview
Government	Community nurse (Government Clinic)	Face to face interview
Government	Children nursery assistant (Government nursery)	Face to face interview
Supplier/Contractor	Estate canteen & sundry shop owners	Face to face interview
External stakeholder	Village representative	Face to face interview
Supplier/Contractor	Grocery shop keeper	Face to face interview
Internal stakeholder	Estates’ foreign workers’ representative	Face to face interview

Stakeholders comment	
1	<p>Feedbacks: School representative, SK Bukit Serok – Distance from UMAC estate is around 5-6 km and the nearest primary school available. Good cooperation given to the school in terms of monetary contribution and also assistance.</p> <p>Audit Team verification and response: No further issue.</p>

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

2	<p>Feedbacks: Representative from local community (Kg Paya Besar) – there were a few concerns raised by village head with regards to closure of estate road from Kg Paya Besar – Labis Bahru Estate – Kg Melayu Raya. With the road closure, they have to use other alternative road which take longer time compared to the normal route. Furthermore, some areas near to the boundary of estate and village has yet to be cleaned and maintained for upkeep. This has created hazards to the road users where occasionally animals such as wild boar can be seen at the area.</p> <p>Audit Team verification and response: The main reason for road closure is due to security reason. With the increase of FFB price, the management have to take precautionary measure resolve the stolen FFB issue in the estate. The estate will continue to discuss and explain with the village head on this matter and also try to assist whenever necessary.</p>
4	<p>Feedbacks: Cafeteria Ladang UMAC – One (1) concern raised with regards to monthly rental which a bit high compared to the previous contract. No other issue raised by the tenant. Estate management has given a good cooperation so far and approachable.</p> <p>Audit Team verification and response: The management acknowledge the issue as the new contract was tendered by the previous management. Rental issue has been discussed and in the process of negotiating the rental and food price reduction as win-win situation for both sides.</p>
5	<p>Feedbacks: NUPW Representatives – They informed that no pending issue at the time of audit. They will discuss with the management if there is any issue reported. They have also requested for the road and infrastructure upgrading within mill’s quarters and line site. For those staying outside, they entitled for RM 125 of housing allowance per month.</p> <p>Audit Team verification and response: The management will consider the request to be included in the next budget. No further issue.</p>
6	<p>Feedbacks: Gender Committee Representatives & female workers – They informed that no sexual harassment and violence case reported since last audit. The female workers understand the function of Gender committee and aware of the complaint mechanism if there is any issues. They were treated equally without any discrimination by the management.</p> <p>Audit Team verification and response: The management will respect the rights of female employees and monitor if there is any case of sexual harassment and violence happen. No further issue.</p>
7	<p>Feedbacks: Jabatan Alam Sekitar, Muar – Spoke with the new officer in-charge for Palong Cocoa POM. He informed that Palong Cocoa Palm Oil Mill has no major issue with the legal requirements.</p> <p>Audit Team verification and response: The management will continue to ensure compliance towards the legal requirements. No other issue.</p>
8	<p>Feedbacks: Foreign workers – They did not pay any recruitment fee for getting a job in Kulim (M) Berhad. They have been briefed on the terms and conditions and working environment in the plantations while they were in home country. No contract substitution occurred. Their wages are paid according to Minimum Wage Order 2020 and overtime was offered to them on voluntary basis.</p> <p>Audit Team verification and response: Positive comments highlighted by worker’s representative. No further comment.</p>
9	<p>Feedbacks: Contractor/vendor/supplier – Any project/task/job offered by Kulim is based on long term or short-term contract. For one off job, either local work order or purchase order will be issued to the supplier or vendor. No pending @ outstanding payment so far and payment was promptly done in timely manner</p> <p>Audit Team verification and response: No negative comments raised by contractors.</p>

List of land owner / user contacted					
Name	Years of ownership / used	Land area (ha)	Agreement (Yes / No)	Agreement base on FPIC (Yes/No)	Compliance on the agreement terms and conditions
Not applicable as the certification unit has undergone second cycle of replanting.					

Previous land owner / user comment – NA	
	Feedbacks:
	Audit Team verification and response:



3.5 Impartiality and conflict of interest

During this assessment there was no circumstances or pressure that had influenced the independence or confidentiality of the assessment team.

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

Formal Signing-off of Assessment Conclusion and Recommendation

The audit objectives have been achieved and the certificate scope is appropriate. Based on the results of this audit, it is concluded that Palong Cocoa Palm Oil Mill has complied with the Malaysia National Interpretation 2019 of the RSPO P&C 2018 and audit criteria identified within the audit report. It is deemed that the management system has achieved its intended outcomes. Therefore, it is recommended that Palong Cocoa Palm Oil Mill is remain certified.

Report prepared by	Acceptance of Assessment Conclusion
Name: Valence Shem	Name: Salasah Elias
Company Name: BSI Services (M) Sdn Bhd	Company Name: Kulim (Malaysia) Berhad
Title: Lead Auditor	Title: Deputy General Manager
Signature: 	Signature: <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> 
Date: 03/04/2022	Date: 08/04/2022

Appendix A: Summary of Findings

Criterion / Indicator	Assessment Findings	Compliance	
Principle 1: Behave ethically and transparently			
Criterion 1.1: The unit of certification provides 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	<p>(C) Documents that are specified in the RSPO P&C are made available to the public.</p> <ul style="list-style-type: none"> - Critical (Major) compliance - 	<p>Palong Cocoa Palm Oil Mill and its supply base make available documents specified in the RSPO P&C to the public. These documents are either available via the Company’s website http://www.kulim.com.my or available at the office, or can be accessible at each operating unit:</p> <ul style="list-style-type: none"> - Land titles/user rights - Occupational health and safety plans - Plans and impact assessments relating to environmental and social impacts - HCV documentation - Pollution prevention and reduction plans - Details of complaints and grievances - Continuous improvement plans - Public summary of certification assessment report - Human Rights Policy - Summary report of contributions to community development <p>Stakeholders were also informed of the availability of these documents during stakeholder meeting for all units on 23rd September 2021.</p>	Complied
1.1.2	Information is provided in appropriate languages and accessible to relevant stakeholders.	The information is provided in either English or Bahasa Malaysia, or both. This was evidenced from the documents itself, and also during stakeholder	Complied

	- Minor compliance -	meeting held on 23 rd September 2021 attended by relevant stakeholders. The briefing was conducted in Bahasa Malaysia by the Environmental Officer, Kulim (Malaysia) Sdn Bhd.	
1.1.3	(C) Records of requests for information and responses are maintained. - Critical (Major) compliance -	The information is provided in either English or Bahasa Malaysia, or both. This was evidenced from the documents itself, and also during stakeholder meeting held on 23 rd September 2021 attended by 17 stakeholders. The briefing was conducted in Bahasa Malaysia by the Environmental Officer, Kulim (Malaysia) Sdn Bhd.	Complied
1.1.4	(C) Consultation and communication procedures are documented, disclosed, implemented, made available, and explained to all relevant stakeholders by nominated representative. - Critical (Major) compliance -	Kulim (M) Berhad continuous to implement the SOP entitled, Communication and Consultation Procedure, SQD/SMS/1.1, issue:1 ,rev: 0 dated 1 st August 2020.	Complied
1.1.5	There is a current list of contact and details of stakeholders and their nominated representatives. - Minor compliance -	Current stakeholder lists for Palong Cocoa POM complex were sighted. This list contains all relevant stakeholders and details of their nominated representatives. These stakeholders include suppliers, contractors, service providers, transporters, list of CPO and PKO buyers, government agencies such as Dept of Safety and Health, Indonesian Consulate, Labour Department, surrounding villages such nearby schools, clinics, etc. Latest updated stakeholder lists were verified as per the following: i) Mungka Estate: 1/9/21 ii) UMAC Estate: 1/9/21 iii) Palong Cocoa POM: 1/9/21 iv) Labis Bahru Estate: 15/7/21	Complied

Criterion 1.2: The unit of certification commits to ethical conduct in all business operations and transactions.

<p>1.2.1</p>	<p>A policy for ethical conduct is in place and implemented in all business operations and transactions, including recruitment and contracts.</p> <p>- Minor compliance -</p>	<p>Kulim (Malaysia) Berhad has developed an Ethics Policy signed by the Executive Director on 1 May 2018. Additionally, there is also the No Gift and Entertainment Policy also signed by its Executive Director on 1 May 2018. A review of the stakeholder meeting minutes confirmed that these Policies were communicated to all external stakeholders during stakeholder meetings.</p> <p>An addendum to contractors’ letter of acceptance also included a provision which requires the contractor to comply with all of Kulim’s relevant business policies, where failure to comply may result in termination of the contract. Sighted were the contract Addendum signed by Mirzafiz Sdn Bhd, Teo Tuan Kwee Sdn Bhd and Fica Sdn Bhd. During stakeholder consultations held with auditors, the transporters, contractors and service providers also confirmed their awareness, compliance and implementation of the Policies.</p> <p>The Ethics Policy is also imposed on recruitment agents. Sighted was the contract dated 13 February 2020 for Indonesian manpower supply between Kulim (Malaysia) Berhad and PT Hamparan Karya Insani. This contract contains the contractor’s undertaking that it complies with all applicable laws and codes relating to anti-bribery, fraud and corruption, and undertakes not to offer or accept bribe or any improper advantage from anyone in Kulim (Malaysia) Berhad.</p>	<p>Complied</p>
<p>1.2.2</p>	<p>A system is in place to monitor compliance and the implementation of the policy and overall ethical business practice.</p> <p>- Minor compliance -</p>	<p>The system in place to monitor compliance and implementation of the No Gift and Entertainment Policy, Ethics Policy and overall business practice include:</p> <ul style="list-style-type: none"> a. Anti-Bribery Management System audit at Palong Cocoa POM (26/10/20), Mungka Estate (26/10/20) and UMAC Estate (26/10/20) b. Contracts Administration Guidelines & Procedures for Kulim Malaysia Bhd (Head Office/Estates/Mill) updated August 2019. This guideline imposes a limit on the value of transaction for each management level; c. Integrity ethics declaration signed by all levels of employees (management, workers). 	<p>Complied</p>

		d. Conflict of Interest Declaration forms signed by all levels of employees.	
Principle 2: Operate legally and respect rights			
Criterion 2.1: There is compliance with all applicable local, national and ratified international laws and regulations.			
2.1.1	(C) The Unit of Certification complies with legal requirements - Critical (Major) compliance -	<p>Palong Cocoa Certification Unit is committed to comply with all applicable local, national and ratified international laws and regulations. Licenses and permits checked as per the following:</p> <p><u>Palong Cocoa POM:</u></p> <ol style="list-style-type: none"> 1) MPOB license, #578392004000, valid until 30/11/2021 2) DOE license, #004720, valid until 30/06/2022 3) Overtime permit, #BHG.PU.9/134 JLD 17(16), valid until 30/11/2023 4) EC Private Installation permit, #2018/03113, valid until 31/10/2021 5) Permit to store diesel, #J000124, valid until 17/08/2024 6) Weighbridge calibration, #B1819463 #B1819464, valid until 02/08/2022 <p><u>Mungka Estate:</u></p> <ol style="list-style-type: none"> 1) MPOB License, #570584002000, valid until 31/03/2022 2) Air compressor CF, #PMT-JH/21 148544, valid until 24/11/2022 3) Permit to store diesel, #(12)JH(SGT)0099/88 PSK, valid until 16/12/2021 4) Miscellaneous permits to deduct workers' wages from Labour Department – no expiry date 5) SPAN license, #SPAN/EKS(PT)/800-4(1)/2/14, valid until 12/04/2023 6) BAKAJ license, #BAKAJ/334/430/2/6/3/1, valid until 31/12/2021 <p><u>UMAC Estate:</u></p>	Complied

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

		<ol style="list-style-type: none"> 1) MPOB license, #501362602000, valid until 31/03/2022 2) Permit to store diesel, #PHG/RPN/046/83 SK (D), valid until 19/01/2022 3) Air compressor CF, #PH PMT 5007, valid until 28/10/2021 4) Miscellaneous permits to deduct workers' wages from Labour Department – no expiry date <p><u>Labis Bahru Estate:</u></p> <ol style="list-style-type: none"> 1) MPOB license #501775302000, valid until 30/4/2022 2) Diesel license for storage #JH(SGT)0103/03 PSK, valid until 23/2/2024 3) Air compressor CF#JH PMT 18012 valid until 16/5/2021, already apply for renew on 16/3/2021 and still pending at DOSH approval. 4) JTK license for wages deduction refer letter TK(NJ) U-24 dated 15/6/2020 5) Calibration of weighbridge (B1819466) dated 3/8/2021 <p>Palong Estate</p> <ol style="list-style-type: none"> 1) MPOB license #570585002000 valid until 31/3/2022 2) License from KPDNKK for storage Diesel and Petrol (JH(SGT)0012/88 PSK valid until 24/8/2022 3) Air compressor CF#JH PMT-JH/20 119133 valid until 10/12/2021, already apply for renew on 6/10/2021 and still pending at DOSH approval. 4) SPAN License (SPAN/EKS/(PT)/800-4(1)/2/14) valid 14/7/2020. 5) BAKAJ license, #BAKAJ/334/430/2/6/3/2, valid until 5/1/2021. 6) JTK license for wages deduction refer TK(NJ) U-24 dated 12/8/2018. 	
--	--	--	--

2.1.2	<p>A documented system for ensuring legal compliance is in place. This system has a means to track changes to the laws and regulations.</p> <p>- Minor compliance -</p>	<p>Palong Cocoa POM certification unit continued to implement and maintain their established documented system for identifying, accessing, tracking updates and monitoring of compliance with the legal requirements that are applicable to the CU's operation. Each office of the operating unit (mill and estate) has its own legal requirements register (LRR) and were being evaluated individually from time to time for compliance mainly through internal audit. Among the applicable legal laws registered are EQA, OSHA, Factory & Machinery Act, Employment Act, Workers' Minimum Standard of Housing and Amenities Act, Minimum Wages order 2020 to name a few. 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 centralized system for tracking any changes in the law. Latest review was on 31/12/2021, for Temporary measures for reducing the impact of coronavirus disease 2019 Act 2020.</p>	Complied
2.1.3	<p>Legal or authorised boundaries are clearly demarcated and visibly maintained, and there is no planting beyond these legal or authorised boundaries.</p> <p>- Minor compliance -</p>	<p>Whenever the land boundaries are adjacent with third party (smallholders, villages, other oil palm companies, etc.) the normal practice of Kulim (M) Berhad to indicate the legal boundaries are through construction of trenches. Sampling in Labis estate boundary demarcated using boundary stone and canal was sighted. This verification between in field P20/04 and Kg Paya Besar.</p>	Complied
Criterion 2.2: All contractors providing operational services and supplying labour, and Fresh Fruit Bunch (FFB) suppliers, comply with legal requirements.			
2.2.1	<p>A list of contracted parties is maintained.</p> <p>- Minor compliance -</p>	<p>List of contracted parties is maintained under stakeholder list dated 10 September 2021 for Palong Cocoa Mill.</p> <p>In UMAC estate, the list of contractors was made available under contractor list for 2021. For Mungka, list of contractors incorporated under stakeholder list dated 1/9/2021. The contractors included for activities such as transportation (FFB, CPO and PK), road maintenance, harvesting and others.</p>	Complied

2.2.2	<p>All contracts, including those for FFB supply, contain specific clauses on meeting applicable legal requirements, and this can be demonstrated by the third party.</p> <p>Evidence of legal due diligence of all contracted third parties, recruitment agencies (licensed/ accredited) for migrant workers, service providers and labour contractors, is available.</p> <p>- Minor compliance -</p>	<p>All contracts (short and long term), contain specific clauses on meeting applicable legal requirements were spelled out in the contract.</p> <ul style="list-style-type: none"> - WO 02/21, contractor: GP Subramaniam (Harvesting of FFB in P08 & P09) at Ladang UMAC, Keratong, Pahang. Variation order valid until 31/10/21. <p>Evidence of due diligence is demonstrated via declaration between contactor based on letter for Kulim (M) Berhad’s General Manager, Procurement and Contract Department. Each addendum contract signed attached with the employee data and employment practice checklist for self-declaration for compliance. Refer addendum contract signed and self-declared form for harvesting contractor, GP Subramaniam, contract ref.: WO/2/21 (harvesting of FFB in P08 and P09 at Ladang UMAC, Keratong, Pahang. Addendum contract signed dated 14/10/20 available for verification.</p>	Complied
2.2.3	<p>All contracts, including those for FFB supply, contain clauses disallowing child, forced and trafficked labour. Where young workers are employed, the contracts include a clause for their protection.</p> <p>- Minor compliance -</p>	<p>All contracts included with the addendums:</p> <p>“The contractors represent and warrant that the Contractor shall comply with applicable labour and employment laws regarding; and prohibit any form of child labour, forced and trafficked labour. Any eligible your labour will be employed only in accordance with Children and Young Person (Employment) 1966.”</p> <p>Addendum agreement signed on 20/10/20 for SBK Logistic and 20/10/20 for Mirzafiz Sdn Bhd.</p>	Complied
Criterion 2.3: All FFB supplies from outside the unit of certification are from legal sources.			
2.3.1	<p>(C) For all directly sourced FFB, the mill requires:</p> <ul style="list-style-type: none"> • Information on geo-location of FFB origins • Evidence of the ownership status or the right/claim to the land, or valid use of land by the grower/smallholder • One or more supporting documents for claims • Valid MPOB license 	<p>All directly sourced FFB are from Kulim (M) Berhad’s own estates. Information of each estates detailed out under table 4 & 5 of the report.</p>	Complied

	- Critical (Major) compliance -																															
2.3.2	For all indirectly sourced FFB, the unit of certification obtains from the collection centres, agents or other intermediaries, the evidence as listed in Indicator2.3.1. - Minor compliance -	Not applicable as there is no indirectly sourced FFB delivered to the mill.	Not Applicable																													
Principle 3: Optimise productivity, efficiency, positive impacts and resilience																																
Criterion 3.1: There is an implemented management plan that aims to achieve long-term economic and financial viability.																																
3.1.1	(C) A business or management plan (minimum three years) is documented that includes, where applicable, a jointly developed business case for Scheme Smallholders. - Critical (Major) compliance -	<p>The business plan for the mill is presented in the form of annual budget and the projection for 5 years prepared as guidance for future planning. The business plan contains production CPO, OER, and KER, operational & maintenance cost and CAPEX.</p> <p>The business or management plan for the estates were presented in the form of annual budget with 5 years projection. The annual budget contains the crop projection and the finance allocation for field operation & administrations and CAPEX.</p> <p>The management has their monthly progress report and regular meetings to monitor the expenditure to ensure the budget is not overrun.</p>	Complied																													
3.1.2	An annual replanting programme projected for a minimum of five years with yearly review, is available. - Minor compliance -	<p>All the estates maintain record of replanting program from 2021 to 2046. For purpose of auditing record the horizon is limited to 5 years. Figures in ha otherwise stated.</p> <table border="1"> <thead> <tr> <th rowspan="2">Estates</th> <th colspan="5">Year</th> </tr> <tr> <th>2021</th> <th>2022</th> <th>2023</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Mungka</td> <td>113.90</td> <td>0</td> <td>0</td> <td>0</td> <td>134.16</td> </tr> <tr> <td>UMAC</td> <td>22.68</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Labis Bahru</td> <td>0</td> <td>0</td> <td>232.06</td> <td>207.86</td> <td>0</td> </tr> </tbody> </table>	Estates	Year					2021	2022	2023	2024	2025	Mungka	113.90	0	0	0	134.16	UMAC	22.68	0	0	0	0	Labis Bahru	0	0	232.06	207.86	0	Complied
Estates	Year																															
	2021	2022	2023	2024	2025																											
Mungka	113.90	0	0	0	134.16																											
UMAC	22.68	0	0	0	0																											
Labis Bahru	0	0	232.06	207.86	0																											

		Palong	0	0	0	0	0	
3.1.3	<p>The unit of certification holds management reviews at planned intervals appropriate to the scale and nature of the activities undertake.</p> <p>- Minor compliance -</p>	<p>The latest management review meetings were carried out on 17/09/2021 (Palong Cocoa POM), 21/09/2021 (Mungka Estate), 03/08/2021 (UMAC Estate), 09/08/2021 (Labis Bahru Estate), Palong Estate [28/07/2021 (main div.) & 09/08/2021 (Kemedak Div.)]. They were chaired by the respective operating unit's managers and attended by key personnel. Among the agenda discussed were:</p> <ul style="list-style-type: none"> - Follow-up action from previous management review - Process conformance & product conformity - Customer feedback - Internal audit - External audit - Changes that could affect management system - Recommendation for improvement - Complaints and grievances - Other matters 						Complied
<p>Criterion 3.2: The unit of Certification regularly monitors and reviews their economic, social and environmental performance and develops and implements action plans that allow demonstrable Continuous improvement in key operations.</p>								
3.2.1	<p>(C) The action plan for continuous improvement is implemented, based on consideration of the main social and environmental impacts and opportunities of the unit of certification.</p> <p>- Critical (Major) compliance -</p>	<p>Continuous Improvement Plans to address the Social, Environmental, Productivity and OSH aspects were available in Palong Cocoa POM and its supply bases for verification. Generally, the aspects covered in the CIP are occupational safety, environment and social. Among the information available in the CIP is objectives, action to be taken, timeframe and responsible persons in-charge.</p>						Complied

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

3.2.2	<p>As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat using the [RSPO metrics template].</p> <p>PROCEDURAL NOTE: The RSPO metrics template is awaiting decision/agreement by RSPO and the issue is still being discussed. Until such metrics is agreed and developed, companies will carry on with existing reporting e.g. PalmGHG, Annual Communication of Progress (ACOP) reporting, and information provided to Certification Body and feedback via RSPO Secretariat is required.</p> <p>- Minor Compliance -</p>	<p>RSPO metric template version 2.1 is used for the reporting of Palong Cocoa POM certification unit's metrics (economic, social and environment). Data reporting period is Jan to Dec 2020 for (social and environment metrics) and economic metrics from Aug 2020 – Jul 2021 (counting back from audit month). Based on verification with input data, no discrepancies of data reported in the metrics for the period under review for all the operating units.</p>	Complied
Criterion 3.3: Operating procedures are Appropriately documented, consistently implemented and monitored.			
3.3.1	<p>(C) Standard Operating Procedures (SOPs) for the unit of certification are in place.</p> <p>- Critical (Major) compliance -</p>	<p>The Mill operations are guided by the following documents:</p> <ul style="list-style-type: none"> - Quality Manual (PCPOM/QM) document no PCPOM/QM.4.0 - Standards Operating Procedure (PCPOM/SOP) <p>Kulim (M) Berhad Agricultural Manual has established covers Replanting, roads drains Bridges culverts and fences, construction of estate building, manuring including POME and Bio compost, 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 including composting site operation.</p>	Complied
3.3.2	<p>A mechanism to check consistent implementation of procedures is in place.</p> <p>- Minor Compliance -</p>	<p>Apart from daily routine supervision, the sampled management units have their mechanism to monitor the implementation of their procedures, among others through Internal Audit, Mill Inspectorate visit, Estate Inspectorate visit, and workplace inspection by Safety Officer.</p>	Complied

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

3.3.3	<p>Records of monitoring and any actions taken are maintained and available.</p> <p>- Minor Compliance -</p>	<p>Records of monitoring with regards to EHS and RSPO implementation are maintained and available for verification. Among monitoring records verified:</p> <ul style="list-style-type: none"> - Palong Cocoa POM Inspectorate Visit report, dated 16/04/2021 - PI Report 2/2021 – Mungka Estate: Visited on 27 – 28/07/2021, report dated 01/08/2021 - Ladang UMAC PI Visit No 1/2021, visit on 28 – 29/07/2021, report dated 05/08/2021 - Internal audit for Palong Cocoa complex, dated 04—7/07/2021 - PI Report 01/2022 – Labis Bahru Estate: Visited on 27/01/2022, report dated 31/01/2022 - Agronomy Report No. 1/21 – Labis Bahru Estate – visited on 23-24/02/2021 - PI Report 01/2021 – Palong Estate: Visited on 24-25/05/2021, report dated 08/06/2021 - PI Report 01/2022 – Sepang Loi Estate: Visited on 25/01/2022, report dated 26/01/2022 	Complied
<p>Criterion 3.4: A comprehensive Social and Environmental Impact Assessment (SEIA) is undertaken prior to new plantings or operations, and a social and environmental management and monitoring plan is implemented and regularly updated in ongoing operations.</p>			
3.4.1	<p>(C) In new plantings or operations including mills, an independent SEIA, undertaken through a participatory methodology involving the affected stakeholders and including the impacts of any smallholder/out-grower scheme, is documented.</p> <p>- Critical (Major) compliance -</p>	<p>There are no new plantings or new operations within Palong Cocoa Mill and its supply base. Nevertheless, each unit has its own Social Impact Assessments done which have been prepared internally by the Company's Sustainable Palm Oil team. Details of the Social Impact Assessment are contained in Indicator 3.4.2 below.</p>	Complied

3.4.2	<p>For the unit of certification, a SEIA is available and social and environmental management and monitoring plans have been developed with participation of affected stakeholders.</p> <p>- Minor Compliance -</p>	<p>Social Impact Assessment (SIA) as well as the Social Management Plans for the Palong Cocoa POM and its supply base are available. The SIA has been prepared with participation of affected stakeholders via interviews and feedback received, NUPW and WOW meeting minutes. Latest SIA register dated 15/9/21 was sighted for all operating units.</p> <p>Each the Social Management Plan has identified the positive and negative issues for the unit, and recommendations for social improvement, action, person in charge and monitoring.</p> <p>Potentially negative impact identified includes: UMAC Estate: Compliance towards terms and conditions in the employment contractor issued by the contractors to their workers.</p>	Complied
3.4.3	<p>(C) The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way.</p> <p>- Critical (Major) compliance -</p>	<p>The environmental management plan for the mill was developed and documented based on the environmental impact assessment (EPA-FM-1). Whereas for the estates, the environmental management plan was documented in a form #LM-EMP 01. The monitoring of implementation was reported, and status of progress was then updated.</p>	Complied
Criterion 3.5: A system for managing human resources is in place.			
3.5.1	<p>Employment procedures for recruitment, selection, hiring, promotion, retirement and termination are documented and made available to the workers and their representatives where applicable.</p> <p>- Minor Compliance -</p>	<p>Reviewed and verified during the audit were the following SOPs:</p> <ul style="list-style-type: none"> a. Recruitment of New Foreign Workers Rev. No. 1 Issue No. 1 dated 1 Jan 2019. It was observed that this SOP does not contain procedures related to termination, promotion and retirement of foreign workers. Nevertheless, it was noted that termination is clearly stipulated under workers' employment contracts. And although the procedure for promotion is not available in the SOP for foreign worker, evidence is available that this is being practiced at the Mill via letter dated 29 December 2019 issued to Worker No. 637128 which confirmed his change from General Worker to Kernel Plant operator. 	Complied

		b. Recruitment of Local Workers for Operating Units Rev No. 00 Issue No. 01 dated 1 October 2020. This SOP contains procedures for recruitment, promotion, retirement, and termination.	
3.5.2	Employment procedures are implemented, and records are maintained. - Minor Compliance -	Based on the files sighted, Palong Cocoa POM and its supply base are able to demonstrate the implementation of the employment procedures, and records are maintained. Records for Malaysian workers include job application form, resume, copies of relevant certificates, NRIC and medical reports. For foreign workers, records include copies of passports, request for salary deductions for paying electricity bills, mosque funds, and consent for passports to be kept in the office. Among the files sighted belong to the following employees: <u>Palong Cocoa POM</u> Worker ID 637238 – joined date 2/1/2022 <u>UMAC Estate</u> Worker ID 618833 – joined date 17/2/2022 Worker ID 618823 – joined date 1/11/2021	Complied
Criterion 3.6: An occupational health and safety (H&S) plan is documented, effectively communicated and implemented.			
3.6.1	(C) All operations are risk assessed to identify H&S issues. Mitigation plans and procedures are documented and implemented. - Critical (Major) compliance -	The mill and estates had identified and reviewed significant hazards and risks and determined appropriate risk control measures. The hazard identification, risk assessment and risk control (HIRARC) records, as well as CHRA reports were verified during the assessment. HIRARC is subject for a review in event of the following: - Change in work process - Revision/changes in legislative requirement - Occurrence of accidents Appropriate risk control measures were determined and implemented for the respective activities and operation.	Complied

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

CHRA was last conducted at the sampled management unit as follows:			
Estates/Mill	Date of assessment	Report ref. No.	Assessor Reg. No.
Palong Cocoa POM	21/05/2018 & 02/2021 (supplementary)	JKKP HQ/03/ASS/00/154-2018/060 & JKKP HQ/12/ASS/00/309-2021/001 (supplementary)	JKKP HQ/03/ASS/00/154
UMAC	08/05/2018 & 01/2021 (supplementary)	JKKP HQ/03/ASS/00/154-2018/055 & JKKP HQ/12/ASS/00/309-2021/028 (supplementary)	JKKP HQ/03/ASS/00/154
Labis Bahru	08/05/2018 & 02/2021 (supplementary)	JKKP HQ/03/ASS/00/154-2018/054 & JKKP HQ/03/ASS/00/154-2021/008 (supplementary)	JKKP HQ/03/ASS/00/154

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

		Palong 06/05/2018 & 02/2021 (supplementary)	JKPP HQ/03/ASS/00/154-2018/050 & JKPP HQ/03/ASS/00/154-2021/011 (supplementary)	JKPP HQ/03/ASS/00/154	
3.6.2	<p>(C) The effectiveness of the H&S plan to address health and safety risks to people is monitored.</p> <p>- Critical (Major) compliance -</p>	Kemedak 07/05/2018 & 02/2021 (supplementary)	JKPP HQ/03/ASS/00/154-2018/052 & JKPP HQ/03/ASS/00/154-2021/006 (supplementary)	JKPP HQ/03/ASS/00/154	OFI

Noise Risk Assessment for the mill was last conducted on 05/02/2020 by a DOSH registered assessor [reg. no.: JKPP HIE 127/5/3-1 (No. 169)]. The report [#JKPP HIE 127/5/3-1 (No. 169)-2020/003] was made available for verification.

Kulim (Malaysia) Berhad has maintained an approved Health and Safety Policy dated 01/10/2021 that is displayed prominently on notice boards in English/Bahasa Malaysia. It was signed by the Kulim (Malaysia) Bhd's Managing Director. Safety & Health Management Plan was available accordingly for year 2022. Apart from daily routine supervision, among the methods to monitor the effectiveness of the H&S plan are SHO Workplace Inspection, internal audits, establishment of CHRA Improvement Plan, safety committee meetings, medical surveillance, and audiometric test. Records of

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

		monitoring were made available for verification by the sampled management units. Nonetheless, recording of the communication between Palong Cocoa POM and the Audiometric Test Centre (ATC) can be further enhanced, therefore the reason of the delayed submission of the Audiometric Test Report to the mill can be evident (OFI).																																																					
Criterion 3.7: All staff, workers, Scheme Smallholders, out-growers, and contract workers are appropriately trained.																																																							
3.7.1	<p>(C) A documented programme that provides training is in place, which is accessible to all staff, workers, Scheme Smallholders and out-growers, taking into account gender-specific needs, and which covers applicable aspects of the RSPOP&C, in a form they understand, and which includes assessments of training.</p> <p>- Critical (Major) compliance -</p>	The annual training program has been established and covered all aspects of the RSPO elements. There were also additional subjects including the estate operating procedures, parameters, vehicles maintenance etc. The training program also specified the target group of employees to be trained under the allocated subjects. The program mainly covers both requirement of the estates and mill in the CU. The subjects for the training are issued and assisted by the SQD personnel.	Complied																																																				
3.7.2	<p>Records of training are maintained.</p> <p>- Minor Compliance -</p>	<p>Records of training were maintained by the mill and estates and made available for verification. Among the records verified are as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2">No</th> <th rowspan="2">Trainings</th> <th colspan="4">Date</th> </tr> <tr> <th>PCPOM</th> <th>Mungka</th> <th>UMAC</th> <th>Palong</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Briefing ISCC</td> <td>04/02/21</td> <td></td> <td></td> <td></td> </tr> <tr> <td>2</td> <td>Bund rupture</td> <td>19/02/21</td> <td></td> <td></td> <td></td> </tr> <tr> <td>3</td> <td>MB & GHG calculator</td> <td>01/02/21</td> <td></td> <td></td> <td></td> </tr> <tr> <td>4</td> <td>SOP Traceability</td> <td>09/02/21</td> <td></td> <td></td> <td></td> </tr> <tr> <td>5</td> <td>Oil spillage</td> <td>19/02/21</td> <td></td> <td></td> <td></td> </tr> <tr> <td>6</td> <td>First aid</td> <td>06/07/21</td> <td>12/21 (P)</td> <td>11/07/21</td> <td></td> </tr> <tr> <td>7</td> <td>PCD cleaning</td> <td>06/07/21</td> <td>09/02/21</td> <td>13/06/21</td> <td></td> </tr> </tbody> </table>	No	Trainings	Date				PCPOM	Mungka	UMAC	Palong	1	Briefing ISCC	04/02/21				2	Bund rupture	19/02/21				3	MB & GHG calculator	01/02/21				4	SOP Traceability	09/02/21				5	Oil spillage	19/02/21				6	First aid	06/07/21	12/21 (P)	11/07/21		7	PCD cleaning	06/07/21	09/02/21	13/06/21		Complied
No	Trainings	Date																																																					
		PCPOM	Mungka	UMAC	Palong																																																		
1	Briefing ISCC	04/02/21																																																					
2	Bund rupture	19/02/21																																																					
3	MB & GHG calculator	01/02/21																																																					
4	SOP Traceability	09/02/21																																																					
5	Oil spillage	19/02/21																																																					
6	First aid	06/07/21	12/21 (P)	11/07/21																																																			
7	PCD cleaning	06/07/21	09/02/21	13/06/21																																																			

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

		8	LOTO	28/08/21				
		9	Working at height & confined space	28/02/21				
		10	Vertical steriliser	12/08/21				
		11	Press thresher	12/08/21				
		12	Kernel & nut plant	12/08/21				
		13	Effluent treatment plant	19/02/21				
		14	Manuring (manual)		17/09/21	24/09/21	25/8/21	
		15	Manuring (mechanical)			19/05/21	25/8/21	
		16	Harvesting		07/04/21	09/03/21	16/8/21	
		17	Spraying		08/01/21	26/07/21	11/8/21	
		18	Waste cleaning & landfill		16/02/21	17/08/21	2/9/21	
		19	Scheduled wastes		16/02/21	25/02/21	28/9/21	
		20	Water sampling		13/07/21	11/07/21	10/12/21	
		21	Chemical handling		08/01/21	23/09/21	2/9/21	
		22	Emergency response		21/09/21	12/21 (P)	8/2/21	
		23	Fire drill		21/09/21	15/02/21	09/11/21	
		24	Safe driving		06/08/21	01/07/21	21/9/21	
		25	PPE usage		15/03/21	11/07/21	14/9/21	

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

		*(P) – planned	
3.7.3	<p>Appropriate training is provided for personnel carrying out the tasks critical to the effective implementation of the Supply Chain Certification Standard (SCCS). Training is specific and relevant to the task(s) performed.</p> <p>- Minor Compliance -</p>	<p>Training on supply chain was last conducted by the mill on 17/01/2022. It was attended by 14 personnel from various department such as administration, weighbridge, laboratory, and security. Record of attendance was made available for verification.</p>	Complied
Criterion 3.8: Supply chain requirement for mills			
3.8.1	<p>Identity Preserved Module</p> <p>A mill is deemed to be Identity Preserved (IP) if the FFB processed by the mill are sourced from plantations/estates that are certified against the RSPO Principles and Criteria (RSPO P&C), or against the Group Certification scheme.</p> <p>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 Mass Balance Module is applicable.</p>	<p>Palong Cocoa Palm Oil Mill only receives certified FFB from own certified supply base. 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.</p>	Complied
3.8.2	<p>Mass Balance Module</p> <p>A mill is deemed to be Mass Balance (MB) if the mill process FFB from both RSPO certified and uncertified plantations/estates. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3rd party certified supply base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</p>	<p>Palong Cocoa POM is under Identity Preserved module.</p>	Not Applicable
3.8.3	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill shall be recorded by</p>	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill is recorded in this public summary report.</p>	Complied

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

	the certification body (CB) in the public summary of the P&C certification 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.	Summary of CPO and PK deliver in a year (from the last audit date) reported under Table 6 of this report.	
3.8.4	The mill shall also meet all registration and reporting requirements for the appropriate supply chain through the RSPO IT platform.	<p>The mill has met all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization, PalmTrace.</p> <p>The registration of PalmTrace will be carried out by the Marketing Department in HQ. Company has registered in PalmTrace system as follows: Members ID: RSPO_PO1000001265 License valid until 22/01/2022 Member category: Oil Mill</p>	Complied
3.8.5	<p>Documented procedures</p> <p>The mill 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:</p> <ol style="list-style-type: none"> Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements. Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records). Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable 	<p>Kulim (Malaysia) Berhad has developed Traceability Procedure (Doc. No.: SQD/SMS/1.2, Issue No. 1, Rev. No.: 05 dated 1/8/20) and RSPO Supply Chain Procedure (Doc. No.: MKD/001, Rev. 01 dated 9/10/2018). On the marketing side, Procedure title: RSPO Supply Chain; Procedure # MKD/001; Date: 9/10/2018 is referred to.</p> <p>Seen the records that included in the procedure are as below:</p> <ol style="list-style-type: none"> Weighbridge tickets Training records Internal audit report Invoice and contracts Delivery and storage records Daily Production Report 	Complied

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

	<p>requirements. This person shall be able to demonstrate awareness of the mill's procedures for the implementation of this standard.</p> <p>d) The mill shall have documented procedures for receiving and processing certified and non-certified FFBS including ensuring no contamination in the IP mill.</p>	<p>Training records for RSPO Supply Chain & Stamping was sighted where the training was conducted on 19/9/2019 for the critical control point responsible person such as Weighbridge Operators and Security Guards. Seen the attendance list and interviewed with the attendees confirmed that they are understand the procedure.</p> <p>c) Head of each operating unit has automatically appointed as person responsible for all certification inclusive of RSPO SCCS. Responsibility of the person-in-charge has clearly stated in the appointment letter dated 22/9/2019.</p> <p>d) Kulim (Malaysia) Berhad has developed Traceability Procedure (Doc. No.: SQD/SMS/1.2, Issue No. 1, Rev. No.: 05 dated 1/8/20) and RSPO Supply Chain Procedure (Doc. No.: MKD/001, Rev. 01 dated 9/10/2018) which has covered the process of incoming of FFB and ensuring no contamination in the IP mill.</p>	
3.8.6	<p>Internal Audit</p> <p>i) The mill shall have a written procedure to conduct annual internal audit to determine whether the mill:</p> <p>a. Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.</p> <p>b. Effectively implements and maintains the standard requirements within its organisation.</p> <p>ii) Any non-conformities found as part of the internal audit shall be issued corrective action. The outcomes of the internal audits and all actions taken to correct non-conformities shall be subject to management review at least annually. The mill shall maintain the internal audit records and reports.</p>	<p>Kulim (Malaysia) Berhad has developed Internal Audit Procedure (Doc. No.: SQD/SMS/5/0, Issue No.: 1, Rev. No.: 0 dated 1/7/2018) where the objective is to ensure that the implementation of company's RSPO, ISCC and MSPO management system is in line with the policies, procedures and other requirements. The frequency of the internal audit to be carried out is at least once within 12 months (before expiry of the certificate). The latest internal audit was carried out on 4/7-18/7/21 by SQD team. There no non-conformance was raised based on Internal Audit Report. All the clauses in RSPO SCCS and RSPO Market Communications and Claims were covered during the audit.</p>	Complied

<p>3.8.7</p>	<p>Purchasing and Goods In</p> <p>i) The mill shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.</p> <p>ii) The mill shall inform the CB immediately if there is a projected overproduction of certified tonnage.</p> <p>iii) The mill shall have a mechanism in place for handling non-conforming FFB and/or documents.</p>	<p>When FFB delivered to the mill from the estate, the transporters presented FFB despatch report to the mill weighbridge clerk in order the FFB to be received by the mill.</p> <p>E.g. of information available in the FFB despatch report is as follows:</p> <ul style="list-style-type: none"> • FFB despatch no.: DB A No. 82776 • Estate’s name: Ladang Mungka • Date of delivery: 24/08/2021 • Field No.: P06/3 • Lorry no.: LM 1 • FFB Weight: 4.91 mt • WB ticket: 162864 • Traceability Identification: RSPO certified FFB (RSPO 613087) <ul style="list-style-type: none"> • FFB despatch no: DB A no. 38827 • Estate name: Ladang UMAC • Date of delivery: 19/08/2021 • Field No.: P05 & P08 • Lorry no.: BCA 5575 • FFB Weight: 38.07 mt • WB ticket: 162557 • Traceability Identification: RSPO certified FFB (RSPO 613087) 	<p>Complied</p>
<p>3.8.8</p>	<p>Sales and Goods Out</p> <p>The supplying mill shall ensure that the following minimum information for RSPO certified products is made available in document form. The information shall be complete and can be presented either on a single document or across a range of</p>	<p>Based on verification of dispatch document of CPO and PK for the sampled contract #CPOMB M2106 and MPOL2077 IP, all the required information by the standard was available in various documents such as weighbridge tickets, delivery notes, and collection order.</p>	<p>Complied</p>

	<p>documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation):</p> <ul style="list-style-type: none"> a) The name and address of the buyer; b) The name and address of the seller; c) The loading or shipment / delivery date; d) The date on which the documents were issued; e) RSPO certificate number; f) A description of the product, including the applicable supply chain model (Identity Preserved or Mass Balance or the approved abbreviations); g) The quantity of the products delivered; h) Any related transport documentation; i) A unique identification number. 		
<p>3.8.9</p>	<p>Outsourcing Activities</p> <ul style="list-style-type: none"> i) The mill shall not outsource its milling activities. In cases where he mill outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the mill holding the certificate shall ensure that the independent third party complies with relevant requirements of this RSPO Supply Chain Certification ii) The mill shall ensure the following: <ul style="list-style-type: none"> a) The mill has legal ownership of all input material to be included in outsourced processes b) The mill 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 mill to ensure that certification body (CB) has 	<p>The production of CPO and PK is carried out in-house in PCPOM without any outsourced facility. Only the transportation of CPO is outsourced to contractors. Transportation of PK was assigned by the buyers. For CPO, contract agreements with a few contractors were verified as follows:</p> <ul style="list-style-type: none"> 1) FICA Logistic Sdn Bhd, MPSB/CPO 1/2016 (FICA), refer to LOA, MPSB/G1/6/2(2020) dated 16/06/2020. Date commencement: 01/06/2020, completion date: 31/05/2023. 2) Yewtan Enterprise, MPSB/CPO 1/2016 (YEW TAN), refer to LOA, MPSB/G1/6/2(2020) dated 15/06/2020. Date commencement: 01/06/2020, completion date: 31/05/2023. <p>Under clause 6 on the contract: <i>For contract operation in RSPO, ISCC and MSPO certified mills or estates, the contractor is required to comply with all RSPO, ISCC and MSPO requirements related to the execution of the contract.</i></p>	<p>Complied</p>

	<p>access to the outsourcing contractor or operation if an audit is deemed necessary.</p> <p>c) The mill has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</p> <p>d) The mill 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 all information, when this is announced in advance.</p>		
3.8.10	The mill shall record the names and contact details of all contractors used for the physical handling of RSPO certified oil palm products.	Names and contact details of all contractors used for the physical handling of CSPO is listed under the contractors list dated 10/09/2021.	Complied
3.8.11	The mill shall inform its CB in advance prior to conduct of its next audit of the names and contact details of any new contractor used for the physical handling of RSPO certified oil palm products.	No change of names and contract details of transporter for the physical handling of RSPO certified oil palm products.	Complied
3.8.12	<p>Record keeping</p> <p>i) The mill shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of this RSPO Supply Chain Certification Standard requirements.</p> <p>ii) Retention times for all records and reports shall be a minimum of two (2) years and shall comply with relevant legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.</p> <p>iii) For Identity Preserved Module, the mill 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>iv) For Mass Balance Module, the mill:</p>	<p>i) The mill has maintained the accurate, complete, up-to-date and accessible records and reports covering all aspects of these Sustainability Management System as follows:</p> <ul style="list-style-type: none"> - Dispatch of CPO/PK delivery order - Daily Production Report - FFB Despatch Report from supplying estate - Training records - FFB Transaction records <p>ii) Traceability Procedure (Doc. No.: SQD/SMS/1.2, Issue No. 1, Rev. No.: 02 dated 28/02/2019), the records retention for all RSPO Supply Chain related records to be retained for a minimum of 5 years' period</p>	Complied

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

	<ul style="list-style-type: none"> a) Shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis. b) All volumes of certified CPO and PK that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. c) The mill can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a mill is allowed to sell short (i.e. product can be sold before it is in stock). 	Records and balance of all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK monitored on a real-time basis on daily/monthly production figure	
3.8.13	<p>Extraction Rate</p> <p>The oil extraction rate (OER) and the kernel extraction rate (KER) shall be applied to provide a reliable estimate of the amount of certified CPO and PK from the associated inputs. Mill shall determine and set their own extraction rates based upon past experience, documented and applied it consistently.</p>	Conversion factor of CPO and PK production is depending on the actual OER and KER.	Complied
3.8.14	Extraction rates shall be updated periodically to ensure accuracy against actual performance or industry average if appropriate.	The facility is using the actual extraction rate and therefore updating of rates is not necessary.	Complied
3.8.15	<p>Processing</p> <p>For Identity Preserved Module, the mill 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 products, including during transport and storage to strive for 100% separation.</p>	It has been confirmed through documented procedures and record keeping that the RSPO certified oil palm product is kept separated from non-certified oil palm products, including during transport and storage to strive for 100% separation. No incoming of uncertified FFB and mill only process RSPO certified FFB from Kulim (M) Berhad group estates.	Complied
3.8.16	<p>Registration of Transactions</p> <ul style="list-style-type: none"> i) Shipping Announcement in the RSPO IT platform shall be carried out by the mills when RSPO certified products are sold as certified to refineries, crushers, and traders not more than 	Shipping announcement in the RSPO PalmTrace platform is carried out by the mill when RSPO certified products are sold as certified to buyers.	Complied

	<p>three months after dispatch with the dispatch date being the Bill of Lading or the dispatch documentation date.</p> <p>ii) Remove: RSPO certified volumes sold under different scheme or as conventional, or in case of underproduction, loss or damage shall be removed in the RSPO IT platform.</p>		
3.8.17	<p>Claims</p> <p>The mill shall only make claims regarding the production of RSPO certified oil that are in compliance with the RSPO Rules on Market Communications and Claims.</p>	<p>Kulim (Malaysia) Berhad has obtained Trademark License from RSPO and the license# 1-0080-09-100-00 which valid from 13/08/2021 – 12/08/2023 was made available for verification. The facility is aware with the requirements of the RSPO Rules on Market Communications and Claims.</p>	Complied
General corporate communications			
4.1	<p>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.</p>	<p>Kulim (Malaysia) Berhad has stated the member's history with regard to RSPO in the company's website and annual report 2020 without the use of trademark logo.</p>	Complied
4.2	<p>In corporate communications a member is allowed to:</p> <ol style="list-style-type: none"> Display its RSPO membership status Display the RSPO web address (www.rspo.org) State that the member supports the work of the RSPO State the member's history with regard to the RSPO. Use the RSPO trademark to promote its membership of the RSPO. <p>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.</p>	<p>Kulim (Malaysia) Berhad has stated the member's history with regard to RSPO in the company's website and annual report 2020 without the use of trademark logo.</p>	Complied

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

4.3	In corporate communications RSPO members must not make any statement that may lead consumers to believe that RSPO membership by itself implies the selling of RSPO-certified oil palm products.	The company does not make any statement that may misleading to the consumers to believe that RSPO membership by itself implies that selling of RSPO-certified oil palm products by verified through the website	Complied
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 communication that made via website is consistent, clear and does not mislead the consumer and stakeholders as to the certified content of oil palm products in their own products.	Complied
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.	There was no RSPO corporate logo has been used verified through website, notice board, business card, shipping documentation and procurement/purchasing document.	Complied
Business to business communications			
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. Verified the weighbridge tickets to buyer where claim of CSPO (Identity Preserved) was stamped on the tickets.	Complied
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 the product is CSPO (Identity Preserved) with RSPO certificate number: RSPO 613087	Complied
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 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	Palong Cocoa Palm Oil Mill is not under distributor or wholesaler category. Thus, this requirement is not applicable.	Not Applicable

	<p>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>		
Business to consumer communication			
6.1	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.	No business to consumer communication on product specific claim made by Palong Cocoa Palm Oil Mill and only produce crude and unfinished product. This is not applicable for POM.	Not Applicable
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 by Palong Cocoa Palm Oil Mill and only produce crude and unfinished product. This is not applicable for POM.	Not Applicable
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 by Palong Cocoa Palm Oil Mill and only produce crude and unfinished product. This is not applicable for POM.	Not Applicable
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 by Palong Cocoa Palm Oil Mill and only produce crude and unfinished product. This is not applicable for POM.	Not Applicable
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 by Palong Cocoa Palm Oil Mill and only produce crude and unfinished product. This is not applicable for POM.	Not Applicable

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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 by Palong Cocoa Palm Oil Mill and only produce crude and unfinished product. This is not applicable for POM.	Not Applicable
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 by Palong Cocoa Palm Oil Mill and only produce crude and unfinished product. This is not applicable for POM.	Not Applicable
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 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 www.rsपो.org .	No business to consumer communication on product specific claim made by Palong Cocoa Palm Oil Mill and only produce crude and unfinished product. This is not applicable for POM.	Not Applicable
MODULE A – IDENTITY PRESERVED & SEGREGATED SPECIFIC RULES			
Certified oil palm content (IP)			
	For IP, 95% or above of the oil palm content must be RSPO IP-certified.	Oil palm content is 100% CPO and claim as RSPO IP-certified.	Complied

	For SG, 95% or above of the oil palm content must be SG, or a combination of SG and IP.	No SG claim was made.	Not Applicable
	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 covered by the purchase of RSPO Credits of equivalent volume.	Oil palm content is 100% CPO and claim as RSPO IP-certified. All infeed material (FFB) is RSPO certified.	Complied
Labelling and trademark (IP)			
	Members are allowed to use the RSPO label in one of the following ways: <ul style="list-style-type: none"> • RSPO trademark which includes the tag 'CERTIFIED' or • 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. 	As to date, no RSPO trademark used on the RSPO products. Kulim (Malaysia) Berhad has stated the member's history with regard to RSPO in the company's website and annual report 2020 without the trademark logo used.	Complied
Messaging (IP)			
	Messaging ALLOWED in storytelling in product-related communications may include some or all of the following elements: <ul style="list-style-type: none"> • The oil palm products contained in this product have been certified to come from RSPO sources. www.rspo.org • By choosing this product, you are sure it contains RSPO-certified palm oil. For more information: www.rspo.org 	As to date, no RSPO trademark used on the RSPO products. Kulim (Malaysia) Berhad has stated the member's history with regard to RSPO in the company's website and annual report 2020 without the trademark logo used.	Complied

	<ul style="list-style-type: none"> • RSPO-certified sustainable oil palm products were kept apart from other oil palm products throughout the supply chain. www.rspo.org • Certified sustainable oil palm products can be traced back to RSPO-certified mills and plantations. www.rspo.org • The entire supply chain is monitored by independent, RSPO-accredited auditors. www.rspo.org • RSPO-certified sustainable palm oil has been produced to stringent environmental and social criteria. www.rspo.org • References to (or images of) particular RSPO-certified production units, if the relationship to those units can be shown by company records. 		
MODULE B – MASS BALANCE SPECIFIC RULES			
Minimum Mass Balance content			
	95% or above of the oil palm content must be RSPO MB-certified.	NA	Not Applicable
	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 non-certified volume must be covered by equivalent volume of RSPO Credits.	NA	Not Applicable
Labelling and trademark (MB)			
	<p>Members are allowed to use the RSPO label in one of the following ways:</p> <ul style="list-style-type: none"> • Surrounded by the text: 'Certified sustainable palm oil'. • The RSPO label MUST contain the tag 'MIXED'. The tag MIXED designates oil palm products sourced under the Mass Balance 	NA	Not Applicable

	<p>(MB) supply chain system, which administratively balances inputs and outputs of certain palm oil volumes. The tag 'MIXED' on a product does not guarantee that the product itself contains the certified material; some or all of it may reside in a product that does not carry a claim.</p> <ul style="list-style-type: none"> • The RSPO label can also include the statement: '[The palm oil contained in this product] contributes to the production of certified sustainable palm oil'. • Wherever the 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 4 pt (1.4 mm or 0.06 inch). • In on-pack communications, the RSPO trademark can be printed anywhere on the pack. Further guidance on use of the trademark is provided in the RSPO Trademark License Terms and Conditions and in Annex 1 of the Rules on Market Communications & Claims document. 		
Messaging (MB)			
	<p>Messaging ALLOWED in storytelling in product-related communications includes:</p> <ul style="list-style-type: none"> • [Oil palm products]/[palm oil]/[palm kernel oil] from RSPO-certified mills and plantations were mixed with non-certified oil palm products in the supply chain. • The volume of [oil palm products][palm oil]/[palm kernel oil] in this product reflects an equivalent volume of palm oil or palm kernel oil produced by RSPO certified mills and plantations. 	NA	Not Applicable

	<p>In off-product communications, reference to (or images of) particular RSPO-certified production units, if the relationship to those units can be shown in company records is allowed.</p> <p>Messaging NOT ALLOWED in storytelling in product-related communications:</p> <ul style="list-style-type: none"> Anything that can lead consumers to believe that RSPO-certified palm products are (certified to be) part of the product. 		
<p>Principle 4: Respect community and human rights and deliver benefits</p>			
<p>Criterion 4.1: The unit of Certification respects human rights, which includes respecting the rights of Human Rights Defenders.</p>			
<p>4.1.1</p>	<p>(C) A policy to respect human rights, including prohibiting retaliation against Human Rights Defenders (HRD), is documented and communicated to all levels of the workforce, operations, FFB suppliers and local communities and prohibits intimidation and harassment by the unit of certification and contracted services, including contracted security forces.</p> <p>- Critical (Major) compliance -</p>	<p>Kulim (Malaysia) Berhad has a Sustainability Policy which signed by the new Managing Director on 1st October 2020. The policy which among others, states it commitment to respect, support and protect international human rights against violence, threats, all forms of retaliation, and effective elimination of all forms of violation of human rights which include against HRD, whistle-blowers, complainants and community spokespersons. For example, this Policy was communicated to all levels of workforce during briefing held at Mungka Estate on 16/6/21.</p>	<p>Complied</p>
<p>4.1.2</p>	<p>The unit of certification does not instigate violence or use any form of harassment in their operations.</p> <p>- Minor compliance -</p>	<p>There is no evidence of any use of violence or the instigation of violence within the Palong Cocoa POM & its supply base. This was further verified during interviews held with external stakeholders such as villagers from Kg Paya Besar and Kg Melayu Bukit Siput.</p>	<p>Complied</p>
<p>Criterion 4.2: There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties</p>			
<p>4.2.1</p>	<p>(C) The mutually agreed system, open to all affected parties, resolves disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants, HRD, community spokespersons and whistle-blowers, where requested, without</p>	<p>An agreed and documented system which deals with complaints and grievances is available and documented as Grievance Procedure Doc No. SQD/SMS/4.1 dated 1 August 2020. This SOP is 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. This SOP is applicable</p>	<p>Complied</p>

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

	risk of reprisal or intimidation and follows the RSPO policy on respect for HRD. - Critical (Major) compliance -	to all parties who deal with the Company who may have complaints and grievances. Clause 5.8 states that complainants' anonymity would be respected and protected if requested.	
4.2.2	Procedures are in place to ensure that the system is understood by the affected parties, including by illiterate parties. - Minor compliance -	Briefings on grievance procedures are given to ensure that the system is understood by affected parties. The external stakeholders were briefed on 23 rd September 2021 during stakeholder meeting via online platform. To ensure understanding by illiterate parties, the briefings were given verbally, and when necessary, translators from among the workers (usually a worker representatives) are sought to translate documents including procedures for dealing with complaints and grievances. This was duly confirmed by the workers interviewed.	Complied
4.2.3	The unit of certification keeps parties to a grievance informed of its progress, including against agreed timeframe and the outcome is available and communicated to relevant stakeholders. - Minor compliance -	Based on complaints book sighted, aggrieved parties were informed of the progress of their grievance, and the outcome was communicated and acknowledged by the complainant.	Complied
4.2.4	The conflict resolution mechanism includes the option of access to independent legal and technical advice, the ability for complainants to choose individuals or groups to support them and/or act as observers, as well as the option of a third-party mediator. - Minor compliance -	Clause 5.5 of Grievance Mechanism Doc. No. SQD/SMS/4.1 Issue No. 1 dated 1 August 2020 gives the option to engage independent legal, technical advice and third-party mediator.	Complied
Criterion 4.3: The unit of Certification contributes to local sustainable development as agreed by local communities.			
4.3.1	Contributions to community development that are based on the results of consultation with local communities are demonstrated. - Minor compliance -	Evidence was available that contributions to local development was made based on results of consultation with the respective communities. Among the contributions made were: SK Kemedak – School fund for transformation programme UMAC Estate – Food supply/ration for flood victim	Complied

Palong estate – Flood aid (10 villagers) under Yayasan Johor Corporation.

Criterion 4.4: Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.

4.4.1 **(C)** Documents showing legal ownership or lease, or authorised use of customary land authorised by customary landowners through a Free, Prior and Informed Consent (FPIC) process. Documents Related to the history of land tenure and the actual legal or customary use of the land are available.
 - Critical (Major) compliance -

Copies of land titles were available and verified. Details of the respective land titles (sample) to demonstrate the right to use the land as shown below. Quit rents were paid accordingly. There was no evidence of any part of the land overlapping with customary landowners.

Complied

	Mill/Estates	Land title			
		HS(D) No.	PTD Ref	Size (ha)	Expiry date/land use type
1	Palong Cocoa POM (located in Ladang Mungka, separated by fencing)	11071	1354	17.03	18/8/2044
2	Mungka Estate Total of 4 land titles (5,629.9824 ha)	11069	793	931.0	11/9/2112 (Agriculture)
3	UMAC estate Total of 10 land titles (1,620.8328 ha)	3777	200	382.706 1	Leasehold (Oil Palm)
4	Labis Bahru Estate Total of 20 titles (2,108.16 ha)	38197	1265	1,237.51	Freehold (no specific term)

		5	Palong Estate Total of 4 land titles (1,915.65 ha)	52400	7898	926.54	Freehold (no specific term)	
4.4.2	Copies of documents evidencing agreement-making processes and negotiated agreements detailing the FPIC process are available and include:	Based on documents sighted and interviews conducted with stakeholders, there was no evidence of any dispute with any previous owner or occupants. Therefore, this indicator is not applicable.						Not Applicable
4.4.2a	Evidence that a plan has been developed through consultation and discussion in good faith with all affected groups in the communities, with particular assurance that vulnerable, minorities' and gender groups are consulted, and that information has been provided to all affected groups, including information on the steps that are taken to involve them in decision making. - Minor compliance -	Based on documents sighted and interviews conducted with stakeholders, there was no evidence of any dispute with any previous owner or occupants. Therefore, this indicator is not applicable.						Not Applicable
4.4.2b	Evidence that the unit of certification has respected communities' decisions to give or withhold their consent to the operation at the time that these decisions were taken. - Minor compliance -	Based on documents sighted and interviews conducted with stakeholders, there was no evidence of any dispute with any previous owner or occupants. Therefore, this indicator is not applicable.						Not Applicable
4.4.2c	Evidence that the legal, economic, environmental and social implications of 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 unit of certification's title, concession or lease on the land. - Minor compliance -	Based on documents sighted and interviews conducted with stakeholders, there was no evidence of any dispute with any previous owner or occupants. Therefore, this indicator is not applicable.						Not Applicable
4.4.3	(C) Maps of an appropriate scale showing the extent of recognised legal, customary or user rights are developed through participatory mapping involving affected parties (including	Based on documents sighted and interviews conducted with stakeholders from nearby villagers, there was no evidence of any dispute with any previous owner or occupants. Therefore, this indicator is not applicable.						Not Applicable

	neighbouring communities where applicable, and relevant authorities). - Critical (Major) compliance -		
4.4.4	All relevant information is available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements. - Minor compliance -	Based on documents sighted and interviews conducted with stakeholders, there was no evidence of any dispute with any previous owner or occupants. Therefore, this indicator is not applicable.	Not Applicable
4.4.5	(C) Evidence is available to show that communities are represented through institutions or representatives of their own choosing, including by legal counsel if they so choose. - Critical (Major) compliance -	Based on documents sighted and interviews conducted with stakeholders, there was no evidence of any dispute with any previous owner or occupants. Therefore, this indicator is not applicable.	Not Applicable
4.4.6	There is evidence that implementation of agreements negotiated through FPIC is annually reviewed in consultation with affected parties. - Minor compliance -	Based on documents sighted and interviews conducted with stakeholders, there was no evidence of any dispute with any previous owner or occupants. Therefore, this indicator is not applicable.	Not Applicable
Criterion 4.5: No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their FPIC. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.			
4.5.1	(C) Documents showing identification and assessment of demonstrable legal, customary and user rights are available. - Critical (Major) compliance -	Based on documents sighted and interviews conducted with stakeholders from nearby villagers of Kg Paya Besar and Kg Melayu Bukit Siput, there was no evidence of any dispute with any previous owner or occupants. Therefore, this indicator is not applicable.	Not Applicable
4.5.2	(C) FPIC is obtained for all oil palm development through a comprehensive process, including in particular, full respect for their legal and customary rights to the territories, lands and resources via local communities' own representative institutions, with all the relevant information and documents made available, with option of resourced access to independent advice through a	Based on documents sighted and interviews conducted with stakeholders from nearby villagers of Kg Paya Besar and Kg Melayu Bukit Siput, there was no evidence of any dispute with any previous owner or occupants. Therefore, this indicator is not applicable.	Not Applicable

	documented, long-term and two-way process of consultation and negotiation. - Critical (Major) compliance -		
4.5.3	Evidence is available that affected local peoples understand they have the right to say 'no' to operations planned on their lands before and during initial discussions, during the stage of information gathering and associated consultations, during negotiations, and up until an agreement with the unit of certification is signed and ratified by these local peoples. Negotiated agreements are non-coercive and entered into voluntarily and carried out prior to new operations. - Minor compliance -	Based on documents sighted and interviews conducted with stakeholders from nearby villagers of Kg Paya Besar and Kg Melayu Bukit Siput, there was no evidence of any dispute with any previous owner or occupants. Therefore, this indicator is not applicable.	Not Applicable
4.5.4	To ensure local food and water security, as part of the FPIC process, participatory SEIA and participatory land-use planning with local peoples, the full range of food and water provisioning options are considered. There is transparency of the land allocation process. - Minor compliance -	Based on documents sighted and interviews conducted with stakeholders from nearby villagers of Kg Paya Besar and Kg Melayu Bukit Siput, there was no evidence of any dispute with any previous owner or occupants. Therefore, this indicator is not applicable.	Not Applicable
4.5.5	Evidence is available that the affected communities and rights holders have had the option to access to information and advice that is independent of the project proponent, concerning the legal, economic, environmental and social implications of the proposed operations on their lands. - Minor compliance -	Based on documents sighted and interviews conducted with stakeholders from nearby villagers of Kg Paya Besar and Kg Melayu Bukit Siput, there was no evidence of any dispute with any previous owner or occupants. Therefore, this indicator is not applicable.	Not Applicable
4.5.6	Evidence is available that the communities (or their representatives) gave consent to the initial planning phases of the operations prior to the issuance of a new concession or land title to the operator.	Based on documents sighted and interviews conducted with stakeholders from nearby villagers of Kg Paya Besar and Kg Melayu Bukit Siput, there was no evidence of any dispute with any previous owner or occupants. Therefore, this indicator is not applicable.	Not Applicable

	- Minor compliance -		
4.5.7	New lands are not acquired for plantations and mills after 15 November 2018 as a result of recent (2005 or later) expropriations without consent under the right of eminent domain of the federal and state land acquisition legislations. - Minor compliance -	Based on documents sighted and interviews conducted with stakeholders from nearby villagers of Kg Paya Besar and Kg Melayu Bukit Siput, there was no evidence of any dispute with any previous owner or occupants. Therefore, this indicator is not applicable.	Not Applicable
4.5.8	(C) New lands are not acquired in areas inhabited by communities in voluntary isolation. - Critical (Major) compliance -	Based on documents sighted and interviews conducted with stakeholders from nearby villagers of Kg Paya Besar and Kg Melayu Bukit Siput, there was no evidence of any dispute with any previous owner or occupants. Therefore, this indicator is not applicable.	Not Applicable
Criterion 4.6: 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.			
4.6.1	(C) A mutually agreed procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, is in place. - Critical (Major) compliance -	Procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation is in place and is contained in the SPO Negotiations Concerning Compensation Program dated 4 September 2007. This procedure is to ensure any negotiation with regards to compensation for loss of local rights are dealt with fairly.	Complied
4.6.2	(C) A mutually agreed procedure for calculating and distributing fair compensation (monetary or otherwise) is established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. - Critical (Major) compliance -	An SOP known as Negotiations Concerning Compensation Program dated 4 September 2007 was established by Kulim (Malaysia) Berhad to identify legal and customary rights as well as people entitled to compensation as per procedure in place and is contained in the SPO Negotiations Concerning Compensation Program dated 4 September 2007. The procedure is to ensure any negotiation with regards to compensation for loss of local rights are dealt with fairly.	Complied
4.6.3	Evidence is available that equal opportunities are provided to both men and women to hold land titles for scheme small holdings. - Minor compliance -	The Palong Cocoa POM does not have any arrangements for scheme smallholdings. Therefore, this indicator is not applicable.	Not Applicable

4.6.4	<p>The process and outcomes of any negotiated agreements, compensation and payments are documented, with evidence of the participation of affected parties, and made publicly available to them.</p> <p>- Minor compliance -</p>	<p>Based on documents sighted and interviews conducted with stakeholders from nearby villagers of Kg Paya Besar and Kg Melayu Bukit Siput, there was no evidence of any dispute with any previous owner or occupants. Therefore, this indicator is not applicable.</p>	Not Applicable
<p>Criterion 4.7: Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their FPIC and negotiated agreements.</p>			
4.7.1	<p>(C) A mutually agreed procedure for identifying people entitled to compensation is in place.</p> <p>- Critical (Major) compliance -</p>	<p>Procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation is in place and is contained in the SPO Negotiations Concerning Compensation Program dated 4 September 2007. This procedure is to ensure any negotiation with regards to compensation for loss of local rights are dealt with fairly.</p>	Complied
4.7.2	<p>(C) A mutually agreed procedure for calculating and distributing fair and gender-equal compensation (monetary or otherwise) is established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation.</p> <p>- Critical (Major) compliance -</p>	<p>An SOP known as Negotiations Concerning Compensation Program dated 4 September 2007 was established by Kulim (Malaysia) Berhad to identify legal and customary rights as well as people entitled to compensation as per procedure in place and is contained in the SPO Negotiations Concerning Compensation Program dated 4 September 2007. The procedure is to ensure any negotiation with regards to compensation for loss of local rights are dealt with fairly, and briefed to stakeholder on 25 October 2020.</p>	Complied
4.7.3	<p>Communities that have lost access and rights to land for plantation expansion are given opportunities including employment and supply contracts to benefit from plantation development.</p> <p>- Minor compliance -</p>	<p>Based on documents sighted and interviews conducted with stakeholders from nearby villagers of Kg Paya Besar and Kg Melayu Bukit Siput, there was no evidence of any dispute with any previous owner or occupants. However, Palong Cocoa POM and its supply base offer job opportunities to local communities living within its vicinity.</p>	Complied
<p>Criterion 4.8: 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.</p>			

4.8.1	Where there are or have been disputes, proof of legal acquisition of title and evidence that mutually agreed compensation has been made to all people who held legal, customary, or user rights at the time of acquisition is available and provided to parties to a dispute, and that any compensation was accepted following a documented process of FPIC. - Minor compliance -	Based on documents sighted and interviews conducted with stakeholders, there was no evidence of any dispute with any previous owner or occupants. Therefore, this indicator is not applicable	Not Applicable
4.8.2	(C) Land conflict is not present in the area of the unit of certification. Where land conflict exists, acceptable conflict resolution processes (see Criteria 4.2 and 4.6) are implemented and accepted by the parties involved. In the case of newly acquired plantations, the unit of certification addresses any unresolved conflict through appropriate conflict resolution mechanisms. - Critical (Major) compliance -	Based on documents sighted and interviews conducted with stakeholders, there was no evidence of any dispute with any previous owner or occupants. Palong Cocoa POM and its supply base were not newly acquired units. Therefore, this indicator is not applicable.	Not Applicable
4.8.3	Where there is evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations and there remain parties with demonstrable customary and land use rights, these claims will be settled using the relevant requirements (Indicators 4.4.2, 4.4.3 and 4.4.4) - Minor compliance -	Based on documents sighted and interviews conducted with stakeholders, there was no evidence of any acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations. Therefore, this indicator is not applicable.	Not Applicable
4.8.4	For any conflict or dispute over the land, the extent of the disputed area is mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable). - Minor compliance -	Based on documents sighted and interviews conducted with stakeholders, there was no evidence of any dispute with any previous owner or occupants. Therefore, this indicator is not applicable.	Not Applicable

Principle 5: Support smallholder inclusion

Criterion 5.1: The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.

5.1.1	Current and previous period prices paid for FFB are publicly available and accessible by smallholders. - Minor compliance -	The Palong Cocoa POM is an Identity Preserved Mill as evidenced by Certificate No. RSPO 613087 which is valid from 19 March 2019 to 22 Jan 2024. The Mill processes only FFB from its own estates namely Palong, Mungka, UMAC, Labis Bahru Estates, and therefore this Indicator is not applicable.	Complied
5.1.2	(C) Evidence is available that the unit of certification explains the FFB pricing to smallholders on request from individual smallholders (at least once a year or upon request). - Critical (Major) compliance -	Not applicable, The Palong Cocoa POM is a identity Preserved Mill. This mill only accepts FFB from own estates namely Palong, Mungka, UMAC, Labis Bahru Estates.	Not Applicable
5.1.3	(C) Fair pricing, calculated as a portion of the international CPO price less costs is provided to smallholders in the supply base and documented. - Critical (Major) compliance -	Not applicable, The Palong Cocoa POM is a identity Preserved Mill. This mill only accepts FFB from own estates namely Palong, Mungka, UMAC, Labis Bahru Estates.	Not Applicable
5.1.4	(C) Evidence is available that all parties, including women and independent representative organisations assisting smallholders where requested, are involved in decision-making processes and understand the contracts. These include those involving finance, loans/credits, and repayments through FFB price reductions for replanting and or other support mechanisms where applicable. - Critical (Major) compliance -	Not applicable, The Palong Cocoa POM is a identity Preserved Mill. This mill only accepts FFB from own estates namely Palong, Mungka, UMAC, Labis Bahru Estates.	Not Applicable
5.1.5	Contracts are fair, legal and transparent and have an agreed timeframe. - Minor compliance -	No independent smallholder crop received at Palong Cocoa POM. Thus, this indicator is not applicable.	Not Applicable
5.1.6	(C) Agreed payments are made in a timely manner and receipts specifying price, weight, deductions and amount paid are given. - Critical (Major) compliance -	No independent smallholder crop received at Palong Cocoa POM. Thus, this indicator is not applicable.	Not Applicable

<p>5.1.7</p>	<p>Weighbridges used for determining payment to smallholders are verified by an independent third party on a regular basis (this can be government). - Minor compliance -</p>	<p>Even though no external crop/smallholder crop received at Palong Cocoa POM, records of weighing equipment stamping was maintained on annual basis at visited operating units even though there is no smallholder within Palong Cocoa POM certification unit. Summary of stamping records as follows:</p> <table border="1" data-bbox="1039 539 1832 932"> <thead> <tr> <th>Weighing equipment</th> <th>Model/capacity</th> <th>Date of stamping, certificate no.</th> <th>Operating Unit</th> </tr> </thead> <tbody> <tr> <td>Serial no. B1219429</td> <td>ATK (E) BDI-2001, 80,000 kg</td> <td>3/8/2021, JW-ATK 069848</td> <td rowspan="2">Palong Cocoa POM</td> </tr> <tr> <td>Serial no. 26699</td> <td>ATK (E) GSE-350 60,000 kg</td> <td>3/8/2021, JMU-ATK 000368</td> </tr> </tbody> </table>	Weighing equipment	Model/capacity	Date of stamping, certificate no.	Operating Unit	Serial no. B1219429	ATK (E) BDI-2001, 80,000 kg	3/8/2021, JW-ATK 069848	Palong Cocoa POM	Serial no. 26699	ATK (E) GSE-350 60,000 kg	3/8/2021, JMU-ATK 000368	<p>Complied</p>
Weighing equipment	Model/capacity	Date of stamping, certificate no.	Operating Unit											
Serial no. B1219429	ATK (E) BDI-2001, 80,000 kg	3/8/2021, JW-ATK 069848	Palong Cocoa POM											
Serial no. 26699	ATK (E) GSE-350 60,000 kg	3/8/2021, JMU-ATK 000368												
<p>5.1.8</p>	<p>The unit of certification supports Independent Smallholders with certification, where applicable, ensuring mutual agreements between the unit of certification and the smallholders on who runs the internal control system (ICS), who holds the certificates, and who holds and sells the certified material. - Minor compliance -</p>	<p>No independent smallholder is supplying to Palong Cocoa POM Certification Unit</p>	<p>Not Applicable</p>											
<p>5.1.9</p>	<p>(C) The unit of certification has a grievance mechanism for smallholders and all grievances raised are dealt with in a timely manner. - Critical (Major) compliance -</p>	<p>No independent smallholder is supplying to Palong Cocoa POM Certification Unit</p>	<p>Not Applicable</p>											

Criterion 5.2: The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.			
5.2.1	The Company consults with interested smallholders (irrespective of type) within the Unit of Certification, including women or other partners in their supply base, to assess their needs for support to improve their livelihoods and their interest in RSPO certification. - Minor compliance -	Not applicable, The Palong Cocoa POM is an identity Preserved Mill. This mill only accepts FFB from own estates namely Palong, Mungka, UMAC, Labis Bahru Estates.	Not Applicable
5.2.2	The unit of certification develops and implements smallholder support programme to improve smallholder livelihood and build their capacity to enhance productivity, quality, organisational and managerial competencies, and specific elements of RSPO certification (including the RSPO Independent Smallholder Standard or RISS). - Minor compliance -	Not applicable, The Palong Cocoa POM is an identity Preserved Mill This mill only accepts FFB from own estates namely Palong, Mungka, UMAC, Labis Bahru Estates.	Not Applicable
5.2.3	Where applicable, the unit of certification provides support to smallholders to promote legality of FFB production. - Minor compliance -	Not applicable, The Palong Cocoa POM is an identity Preserved Mill This mill only accepts FFB from own estates namely Palong, Mungka, UMAC, Labis Bahru Estates.	Not Applicable
5.2.4	(C) Evidence exists that the unit of certification trains Scheme Smallholders on pesticide handling. - Critical (Major) compliance -	Not applicable, The Palong Cocoa POM is an identity Preserved Mill. This mill only accepts FFB from own estates namely Palong, Mungka, UMAC, Labis Bahru Estates.	Not Applicable
5.2.5	The unit of certification regularly reviews and publicly reports on the progress of the Smallholder support programme. - Minor compliance -	Not applicable, The Palong Cocoa POM is an identity Preserved Mill This mill only accepts FFB from own estates namely Palong, Mungka, UMAC, Labis Bahru Estates.	Not Applicable
Principle 6: Respect workers' rights and conditions			
Criterion 6.1: Any form of discrimination is prohibited.			
6.1.1	(C) A publicly available non-discrimination and equal opportunity policy is implemented in such a way to prevent discrimination	The Policies that have been developed by Kulim (Malaysia) Berhad to deal with equal opportunity and non-discrimination are:	Complied

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

	<p>based on ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age.</p> <p>- Critical (Major) compliance -</p>	<p>a. Business Policy b. Core Labour Standard c. People Policy</p> <p>where fairness and equal opportunities for relevant group such as all employees, including foreign and local are embedded. These Policies prevent discrimination based on ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age.</p>	
6.1.2	<p>(C) Evidence is provided that workers and groups including local communities, women, and migrant workers have not been discriminated against including charging of recruitment fees for foreign workers.</p> <p>- Critical (Major) compliance -</p>	<p>Based on verification through interview, documentation review such as employment contract and pay slips, there was no evidence of discrimination of any forms. The recruitment fees were also not charged to any workers.</p>	Complied
6.1.3	<p>The unit of certification demonstrates that recruitment selection, hiring, access to training and promotion are based on skills, capabilities, qualities and medical fitness necessary for the jobs available.</p> <p>- Minor compliance -</p>	<p>Reviewed during the audit was contract dated 13 February 2020 between Kulim (Malaysia) Berhad and PT Hamparan Karya Insani for manpower supply from Indonesia. The agreement states among others that cost of workers' transportation to the respective estates/mill will be borne by Kulim. The Demand Letter issued by Indonesian consulate dated 17 Feb 2020 also specifies that levy and PLKS fees are to be borne by employer. No recruitment fees are imposed on any of the foreign workers, and this was further confirmed by foreign workers interviewed.</p>	Complied
6.1.4	<p>Pregnancy testing is not conducted as a discriminatory measure and is only permissible when it is legally mandated. Alternative equivalent employment is offered for pregnant women.</p> <p>- Minor compliance -</p>	<p>Based on interview held with the Medical Assistant at Palong Cocoa POM and representatives of Women On Wards (WOW) Committee members at the Palong Cocoa Mill and estates, pregnancy tests are not conducted on discriminatory manner and health screenings are conducted only when legally mandated (when handling chemicals). However, during audit, there was no women employees were handling chemicals. Spraying and fertiliser application jobs were carried out by male workers.</p>	Complied

6.1.5	<p>(C) A gender committee is in place specifically to raise awareness, identify and address issues of concern, as well as opportunities and improvements for women.</p> <p>- Critical (Major) compliance -</p>	<p>In place at the Palong Cocoa Mill and its supply base is Women OnWards (WOW) committee which is a women employee outreach programme endorsed and funded by the Company. Its members comprise female employees and wives of workers. WOW promotes gender equality and empower women’s knowledge and skills. For example in 2021, committee meeting was held on 5th January 2021 at Palong Cocoa POM. Some of the plan meetings were postponed due to COVID19 case.</p> <p>Based on minutes sighted, committee members were briefed on sexual harassment, domestic violence, how to make complaints if there was a case, reproductive rights, the new census for new mothers, and briefings on Company policies.</p>	Complied
6.1.6	<p>There is evidence of equal pay for the same work scope.</p> <p>- Minor compliance -</p>	<p>From payslips reviewed, evidence was available that workers receive equal pay for the same work scope.</p>	Complied
<p>Criterion 6.2: Pay and conditions for staff and workers and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages (DLW).</p>			
6.2.1	<p>(C) Applicable labour laws, union and/or other collective agreements and documentation of pay and conditions are available to the workers in national languages (English or Bahasa Malaysia) and explained to them in language they understand.</p> <p>- Critical (Major) compliance -</p>	<p>Kulim (Malaysia) Berhad is a member of the Malaysian Agricultural Producers Association (MAPA) and is therefore subjected to the agreement between MAPA and the National Union of Plantation Workers (NUPW). Applicable labour laws related to duration, hours of work, overtime, annual/medical leave, public holiday, mutual termination, salary deductions, maternity entitlement, etc are contained in workers’ employment contracts. Sampled were employment contracts for Malaysian and Indonesian workers which have been prepared in Bahasa Malaysia. For Bangladeshi workers, the contracts were in the workers’ language, i.e. Bengali. For Bangladeshi workers whose contracts were in Bahasa Malaysia, they were briefed on the contents. Interviews conducted with the workers confirmed their understanding.</p> <p>Clause 9 of the employment contract also specifically states that unless otherwise stated, all terms and conditions of contract are subjected to the</p>	Complied

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

		<p>Employment Act 1955 and SOCSO Act 1969, and the current MAPA/NUPW contract.</p> <p>Also confirmed via sampled payslips that wages were paid in accordance with the relevant laws. Salary deductions and overtime were in accordance with the relevant laws (SOCSO, EPF, EIS) and Labour Office permits.</p>	
6.2.2	<p>(C) Employment contracts and related documents detailing payments and conditions of employment (e.g. regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. in compliance with national legal requirements) and payroll documents give accurate information on compensation for all work performed. This includes a form of record for work done by family members.</p> <p>- Critical (Major) compliance -</p>	<p>Details of payments and conditions of employment are stated and documented in the employment contracts given to all workers. The contract contains terms related to duration, hours of work, overtime, annual/medical leave, public holiday, mutual termination, salary deductions, maternity entitlement, etc. The terms are in compliance with the Employment Act 1955, Minimum Wages Order 2020, SOCSO Act 1969, EPF Act 1991, EIS Act 2017, and the MAPA/NUPW agreement.</p> <p>Payroll documents, namely the payslip, also give accurate information on compensation for all work done. This includes those who receive daily-rated wages, piece rated wages, payment for any overtime work done, and public holiday pay. Also confirmed via sampled payslips that wages were paid in compliance with national legal requirements. Salary deductions and overtime were in accordance with the relevant laws (SOCSO, EPF, EIS) and Labour Office permits.</p> <p>None of the sampled workers had any family members performing work.</p>	Complied
6.2.3	<p>(C) There is evidence of legal compliance for regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice and other legal labour requirements.</p> <p>- Critical (Major) compliance -</p>	<p>Based on review of punch cards, workers' employment contracts and payslips, evidence was available that Palong Cocoa POM and its supply base were able to demonstrate compliance with Employment Contracts 1955 related to regular working hours, overtime, sickness and holiday entitlement, maternity leave, etc. This includes statutory deductions (SOCSO, EPF, EIS) and non-statutory deductions (e.g. mosque funds, electricity bills, etc) in accordance with Labour Office permits. These permits are as detailed out under Indicator 2.1.1 above.</p>	Complied

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

		<p>Sampled during the audit were the following workers' employment contracts and payslips for the month of January 2021 (low crop), July 2021 (normal crop) and May 2021 (peak crop).</p> <p><u>Palong Cocoa POM (10 workers sampled)</u> Workers No. 637139, 637188, 637166, 637021, 637052, 637211, 637213, 637215, 637226, 637227.</p> <p><u>Mungka Estate (14 workers sampled)</u> Workers No. 635674, 635676, 635714, 635692, 635653, 635668, 635715, 635729, 635746, 635736, 635508, 635757, 635012, 635749</p> <p><u>UMAC Estate (12 workers sampled)</u> Workers No. 618784, 618785, 618707, 618761, 618758, 618822, 618795, 951780, 618012, 618773, 618487, 618815</p> <p><u>Labis Bahru Estate (9 workers sampled)</u> Workers no. 605688, 605822, 605859, 605633, 605862, 605869, 605668, 605820, 605843</p> <p><u>Palong Estate (9 workers sampled)</u> Total of 9 worker's payslips checked from out of 134 numbers of workers consist of full-time workers for the month of July 2021 (low), Jan 22 (average/normal) and Nov 2021 (high). Average daily wage @ ordinary rate of pay is more than Minimum Wages Order 2020 of RM46.15 per day. Law full deduction (SOCSO, EPF, EIS) is correctly made and appear in the pay slip. Based on the sample, total overtime hours have not exceeded 104 hours</p>	
<p>6.2.4</p>	<p>(C) The unit of certification provides adequate housing, sanitation facilities, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. National laws, or in their absence the ILO Guidance on Workers' Housing Recommendation No. 115, are used. In the case of acquisitions of non-certified units, a plan is developed detailing the upgrade</p>	<p>Based on visits made to the Palong Cocoa mill and estate line site, adequate housing, sanitation facilities, water supplies, medical and welfare amenities are being provided to all employees and their family members residing within the premises. Houses have between 2 to 3 bedrooms with between 2 to 3 occupants per house. Electricity and water are available 24 hours a day, and electricity usage of up to 50kW per month is subsidised. Water is provided free of charge. The areas surrounding the housing area are generally clean</p>	<p>Complied</p>

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

	<p>of infrastructure. A reasonable time (5years) is allowed to upgrade the infrastructure.</p> <p>- Critical (Major) compliance -</p>	<p>and well maintained. The houses were generally in good state of repair and grass kept reasonable short. Domestic waste bins are emptied thrice per week. Perimeter drains are clear of any blockages.</p> <p>Budget guidelines 2022 (A/C 762-01 Labour Benefit), effective 1st January an employee for whom no approved accommodation is available shall be entitled to a payment of RM 125 per month.</p> <p>As part of Workers' Minimum Standards of Housing and Amenities Act in 1966 programme, the following records were observed:</p> <p><u>Mungka Estate</u> VMO – 24/2/22, 20/1/22 Line site inspection: 7/2/22, 14/2/22, 21/2/22, 28/2/22</p> <p><u>UMAC Estate</u> VMO – 1/3/22 (Klinik Yeo), 22/2/22, 3/2/22 Line site inspection: 2/2/22, 7/2/22, 13/2/22, 20/2/22</p> <p><u>Labis Bahru Estate</u> Line site inspection: 25/2/22, 18/2/22, 11/2/22, 4/2/22 VMO – 22/2/22, 8/2/22</p>	
6.2.5	<p>The unit of certification makes efforts to improve workers' access to adequate, sufficient and affordable food.</p> <p>- Minor compliance -</p>	<p>Evidence is available that efforts are made to improve workers' access to adequate, sufficient and affordable food. A canteen is available at the Palong Cocoa mill and is open from 7AM to 7PM serving breakfast, lunch and dinner. At UMAC estate, a sundry shop is also available. The shop is required to submit the list of items sold to the estate office for price monitoring.</p>	Complied

<p>6.2.6</p>	<p>A DLW is paid to all workers, including piece rate/quotas, for whom the calculation is based on achievable quotas during regular work hours.</p> <p>PROCEDURAL NOTE: STATEMENT FROM THE RSPO STANDARDS STANDING COMMITTEE REGARDING INDICATOR 6.2.6 ON DECENT LIVING WAGE</p> <p>With reference to procedural note of indicator 6.2.6, the RSPO has published a guidance on the DLW calculation in June 2019. The RSPO Secretariat will endeavour to carry out DLW country benchmarks for palm oil producing countries in which RSPO members operate and for which no Global Living Wage Coalition (GLWC) benchmarks exist (As of September 2019, GLWC has developed national benchmarks in Bangladesh, Belize, Brazil, China, Colombia, Costa Rica, Dominican Republic, Ecuador, Ethiopia, Ghana, Guatemala, India, Kenya, Malawi, Mexico, Nicaragua, Pakistan, South Africa, Sri Lanka, Uganda and Vietnam These benchmarks are developed based on banana, coffee, floriculture, textile, manufacturing, seafood processing and tea industry. The RSPO is in the process of commissioning benchmarks for Malaysia and Indonesia for the palm oil sector and will develop methods to calculate and/or define DLW applicability for all palm oil producing countries in which RSPO members operate).</p> <p><i>Where a GLWC living wage standard (benchmark), or one that fulfils the basic requirements of the RSPO-endorsed living wage methodology, has been established in the country or region of operation, the same should be used as benchmarks.</i></p> <p>In the absence of such benchmarks, the RSPO will collaborate with the GLWC and/or local experts on developing oil palm industry benchmarks (Benchmark in this context may include other approaches and/or methods to calculate the applicability of DLW in the country or region in accordance to the RSPO endorsed method for determining a DLW. Local applicability for benchmarks is important and it may differ based on the needs of each locality or country). These benchmarks will be developed in collaboration and consultation with relevant stakeholders such as palm oil industry members, workers' union, authorities and/or relevant organisations.</p> <p><i>For countries where no living wage standard is established, until such time that an RSPO endorsed benchmark for the country is in place, national minimum wages shall be paid to all workers. In addition to the payment of minimum wages, the Unit of Certification (UoC) shall conduct an assessment of the prevailing wages and in-kind benefits provided to workers in the Unit of Certification aligned with</i></p>	<p>Based on pay slips sighted, all sampled workers who complete the number of days offered in a month receive at least minimum wages applicable, which is RM1,200 per month, or more.</p> <p>Palong Cocoa Mill and its supply base have also carried out the calculation of prevailing wages and in-kind benefits. The calculation took into account housing, electricity, water, education and healthcare. The breakdown of the prevailing wage calculation is therefore as follows:</p> <table border="1" data-bbox="1070 619 1854 1002"> <thead> <tr> <th>Mill/Estate</th> <th>In-kind benefits</th> <th>Average take-home pay</th> <th>Prevailing wage</th> </tr> </thead> <tbody> <tr> <td>Palong Cocoa POM</td> <td>RM712.09.00</td> <td>RM1,703.00</td> <td>RM2,415.09</td> </tr> <tr> <td>UMAC Estate</td> <td>RM578.84</td> <td>RM1,803.00</td> <td>RM2,381.84</td> </tr> <tr> <td>Mungka Estate</td> <td>RM795.95</td> <td>RM1,200.00</td> <td>RM1,995.95</td> </tr> <tr> <td>Palong Estate</td> <td>RM975.59</td> <td>RM1,983.00</td> <td>RM2,958.59</td> </tr> <tr> <td>Labis Bahru Estate</td> <td>RM608.72</td> <td>RM 1,200.00</td> <td>RM1,808.72</td> </tr> </tbody> </table> <p>Based on the breakdown given, the calculation of prevailing wages including in-kind benefits is reasonable.</p>	Mill/Estate	In-kind benefits	Average take-home pay	Prevailing wage	Palong Cocoa POM	RM712.09.00	RM1,703.00	RM2,415.09	UMAC Estate	RM578.84	RM1,803.00	RM2,381.84	Mungka Estate	RM795.95	RM1,200.00	RM1,995.95	Palong Estate	RM975.59	RM1,983.00	RM2,958.59	Labis Bahru Estate	RM608.72	RM 1,200.00	RM1,808.72	<p>Complied</p>
Mill/Estate	In-kind benefits	Average take-home pay	Prevailing wage																								
Palong Cocoa POM	RM712.09.00	RM1,703.00	RM2,415.09																								
UMAC Estate	RM578.84	RM1,803.00	RM2,381.84																								
Mungka Estate	RM795.95	RM1,200.00	RM1,995.95																								
Palong Estate	RM975.59	RM1,983.00	RM2,958.59																								
Labis Bahru Estate	RM608.72	RM 1,200.00	RM1,808.72																								

	<p><i>the RSPO Guidance for Implementing a Decent Living Wage</i> (RSPO Guidance for Implementing a Decent Living Wage. The RSPO will also develop further guidance and tools to calculate DLW in line with the RSPO endorsed methodology which may include independent studies by local experts in their respective region or country).</p> <p>Once these benchmarks are available, this procedural note is no longer applicable. UoC shall have an implementation plan towards the payment of a DLW with specific targets, and a phased implementation process including:</p> <ul style="list-style-type: none"> • Updated assessment on prevailing wages and in-kind benefits • There is annual progress on the implementation of living wages • Where a minimum wage, based on equivalent of baskets of goods, is stipulated in Collective Bargaining Agreements (CBAs), this should be used as the foundation for the gradual implementation of the living wage payment • The UoC may choose to implement the living wage payment in a specific section as a pilot project; the pilot will then be evaluated and adapted before eventual scale up of the living wage implementation. <p>- Minor compliance -</p>		
6.2.7	<p>Permanent, full-time employment is used for all core work performed by the unit of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal.</p> <p>- Minor compliance -</p>	<p>Based on documents sighted and interviews conducted with workers and management, Palong Cocoa Mill its supply base only employ full-time employees. All employees are employed on either permanent or contractual full-time basis. There is no casual, temporary or day labour employed.</p>	Complied
<p>Criterion 6.3: The unit of Certification 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.</p>			
6.3.1	<p>(C) A published statement recognising freedom of association and right to collective bargaining in national languages (English and/or Bahasa Malaysia) is available and is explained to all workers, in language that they understand, and is demonstrably implemented.</p> <p>- Critical (Major) compliance -</p>	<p>A published statement on freedom of association is available and displayed at the main notice boards within the Palong Cocoa Mill and its supply base. Also sighted were:</p> <ul style="list-style-type: none"> - Paragraph 2 of the Employees’ Guide Book which confirms and respects workers’ rights to join a union recognized by the Kulim (Malaysia) Berhad. <p>Kulim (Malaysia) Berhad’s Core Labour Standards on Rights of Employees which states that Kulim recognises and respects the rights of employees to</p>	Complied

		form and/or join trade unions of their choice which are given due recognition by KULIM.	
6.3.2	Minutes of meetings between the unit of certification with trade unions or workers representatives, who are freely elected, are documented in national languages (English and/or Bahasa Malaysia) and made available upon request. - Minor compliance -	Sighted at UMAC Estate was the minutes of meeting held between NUPW and UMAC Estate management on 28/6/21. For other estates, NUPW meeting carried out as per the following date: Labis Bahru Estate: 27/2/22 Mungka Estate:13/10/21 Sepang Loi Estate – 20/9/21 Palong Estate – 3/2/22 The NUPW representatives comprise female worker representative, Malaysian, Indonesian and Bangladeshi representatives. All minutes of meetings were prepared and documented in Bahasa Malaysia.	Complied
6.3.3	Management does not interfere with the formation or operation of registered unions/ labour organisations or associations, or other freely elected representatives for all workers including migrant and contract workers. - Minor compliance -	Based on interviews held with NUPW representatives, review of minutes of meeting between NUPW representatives, evidence was available that management does not interfere with the formation of operation of the NUPW. Workers’ representatives were chosen from among the workers as confirmed by the workers during interview.	Complied
Criterion 6.4: Children are not employed or exploited.			
6.4.1	A formal policy for the protection of children, including prohibition of child labour and remediation is in place, and included into service contracts and supplier agreements. - Minor compliance -	Kulim (Malaysia) Berhad has established Core Labour Standard Policy dated 1 May 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. The minimum age of workers to recruit is 18 years old. This requirement is also included in all agreements with its contractors via Addendum to the Agreement. Sighted were the addendums signed by by Mirzafiz Sdn Bhd, Teo Tuan Kwee Sdn Bhd and Fica Sdn Bhd and harvesting contractor, Lim Son Peng.	Complied
6.4.2	(C) There is evidence that minimum age requirements are met. Personnel files show that all workers are above the national	Documentary evidence is available that minimum age requirements are met. This is based on workers’ check roll list and copies of their passport/NRIC	Complied

	<p>minimum age or above company policy minimum age, whichever is higher. There is a documented age screening verification procedure.</p> <p>- Critical (Major) compliance -</p>	<p>details. Based on workers' NRIC and passports, all workers were at least 18 years old when employed.</p>	
6.4.3	<p>(C) Young persons may be employed only for non- hazardous work, with protective restrictions in place for that work.</p> <p>- Critical (Major) compliance -</p>	<p>Based on the workers list of all Palong Cocoa Palm Oil Mill and its supply base, interviews conducted, and observations made, there is no evidence that young persons are being employed.</p>	Complied
6.4.4	<p>The unit of certification demonstrates communication about its 'no child labour' policy and the negative effects of child labour, and promotes child protection to supervisors and other key staff, smallholders, FFB suppliers and communities where workers live.</p> <p>- Minor compliance -</p>	<p>Kulim (Malaysia) Berhad has established Core Labour Standard Policy dated 1 May 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. This Policy is displayed on main notice boards. This Policy was also communicated during stakeholder meeting held on 23rd September 2021. Further, an Addendum to agreements signed with contractors also contains a provision which states that the contractor shall comply with applicable labour and employment laws regarding and prohibit any form of child labour, forced or trafficked labour. Interviews held with contractors and suppliers also confirmed their understanding of this obligation.</p>	Complied
<p>Criterion 6.5: There is no harassment or abuse in the workplace, and reproductive rights are protected.</p>			
6.5.1	<p>(C) A policy to prevent sexual and all other forms of harassment and violence is implemented and communicated to all levels of the workforce.</p> <p>- Critical (Major) compliance -</p>	<p>A Policy to prevent sexual and other forms of harassment are available in Sexual Harassment Policy dated 1 May 2018 signed by Executive Director.</p>	Complied
6.5.2	<p>(C) A policy to protect the reproductive rights of all, especially of women, is implemented and communicated to all levels of the workforce.</p> <p>- Critical (Major) compliance -</p>	<p>Kulim (Malaysia) Berhad's Core Labour Standard dated 1 May 2018 signed by Executive Director provides protection of reproductive rights of all workers. The Labour Standard specifies that the Company recognizes the rights of employees to reproduction and reproductive health, including the right to make decision on reproduction. Based on interviews with the workers, there</p>	Complied

		is evidence that this Standard is being implemented where female workers are entitled to 60 days paid maternity leave, and pregnant women are given light work to do.	
6.5.3	Management has assessed the needs of new mothers, in consultation with the new mothers, and actions are taken to address the needs that have been identified. - Minor compliance -	Assessment of new mothers' needs were done via a census form. The census form assessed the mothers' needs for creche/childcare, antenatal, vaccination, maternity and paternity, postpartum care, prenatal check-up, breastfeeding facilities, awareness and counselling. Also the assessment was also discussed during gender committee meetings as respective operating units.	Complied
6.5.4	A grievance mechanism, which respects anonymity and protects complainants where requested, is established, implemented and communicated to all levels of the workforce. - Minor compliance -	Available and reviewed during the audit was Grievance mechanism Doc. No. SQD/SMS/4.1 Issue No. 1 dated 1 Aug 2020. The aim of this mechanism is to have a documented system for dealing with complaints and grievances that is agreeable and accepted by all stakeholders. The scope covers all parties who deal with Kulim (Malaysia) Berhad who may have complaints or grievances. Clause 5.8 states that anonymity of complainants will be respected and protected if requested.	Complied
Criterion 6.6: No forms of forced or trafficked labour are used.			
6.6.1	(C) All workers have entered into employment voluntarily and the following are prohibited: <ul style="list-style-type: none"> Retention of identity documents or passports (except for administration purposes including legalisation and renewal processes) Charging the workers for recruitment fees. Contract substitution Involuntary overtime Lack of freedom of workers to resign Penalty for termination of employment Debt bondage 	Palong Cocoa Mill and its supply base are able to demonstrate that all workers have entered into employment voluntarily. This was further confirmed from interviews conducted with the workers themselves. Passports: Workers are given the option of either keeping their own passports, or to keep their passports at the management office for safety reasons. Sighted during the audit, letters from workers confirming their preference to keep their passports at the office for safety reasons. Recruitment fees: Reviewed was contract dated 13 February 2020 between Kulim (Malaysia) Berhad and PT Hamparan Karya Insani for manpower supply from Indonesia. The agreement states among others, that cost of transportation to the	Complied

	<ul style="list-style-type: none"> • Withholding of wages - Critical (Major) compliance - 	<p>respective estates/mill will be borne by Kulim. The Demand Letter issued by Indonesian consulate dated 17 Feb 2020 also specifies that levy and PLKS fees are to be borne by employer. No recruitment fees are imposed on any of the foreign workers. This was further confirmed in interviews held with the workers from Indonesia and Bangladesh.</p> <p>Contract substitution: Employment contracts with workers, recruitment agent contracts with PT Hamparan Karya Insani and PT Wira Karitas, and interviews held with the workers from Indonesia and Bangladesh confirmed that no contract substitution has occurred within the Palong Cocoa Mill and its supply base.</p> <p>Involuntary overtime: Based on documents signed by workers on overtime, and based on interviews conducted, there is no evidence of involuntary overtime within the Palong Cocoa Mill and its supply base.</p> <p>Lack of freedom of workers to resign & penalty for termination of employment: Clause 5 of employment contracts allow for early termination of contract by giving of 2 months' notice (upon confirmation) and 2 weeks' notice (on probation). There is no mention of any penalty payable.</p> <p>Debt bondage & withholding of wages: Based on payslips sighted and interview with workers, there was no evidence of any debt bondage and withholding of wages.</p>	
6.6.2	<p>(C) Where temporary or migrant workers are employed, a specific labour policy and/or procedures are established and implemented.</p> <ul style="list-style-type: none"> - Critical (Major) compliance - 	<p>A special labour policy and procedures have been established under the Kulim (Malaysia) Berhad Core Labour Standard signed by Executive Director dated 1 May 2018. This Policy:</p> <ul style="list-style-type: none"> - prohibits the employment of children and young persons, forced and bonded labour 	Complied

		<ul style="list-style-type: none"> - provides for signing of written employment contracts in a language they understand with clear remuneration and description of duties - workers' entitlement to housing and basic amenities which are at par with statutory requirements - free of discrimination, coercion or violence - rights of employees to join trade unions - accessibility to grievance procedure - entitled to one day off per week. <p>Based on pay slips, employment contracts, punch cards reviewed, and interviews conducted with workers, Palong Cocoa Mill and its supply base are able to demonstrate the implementation of this Policy.</p>																																			
Criterion 6.7: The unit of certification ensures that the working environment under its control is safe and without undue risk to health.																																					
6.7.1	<p>(C) The responsible person(s) for H&S is identified. There are records of regular meetings between the responsible person(s) and workers. Concerns of all parties about health, safety and welfare are discussed at these meetings, and any issues raised are recorded.</p> <p>- Critical (Major) compliance -</p>	<p>The estates and mill management have conducted the regulated quarterly safety committee meeting with the participation of workers representative. Minutes of meetings were made available for verification which dated as follows:</p> <table border="1" data-bbox="1041 1013 1854 1337"> <thead> <tr> <th rowspan="2">OU</th> <th colspan="4">Quarter and dates</th> </tr> <tr> <th>03/2021</th> <th>02/2021</th> <th>01/2021</th> <th>04/2020</th> </tr> </thead> <tbody> <tr> <td>PCPOM</td> <td>06/09</td> <td>23/04</td> <td>08/02</td> <td>11/12</td> </tr> <tr> <td>Mungka</td> <td>21/09</td> <td>24/05</td> <td>17/02</td> <td>23/11</td> </tr> <tr> <td>UMAC</td> <td>09/08</td> <td>18/05</td> <td>18/02</td> <td>09/11</td> </tr> <tr> <td>Labis Bahru</td> <td>23/09</td> <td>22/06</td> <td>03/03</td> <td></td> </tr> <tr> <td>Palong</td> <td>22/08</td> <td>24/05</td> <td>22/03</td> <td></td> </tr> </tbody> </table> <p>Generally, among the agenda discussed in the meetings are:</p>	OU	Quarter and dates				03/2021	02/2021	01/2021	04/2020	PCPOM	06/09	23/04	08/02	11/12	Mungka	21/09	24/05	17/02	23/11	UMAC	09/08	18/05	18/02	09/11	Labis Bahru	23/09	22/06	03/03		Palong	22/08	24/05	22/03		Complied
OU	Quarter and dates																																				
	03/2021	02/2021	01/2021	04/2020																																	
PCPOM	06/09	23/04	08/02	11/12																																	
Mungka	21/09	24/05	17/02	23/11																																	
UMAC	09/08	18/05	18/02	09/11																																	
Labis Bahru	23/09	22/06	03/03																																		
Palong	22/08	24/05	22/03																																		

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

		<ul style="list-style-type: none"> • Confirmation of minutes previous meeting • Workplace inspection report • Accident report • General Safety • Complaint from Employee/External Party • Other matters <p>Workplace inspections were made prior to the committee meeting. The respective operating units' managers were appointed as the chairman of the committees based on a letter dated 15/09/2021 [ref.: SQD/ADMIN/020/021] from the Kulim's ESG Committee (Occupational Safety & Health) Chairman.</p>	
6.7.2	<p>Accident and emergency procedures are in place and instructions are clearly understood by all workers. Accident procedures are available in national languages (English and/or Bahasa Malaysia) and explained in the language understandable to the workforce. Assigned operatives trained in first aid are present in both field and other operations, and first aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed.</p> <p>- Minor compliance -</p>	<p>The procedures for accident and emergencies have been established. There is formation of ERP Team & ERP for all the identified incidences. In addition, the procedures have been summarized in a flow chart form and displayed for information of all employees in the estates/mill. They include emergencies relating fire, chemical spillage, flood and accident at the workplace.</p> <p>a) <i>Ahli J/Kuasa Pasukan Bertindak Kecemasan 2021 headed by the Estate/Mill Manager</i></p> <p>b) <i>Carta Aliran Pelan Tindakan Kecemasan Semasa Kebakaran</i></p> <p>c) <i>Carta Aliran Pelan Tindakan Kecemasan Semasa Berlaku Banjir</i></p> <p>d) <i>Carta Aliran Pelan Tindakan Kecemasan Semasa Berlaku Tumpahan Kimia</i></p> <p>The organization chart for the ERP team was established and displayed for information of the employees. The important telephone contact numbers were also provided therein. Procedures and guidelines were issued by SQD and amended to tailor to the situation differences in the estates and mill.</p> <p>ERT members have been provided with training on emergency procedures appropriate to their respective workplace and level of risk. The trainings were</p>	OFI

		<p>conducted by an accredited or qualified organization who can demonstrate their suitability to provide training.</p> <p>The trained personnel for the First Aid were among the employees working as field staff/mandores. The first aid boxes were available at various points in the estate office, workshop, and store. The estate distributed the first aid box to the mandores and brought along to the field during operations. Nonetheless, the monitoring of the first aid kit contents and the knowledge of the first aiders at UMAC and Labis Bahru estates can be further improved to ensure the expire date of any item is not exceeded and identification of items by the first aider is accurate as per the content list provided (OFI).</p> <p>Records of all accidents are kept and filed. The methodology of occupational injuries is recorded using LTA (Lost Man day MC). Records of accidents were summarized in the JKKP 8 form annually and submitted to the authority (Dept. of Safety & Health) as regulated. Records are well kept in the office for verification.</p>	
6.7.3	<p>(C) Workers use appropriate personal protective equipment (PPE), which is provided free of charge to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, land preparation, and harvesting. Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing.</p> <p>- Critical (Major) compliance -</p>	<p>The management provides appropriate PPE to the employees in accordance to HIRARC and Standard Operating Procedure. PPE issuance records were well maintained and made available for verification. Among the information available in the record was name of employee, type of PPE (i.e. apron, safety shoes, rubber boots, N95 mask, respirator, cartridge, helmet, goggle, cotton gloves, nitrile gloves, etc.), date of PPE received and receipt acknowledgement by the recipient. On site verification and interview with workers showed that the appropriate PPE was provided for free and worn accordingly.</p> <p>Sanitation facilities such as shower room, PPE washing area, personal clothing locker for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing were provided and well maintained.</p>	Complied
6.7.4	<p>All workers are provided with medical care and covered by accident insurance. Costs incurred from work- related incidents</p>	<p>Should there be any medical care needed by the employees, clinics with certified Medical or Hospital Assistants in-charge were provided at all the</p>	Complied

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

	<p>leading to injury or sickness are covered in accordance with Malaysian law.</p> <p>- Minor compliance -</p>	<p>sampled management units. Based on site visits, all the clinics were well maintained and managed. Records of medical inventory, VMO visits and patients treated were made available for verification.</p> <p>The sampled estates and mill are subscribing to SOCSO to cover the accident insurance for all their workers. Latest monthly contributions were verified and confirmed the following details:</p> <table border="1" data-bbox="1039 571 1933 986"> <thead> <tr> <th>Estates/mill</th> <th>Transaction date</th> <th>Payment voucher Ref. No.</th> <th>No. of employees covered</th> <th>Amount (RM)</th> </tr> </thead> <tbody> <tr> <td>Palong Cocoa POM</td> <td>06/02/2022</td> <td>22000089</td> <td>112</td> <td>5,468.40</td> </tr> <tr> <td>UMAC</td> <td>04/02/2022</td> <td>22000064</td> <td>112</td> <td>3,803.20</td> </tr> <tr> <td>Labis Bahru</td> <td>09/02/2022</td> <td>22000123</td> <td>151</td> <td>5,609.90</td> </tr> <tr> <td>Palong</td> <td>03/02/2022</td> <td>22000070</td> <td>228</td> <td>8,967.30</td> </tr> <tr> <td>Mungka</td> <td>07/02/2022</td> <td>22000108</td> <td>114</td> <td>4,479.80</td> </tr> <tr> <td>Sepang Loi</td> <td>06/02/2022</td> <td>22000072</td> <td>76</td> <td>2,779.40</td> </tr> </tbody> </table>	Estates/mill	Transaction date	Payment voucher Ref. No.	No. of employees covered	Amount (RM)	Palong Cocoa POM	06/02/2022	22000089	112	5,468.40	UMAC	04/02/2022	22000064	112	3,803.20	Labis Bahru	09/02/2022	22000123	151	5,609.90	Palong	03/02/2022	22000070	228	8,967.30	Mungka	07/02/2022	22000108	114	4,479.80	Sepang Loi	06/02/2022	22000072	76	2,779.40	
Estates/mill	Transaction date	Payment voucher Ref. No.	No. of employees covered	Amount (RM)																																		
Palong Cocoa POM	06/02/2022	22000089	112	5,468.40																																		
UMAC	04/02/2022	22000064	112	3,803.20																																		
Labis Bahru	09/02/2022	22000123	151	5,609.90																																		
Palong	03/02/2022	22000070	228	8,967.30																																		
Mungka	07/02/2022	22000108	114	4,479.80																																		
Sepang Loi	06/02/2022	22000072	76	2,779.40																																		
6.7.5	<p>Occupational injuries are recorded using Lost Time Accident (LTA) metrics.</p> <p>- Minor compliance -</p>	<p>The RSPO's Lost Time Injury Frequency Rate (LTIFR) metrics was used to record the number of lost time injuries and total hours worked for the period of Jan - Dec of 2020. Verification against the certification unit's other records such as JKKP 8 found the data to be accurate.</p>	Complied																																			
<p>Principle 7: Protect, conserve and enhance ecosystems and the environment</p>																																						
<p>Criterion 7.1: Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.</p>																																						
7.1.1	<p>(C) IPM plans are implemented and monitored to ensure effective pest control.</p>	<p>The sampled estates continued to monitor the Implementation of Integrated Pest Management (IPM) plans.</p>	Complied																																			

	- Critical (Major) compliance -	<ul style="list-style-type: none"> - The estates had in place the documented IPM plan which covered the monitoring of pest, control of pest population levels at below threshold levels by using cultural, biological, physical/mechanical and use of pesticides. The plan was guided by ARM Section J01-J10. - To minimize use of insecticides on leaf-eating pest, the estates planted beneficial plants such as Turnera subulata, Cassia cobanensis, Antigonon leptopus, Euphorbia heterophylla, along the roadsides and designated points in the fields and also within the nursery perimeter. - The plan also advocated single layer compost mulching in order to prevent the breeding of rhinoceros beetles. Monthly detection and observation of leaf eating pests, mammalian pests and diseases had been continued. These monthly detection and observations were carried by staff. - Census records for Ganoderma affected palms were verified. All the estates carried census on rat damage and diseases like Ganoderma. - Rat baiting was by calendar baiting at 2 campaigns per year where recommended by the PI /Agronomist. Baiting are continued until bait acceptance threshold level 	
7.1.2	Species referenced in the Global Invasive Species Database and CABI.org are not to be used in managed areas, unless plans to prevent and monitor their spread are implemented. - Minor compliance -	The was no evidence that species referenced in the Global Invasive Species Database and CABI.org are being used in all the sampled estates.	Complied
7.1.3	There is no use of fire for pest control unless in exceptional circumstances such as plantation sanitation, i.e. where no other effective methods exist, and with prior approval of government authorities. - Minor compliance -	There was no evidence that use of fire for pest control at all the sampled estates.	Complied
Criterion 7.2: Pesticides are used in ways that do not endanger health of workers, families, communities or the environment.			

7.2.1	<p>(C) Justification of all pesticides used is demonstrated. Selective products and application methods that are specific to the target pest, weed or disease are prioritised.</p> <p>- Critical (Major) compliance -</p>	<p>The justification of all pesticides used in the estate were documented in Kulim (M) Bhd Agricultural Manual (dated 01/07/2013), Section H, Justification of Chemical Use. The manual provides the guideline on type of agrochemical use, target pest/weed/disease, weed situation, recommended chemical brand name, application rate, and method of application. Verification of chemical register, chemical issuance records, and site visits showed that the pesticides used were in accordance to the justification in the manual.</p>	Complied
7.2.2	<p>(C) Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) are provided.</p> <p>- Critical (Major) compliance -</p>	<p>Records of pesticides use (including active ingredients used and their LD 50, area treated, amount of a.i. applied per ha and number of applications) had been maintained and kept by the estate. Based on the records, the total a.i. per ha for 2021 was less than 1 kg a.i./ha for both matured and immature areas.</p>	Complied
7.2.3	<p>(C) Any use of pesticides is minimised as part of a plan, eliminated where possible, in accordance with IPM plans.</p> <p>- Critical (Major) compliance -</p>	<p>The quantity of agrochemicals required for various field conditions is documented and justified in Kulim (M) Bhd Agricultural Manual (dated 01/07/2013), Section H, Justification of Chemical Use. The manual provides the guideline on type of agrochemical use, target pest/weed/disease, weed situation, recommended chemical brand name, application rate, and method of application. Verification of chemical register, chemical issuance records, and site visits showed that the pesticides used were in accordance to the justification in the manual.</p> <p>The implementation in the field is consistent with the SOP established. Class I herbicide is no longer in used by all the sampled estates.</p>	Complied
7.2.4	<p>There is no prophylactic use of pesticides, unless in exceptional circumstances, as identified in national best practice guidelines.</p> <p>- Minor compliance -</p>	<p>There was no evidence of prophylactic use of pesticide at all the sampled estates.</p>	Complied
7.2.5	<p>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, unless in exceptional</p>	<p>The sampled estates in the confined usage of pesticides which are were officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A) and in accordance with USECHH Regulations 2000.</p> <p>a) The review of the chemical register concluded that all pesticides used</p>	Complied

	<p>circumstances, as validated by a due diligence process, or when authorised by government authorities for pest outbreaks.</p> <p>The due diligence refers to:</p> <ul style="list-style-type: none"> a) Judgment of the threat and verify why this is a major threat b) Why there is no other alternative which can be used c) Which process was applied to verify why there is no other less hazardous alternative d) What is the process to limit the negative impacts of the application e) Estimation of the timescale of the application and steps taken to limit application to the specific outbreak. <p>- Minor compliance -</p>	<p>were of class II, III & class IV. The use of paraquat had been prohibited in all KMB estates.</p> <ul style="list-style-type: none"> b) There was no evidence of pesticides that are categorized as World Health Organization Class 1A or 1B, or that were listed by the Stockholm or Rotterdam Conventions been used. c) Sighted from records and interviews with workers, staff and estate assistants, concluded that trainings were held with all precautions being taken and all legal requirements met. d) Based on the regulated chemical register, among the chemical used in the estates are as follows: <table border="1" data-bbox="1115 715 1706 1066"> <thead> <tr> <th>No.</th> <th>Chemical name</th> <th>Class</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Glyphosate</td> <td>IV</td> </tr> <tr> <td>2</td> <td>Isopropylamine</td> <td>II</td> </tr> <tr> <td>3</td> <td>Glufosinate ammonium</td> <td>III</td> </tr> <tr> <td>4</td> <td>Triclopyr butoxy ethyl ester</td> <td>III</td> </tr> <tr> <td>5</td> <td>Cypermethrin</td> <td>III</td> </tr> <tr> <td>6</td> <td>Metsulfuronmethyl</td> <td>IV</td> </tr> </tbody> </table> <ul style="list-style-type: none"> e) Estimation of the timescale of the application and steps taken to limit application to the specific outbreak are guided by Kulim (M) Bhd Agricultural Manual (dated 01/07/2013), Section I, Weeds Management and Section J, integrated Pest Management. The Sections cover the frequency & timing to apply chemical and steps to be taken to detect level of pest attack such as carrying out pest census. 	No.	Chemical name	Class	1	Glyphosate	IV	2	Isopropylamine	II	3	Glufosinate ammonium	III	4	Triclopyr butoxy ethyl ester	III	5	Cypermethrin	III	6	Metsulfuronmethyl	IV	
No.	Chemical name	Class																						
1	Glyphosate	IV																						
2	Isopropylamine	II																						
3	Glufosinate ammonium	III																						
4	Triclopyr butoxy ethyl ester	III																						
5	Cypermethrin	III																						
6	Metsulfuronmethyl	IV																						

7.2.6	<p>(C) Pesticides are only handled, used or applied by persons who have completed the necessary training and are always applied in accordance with the product label. All precautions attached to the products are properly observed, applied, and understood by workers (see Criteria 3.6). Personnel applying pesticides must show evidence of regular updates on the knowledge about the activity they carry out.</p> <p>- Critical (Major) compliance -</p>	<p>Trainings on safe handling of chemical and right method of spraying were given to the relevant employees which include the storekeeper, pre-mixers, and herbicides sprayers. This is also in-line with the recommendation by the CHRA assessor. Various methods of training such as briefing, practical training and on-the-job supervisions were used to ensure effective delivery of knowledge. Records of training were well maintained for verification.</p>	Complied
7.2.7	<p>(C) Storage of all pesticides is in accordance with recognised best practices.</p> <p>- Critical (Major) compliance -</p>	<p>The pesticides were kept in the designated stores at all the sampled estates in accordance to the regulations. The stores were equipped with locks, ventilation and accessibility was limited to authorized personnel only. Appropriate hazard signage was also put up to create safety caution.</p>	Complied
7.2.8	<p>All pesticide containers are triple rinsed and punctured before being disposed of and/or handled responsibly if used for other purposes.</p> <p>- Minor compliance -</p>	<p>All pesticide containers are triple rinsed and punctured before being disposed to the authorised collector. Receipts of disposal were made available for verification with the following details:</p> <ul style="list-style-type: none"> - UMAC – last disposal on 15/02/2022 to G-Planter Sdn Bhd - Labis Bahru – last disposal on 25/02/2022 to G-Planter Sdn Bhd - Palong – last disposal on 14/01/2022 to G-Planter Sdn Bhd <p>Some of the 20 lt containers were used to contain pre-mixed herbicides for spraying operation in the field. There is no evidence of pesticide containers are used for other purpose.</p>	Complied
7.2.9	<p>(C) Aerial spraying of pesticides is prohibited, unless in exceptional circumstances where no other viable alternatives are available. This requires prior government authority approval. All relevant information is provided to affected local communities at least 48 hours prior to application of aerial spraying.</p> <p>- Critical (Major) compliance -</p>	<p>Aerial spraying of pesticides is not practiced in the sampled estates.</p>	Complied

7.2.10	<p>(C) Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.</p> <p>- Critical (Major) compliance -</p>	<p>Medical surveillances were conducted in timely manner by the estates as per CHRA recommendation for employees involved in pesticides handling such as spraying operators and store clerks by DOSH registered OH doctors. Based on the medical surveillance latest reports, all the employees had passed the tests and declared fit to work.</p>	Complied								
7.2.11	<p>(C) No work with pesticides is undertaken by persons under the age of 18, pregnant or breastfeeding women or other people that have medical restrictions and they are offered alternative equivalent work.</p> <p>- Critical (Major) compliance -</p>	<p>Based on the database of employees and monthly medical check-up records by HA, there was no evidence that persons under the age of 18, pregnant or breastfeeding women or other people that have medical restrictions were undertaking work with pesticides.</p>	Complied								
Criterion 7.3: Waste is reduced, recycled, reused and disposed of in an environmentally and socially responsible manner.											
7.3.1	<p>A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented.</p> <p>- Minor compliance -</p>	<p>Wastes management plan is developed based on the environmental aspects and impacts assessment. The mitigation measures were then derived from this exercise. The Waste Management Action Plans 2021 were established to mitigate and control the identified wastes and source of pollution. Generally, the scheduled wastes were disposed through licensed vendors, organic wastes were disposed through landfill and recyclable wastes were sent to recycle centres.</p> <p>Nonetheless, at Palong Cocoa POM, the monitoring of disposal of wastewater and contaminated soil from the pollution control device (PCD) can be further improved, therefore the disposal is consistent with the waste management plan i.e. to dispose as scheduled waste (OFI).</p>	OFI								
7.3.2	<p>Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.</p> <p>- Minor compliance -</p>	<p>In Palong Cocoa POM and the estates in the CU, procedure SPO/W1/06-10–Scheduled Wastes (Hazardous Waste) Management has been established.</p> <p>The disposal of scheduled waste was available and disposed at Kualiti Alam Sdn Bhd.</p> <table border="1" data-bbox="1037 1313 1933 1358"> <thead> <tr> <th>Type SW</th> <th>Consignment note</th> <th>Dated</th> <th>Weight</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Type SW	Consignment note	Dated	Weight					Complied
Type SW	Consignment note	Dated	Weight								

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

		<table border="1"> <tr> <td>SW 404</td> <td>2022020809UY4A10</td> <td>8/2/2022</td> <td>0.0077</td> </tr> <tr> <td>SW 306</td> <td>202110181240AQ9U</td> <td>18/10/2021</td> <td>0.1629</td> </tr> <tr> <td>SW 110</td> <td>2021101811AEW3TN</td> <td>18/10/2021</td> <td>0.0089</td> </tr> <tr> <td>SW 408</td> <td>2021101812PSW3NI</td> <td>18/10/2021</td> <td>0.0012</td> </tr> </table> <p>For UMAC For scheduled waste in UMAC estate, in inventory verification D609C3443536I32022 for March 2022 already identified SW 103, 109, 305, 306, 307, 404, 408, 409 & 410. The disposal of scheduled waste was available and disposed at Kualiti Alam Sdn Bhd. Latest disposal was on October 2021, sampling on consignment note as per below:-</p> <table border="1"> <thead> <tr> <th>Type SW</th> <th>Consignment note</th> <th>Dated</th> <th>Weight</th> </tr> </thead> <tbody> <tr> <td>SW 404</td> <td>2022011809SRV650</td> <td>18/1/2022</td> <td>0.0008</td> </tr> <tr> <td>SW 307</td> <td>0160250</td> <td>29/9/2021</td> <td>0.50</td> </tr> </tbody> </table> <p>In Labis Estate, sighted AS(B)J11/123/000/160 inventory of Scheduled waste was available under February 2022. There are 10 type scheduled waste in Labis estate as per below:-</p> <table border="1"> <thead> <tr> <th>SW code</th> <th>Type of SW</th> </tr> </thead> <tbody> <tr> <td>SW 404</td> <td>Clinical waste</td> </tr> <tr> <td>SW 109</td> <td>Electric waste</td> </tr> <tr> <td>SW 102</td> <td>Battery</td> </tr> </tbody> </table>	SW 404	2022020809UY4A10	8/2/2022	0.0077	SW 306	202110181240AQ9U	18/10/2021	0.1629	SW 110	2021101811AEW3TN	18/10/2021	0.0089	SW 408	2021101812PSW3NI	18/10/2021	0.0012	Type SW	Consignment note	Dated	Weight	SW 404	2022011809SRV650	18/1/2022	0.0008	SW 307	0160250	29/9/2021	0.50	SW code	Type of SW	SW 404	Clinical waste	SW 109	Electric waste	SW 102	Battery	
SW 404	2022020809UY4A10	8/2/2022	0.0077																																				
SW 306	202110181240AQ9U	18/10/2021	0.1629																																				
SW 110	2021101811AEW3TN	18/10/2021	0.0089																																				
SW 408	2021101812PSW3NI	18/10/2021	0.0012																																				
Type SW	Consignment note	Dated	Weight																																				
SW 404	2022011809SRV650	18/1/2022	0.0008																																				
SW 307	0160250	29/9/2021	0.50																																				
SW code	Type of SW																																						
SW 404	Clinical waste																																						
SW 109	Electric waste																																						
SW 102	Battery																																						

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

		<table border="1"> <tr> <td>SW 306</td> <td>Hydraulic oil</td> </tr> <tr> <td>SW 305</td> <td>Spent Lubricant oil</td> </tr> <tr> <td>SW 309</td> <td>Used container</td> </tr> <tr> <td>SW 410</td> <td>Oil filter</td> </tr> </table> <p>Latest disposal was on conducted on 9/2/2022 sampled as per below:- SW 109 consignment not 2022020919OTQ6YE with total 0.024 mt of electrical waste been disposed at Kualiti Alam Sdn Bhd. Another sampling on SW 404 clinical waste disposal on 8/2/2022, consignment note 2022020814IQV5WX with total 0.0027 mt. This waste was disposed at Kualiti Alam Sdn Bhd.</p>	SW 306	Hydraulic oil	SW 305	Spent Lubricant oil	SW 309	Used container	SW 410	Oil filter	
SW 306	Hydraulic oil										
SW 305	Spent Lubricant oil										
SW 309	Used container										
SW 410	Oil filter										
7.3.3	The unit of certification does not use open fire for waste disposal. - Minor compliance -	<p>KMB practices of “Zero open burning” is enforced and elaborated in the Sustainability Policy.</p> <ul style="list-style-type: none"> The operating units adhered to the policy of “Zero open burning” for any replanting. From field visits and interviews with the workers there is no open burning being practiced in the estates. All the estates had replanting program spanned over the forthcoming years as shown in 3.1.2. There was no evidence that fire had been used to prepare land for replanting in the estate No fire was used for waste disposal. 	Complied								
Criterion 7.4: Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.											
7.4.1	Good agriculture practices, as contained in SOPs, are followed to manage soil fertility to optimise yield and minimise environmental impacts. - Minor compliance -	<p>Kulim (M) Berhad Agriculture Manual has been established to cover 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</p>	Complied								

		<p>aspects of oil palm management. The related SOP namely Leaf and Soil Sampling Notes procedure was sighted. New revised Agriculture Manual dated 31/10/17 was sighted under A07-02-Planting Terrace and A20 – Standard Operating Guidelines for Conversion of Oil Crop Other Than Oil Palm to Oil.</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>									
7.4.2	<p>Periodic tissue and soil sampling is carried out by Companies to monitor and manage changes in soil fertility and plant health.</p> <p>- Minor compliance -</p>	<p>Foliar and soil sampling was carried out by Internal Agronomist from Agronomy Advisory and Services Department prior to the fertilizer recommendation for the next financial year. Leaf and soil nutrient analysis are commonly used in the diagnosis of fertilizer requirements in oil palms. The frequency for leaf sampling must be conducted every year while for soil analysis, the frequency is once in 4 years. The last soil analysis reports verified are as follows:</p> <table border="1" data-bbox="1039 914 1666 1233"> <thead> <tr> <th>Estates</th> <th>Soil analysis</th> </tr> </thead> <tbody> <tr> <td>Mungka</td> <td>21/12/2020 Report # SI/2021/01/7</td> </tr> <tr> <td>UMAC</td> <td>29/08/2020 Report #Soil/1/2020</td> </tr> <tr> <td>Palong</td> <td>22/02/2022 Report #SI/2022/02/17</td> </tr> </tbody> </table>	Estates	Soil analysis	Mungka	21/12/2020 Report # SI/2021/01/7	UMAC	29/08/2020 Report #Soil/1/2020	Palong	22/02/2022 Report #SI/2022/02/17	Complied
Estates	Soil analysis										
Mungka	21/12/2020 Report # SI/2021/01/7										
UMAC	29/08/2020 Report #Soil/1/2020										
Palong	22/02/2022 Report #SI/2022/02/17										

7.4.3	<p>A nutrient recycling strategy is in place, which includes the recycling of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), palm residues and optimal use of inorganic fertilisers.</p> <p>- Minor compliance -</p>	<p>EFB, POME and bio-compost were applied as per agricultural manual:</p> <ol style="list-style-type: none"> 1) D05: EFB Utilization at rate 50mt/ha. 2) D08: Bio-compost application at the rate of 7mt/ha or 50kg/palm on selected area. <p>Records of application were maintained by the estates and made available for verification. Among the information available in the records is field number, quantity of EFB/POME/compost being applied (mt) and date of application.</p>	Complied																				
7.4.4	<p>Records of fertiliser inputs are maintained.</p> <p>- Minor compliance -</p>	<p>Records of fertiliser input were well maintained in various documents such as store issuance record, bin cards and month end account to name a few. Among the information available in the records was type of fertiliser, quantity and field number applied including date of application. Based on sampled fields, the amount of fertilisers issued out (i.e. applied) from the store according to J.D. Edwards software system was tally with the recommendations by agronomist, for all the sampled estates.</p>	Complied																				
Criterion 7.5: Practices minimise and control erosion and degradation of soils.																							
7.5.1	<p>(C) Maps identifying marginal and fragile soils, including steep terrain, are available.</p> <p>- Critical (Major) compliance -</p>	<p>Description of the soil characteristics such as texture, depth, drainage, parent material and key aspect for management was available. The main soil series (in %) in the estates based on the soil maps which were sourced from the Department of Agriculture, are as follows:</p> <table border="1" data-bbox="1039 1102 1890 1361"> <thead> <tr> <th>Soil series</th> <th>Mungka</th> <th>UMAC</th> <th>Labis Bahru</th> <th>Palong & Kemedak</th> </tr> </thead> <tbody> <tr> <td>Kompleks Aluvium Setempat</td> <td>42.31</td> <td>0.98</td> <td></td> <td></td> </tr> <tr> <td>Bungor</td> <td>30.45</td> <td>24.73</td> <td></td> <td></td> </tr> <tr> <td>Melaka</td> <td>15.49</td> <td>-</td> <td>2.21</td> <td></td> </tr> </tbody> </table>	Soil series	Mungka	UMAC	Labis Bahru	Palong & Kemedak	Kompleks Aluvium Setempat	42.31	0.98			Bungor	30.45	24.73			Melaka	15.49	-	2.21		Complied
Soil series	Mungka	UMAC	Labis Bahru	Palong & Kemedak																			
Kompleks Aluvium Setempat	42.31	0.98																					
Bungor	30.45	24.73																					
Melaka	15.49	-	2.21																				

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

		<table border="1"> <tr><td>Rasau</td><td>-</td><td>9.02</td><td></td><td></td></tr> <tr><td>Tai Tak</td><td>-</td><td>8.97</td><td></td><td></td></tr> <tr><td>Harimau</td><td>-</td><td>8.23</td><td></td><td></td></tr> <tr><td>Kampung Pasu</td><td>-</td><td>7.72</td><td></td><td></td></tr> <tr><td>Gajah Mati</td><td>-</td><td>6.63</td><td>62.37</td><td></td></tr> <tr><td>Serok</td><td>-</td><td>6.29</td><td>4.73</td><td></td></tr> <tr><td>Chat</td><td></td><td></td><td>15.53</td><td></td></tr> <tr><td>Gong Chenak</td><td></td><td></td><td>3.88</td><td></td></tr> <tr><td>Lubok Itek</td><td></td><td></td><td>0.09</td><td></td></tr> <tr><td>Sitiawan</td><td></td><td></td><td>0.43</td><td></td></tr> <tr><td>Sogomana</td><td></td><td></td><td>7.33</td><td></td></tr> <tr><td>Tepus</td><td></td><td></td><td>1.58</td><td></td></tr> <tr><td>Terap</td><td></td><td></td><td>1.51</td><td></td></tr> </table>	Rasau	-	9.02			Tai Tak	-	8.97			Harimau	-	8.23			Kampung Pasu	-	7.72			Gajah Mati	-	6.63	62.37		Serok	-	6.29	4.73		Chat			15.53		Gong Chenak			3.88		Lubok Itek			0.09		Sitiawan			0.43		Sogomana			7.33		Tepus			1.58		Terap			1.51		
Rasau	-	9.02																																																																		
Tai Tak	-	8.97																																																																		
Harimau	-	8.23																																																																		
Kampung Pasu	-	7.72																																																																		
Gajah Mati	-	6.63	62.37																																																																	
Serok	-	6.29	4.73																																																																	
Chat			15.53																																																																	
Gong Chenak			3.88																																																																	
Lubok Itek			0.09																																																																	
Sitiawan			0.43																																																																	
Sogomana			7.33																																																																	
Tepus			1.58																																																																	
Terap			1.51																																																																	
		There were no problematic or marginal soils in the 2 sampled estates.																																																																		
7.5.2	<p>No replanting on steep slopes (above 25 degrees) unless approved by state governments. In case of replanting is permitted, no replanting in contiguous area of steep terrain (greater than 25 degrees) larger than 25 Ha within the Unit of Certification.</p> <p>- Minor compliance -</p>	<p>The estates visited in CU continued to have a management strategy for planting on slopes in order to minimize and control erosion and degradation of soils. The plantings on slopes between 9 and 25 degrees was guided by:</p> <ul style="list-style-type: none"> a) Slope & River Protection Policy in Section A17 KMB Manual b) Buffer Zone & 25-degree slope in Section A07 KMB Manual c) Land Preparation for Terracing in Section A08 KMB Manual. <p>It was observed that practices to minimize and control erosion and degradation of soils were in place through proper stacking of fronds, EFB application, avoidance of blanket spraying, construction terraces, road</p>			Complied																																																															

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

		<p>maintenance and maintenance of soft vegetation in the interlines. Cover crops were planted in the replants and in certain mature areas. The cover crop mucuna bracteata had been planted along crucial slopes by management. Large areas with neprolepis biserrata in the inter rows were sighted during the visit. The slope maps were provided by the AASD (Agronomy Advisory Service Dept)</p>	
7.5.3	<p>There is no new planting of oil palm on steep terrain. - Minor compliance -</p>	<p>This commitment is addressed in the Sustainable Policy - "Slope and River Protection" signed by the Executive Director dated May 2018 stating the following among others: "Slope of >25 degree to be excluded from any new plantation development and replanting program. Nonetheless, there is no new planting on steep at all the sampled estates.</p>	Complied
<p>Criterion 7.6: Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.</p>			
7.6.1	<p>(C) To demonstrate the long-term suitability of land for palm oil cultivation, soil maps or soil surveys identifying marginal and fragile soils, including steep terrain, are taken into account in plans and operations. - Critical (Major) compliance -</p>	<p>Soil surveys are made and available in a soil map for all the estates. Topographic contour maps are also available which are both used to manage the drainage and road works in the estates. All estates in the CU had no new planting for the current year and also for the forthcoming 5 years operations.</p>	Complied
7.6.2	<p>Extensive planting on marginal and fragile soils, is avoided, or, if necessary, done in accordance with the soil management plan for best practices. - Minor compliance -</p>	<p>In UMAC estate, soil analysis been conducted on 11/11/2021 under report SI/2021/11/96. From the result no peat soil or fragile soil in UMAC estate. Soil Map from source Semi Detailed Soil Map (DOA), 2012 showed that the no peat soil in UMAC estate. In Labis estate, soil analysis been conducted on 14/4/2021 under report SI/2021/04/36. From the result no peat soil or fragile soil in Labis estate. Soil Map from source Semi Detailed Soil Map (DOA), 2012 showed that the no peat soil in Labis estate.</p>	Complied

7.6.3	Soil surveys and topographic information guide the planning of drainage and irrigation systems, roads and other infrastructure. - Minor compliance -	Soil surveys are made and available in a soil map at all estates. Topographic contour map is also available which are both used to manage the drainage and road works in the estates. Details as per 7.5.1 and 7.5.2	Complied
Criterion 7.7: No new planting on peat, regardless of depth after 15 November 2018 and all peatlands are managed responsibly.			
7.7.1	(C) There is no new planting on peat regardless of depth after 15 November 2018 in existing and new development areas. - Critical (Major) compliance -	There is no peat soil or soil categorized as marginal or fragile soil in all estates visited. There was also no new planting in the estates. Thus, this indicator is not applicable.	Not Applicable
7.7.2	Areas of peat within the managed areas are inventoried, documented and reported (effective from 15 November 2018) to RSPO Secretariat. PROCEDURAL NOTE: Maps and other documentation of peat soils are provided, prepared and shared in line with RSPO Peatland Working Group (PLWG) audit guidance (see Procedural Note for 7.7.5 below). - Minor compliance -	There is no peat soil or soil categorized as marginal or fragile soil in all estates visited. There was also no new planting in the estates. Thus, this indicator is not applicable.	Not Applicable
7.7.3	(C) Subsidence of peat is monitored, documented and minimised. - Critical (Major) compliance -	There is no peat soil or soil categorized as marginal or fragile soil in all estates visited. There was also no new planting in the estates. Thus, this indicator is not applicable.	Not Applicable
7.7.4	(C) A documented water and ground cover management programme is in place. - Critical (Major) compliance -	There is no peat soil or soil categorized as marginal or fragile soil in all estates visited. There was also no new planting in the estates. Thus, this indicator is not applicable.	Not Applicable
7.7.5	(C) For plantations planted on peat, drainability assessments are conducted following the RSPO Drainability Assessment Procedure, or other RSPO recognised methods, at least five years prior to replanting. The assessment result is used to set the timeframe for future replanting, as well as for phasing out of oil palm cultivation at least 40 years, or two cycles, whichever is	There is no peat soil or soil categorized as marginal or fragile soil in all estates visited. There was also no new planting in the estates. Thus, this indicator is not applicable.	Not Applicable

	<p>greater, before reaching the natural gravity drainability limit for peat. When oil palm is phased out, it is replaced with crops suitable for a higher water table (paludiculture) or rehabilitated with natural vegetation.</p> <p>This is subject to transitional (5 years: 2019 to 2024) arrangement stated in the Drainability Assessment Procedure.</p> <p>Within 12 months initial implementation period, company could submit other alternate methodologies to be considered by RSPO for recognition.</p> <p>- Critical (Major) compliance -</p>		
7.7.6	<p>(C) All existing plantings on peat are managed according to the 'RSPO Manual on Best Management Practices (BMPs) for existing oil palm cultivation on peat', version 2 (2019) and associated audit guidance.</p> <p>- Critical (Major) compliance -</p>	There is no peat soil or soil categorized as marginal or fragile soil in all estates visited. There was also no new planting in the estates. Thus, this indicator is not applicable.	Not Applicable
7.7.7	<p>(C) All areas of unplanted and set-aside peatlands in the managed area (regardless of depth) are protected as "peatland conservation areas"; new drainage, road building and power lines by the unit of certification on peat soils is prohibited; peatlands are managed in accordance with the 'RSPO BMPs for Management and Rehabilitation of Natural Vegetation Associated with Oil Palm Cultivation on Peat', version 2 (2019) and associated audit guidance.</p> <p>- Critical (Major) compliance -</p>	There is no peat soil or soil categorized as marginal or fragile soil in all estates visited. There was also no new planting in the estates. Thus, this indicator is not applicable.	Not Applicable
Criterion 7.8: Practices maintain the quality and availability of surface and groundwater.			
7.8.1	A water management plan is in place and implemented to promote more efficient use and continued availability of water	Water management and action plans at all the sampled estates and mill for year 2021 were available. Among the objectives of the management plan are:	Complied

	<p>sources and to avoid negative impacts on other users in the catchment. The plan addresses the following:</p> <p>a) The unit of certification does not restrict access to clean water or contribute to pollution of water used by communities.</p> <p>b) Workers have adequate access to clean water.</p> <p>- Minor compliance -</p>	<p>i) Pollution prevention of surface and underground water sources</p> <p>ii) Maintain the availability of water source especially during draught season</p> <p>The mill collected water samples for the domestic water consumption collected by SPAN twice a year. All results were made available for verification. The analysis was conducted by an accredited laboratory (SMM No. 146). Based on the reports, the results were within the are within the standard limits under the Drinking Water Quality Standard, MOH 2010.</p>													
<p>7.8.2</p>	<p>(C) Water courses and wetlands are protected, including maintaining and restoring appropriate riparian and other buffer zones in line with 'RSPO Manual on BMPs for the management and rehabilitation of riparian reserves' (April 2017) or applicable National legislation or specific environmental permit. Smallholders may replant existing planted areas provided there is no evidence of environmental deterioration having occurred during the previous cycle.</p> <p>- Critical (Major) compliance -</p>	<p>Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones has been verified at the 2 Estates and mill catchment. Riparian buffer zones have been identified and demarcated. No chemicals and fertilizer application observed been used in their maintenance. In certain areas Guatemala grass / Vertivar sp were planted along the riverbanks. Guidelines of the width of the rivers and natural courses to be protected have been illustrated in the SOP revised dated 01/11/2018.</p> <p>Sampling in water sampling Sg Muar, the monitoring was done by Palong Cocoa POM, latest record was 8/2/2022 (WI/2022/02/64) and result as per below:</p> <table border="1" data-bbox="1039 1066 1901 1343"> <thead> <tr> <th>Parameter</th> <th>Unit</th> <th>WI-0138 (Upstream)</th> <th>WI-0139 (Downstream)</th> </tr> </thead> <tbody> <tr> <td>pH</td> <td>-</td> <td>5.9</td> <td>6.4</td> </tr> <tr> <td>Chemical Oxygen Demand</td> <td>mg O2/L</td> <td>55</td> <td>50</td> </tr> </tbody> </table>	Parameter	Unit	WI-0138 (Upstream)	WI-0139 (Downstream)	pH	-	5.9	6.4	Chemical Oxygen Demand	mg O2/L	55	50	<p>Complied</p>
Parameter	Unit	WI-0138 (Upstream)	WI-0139 (Downstream)												
pH	-	5.9	6.4												
Chemical Oxygen Demand	mg O2/L	55	50												

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

		<table border="1"> <tr> <td>Biological Oxygen Demand</td> <td>mg/L</td> <td><6</td> <td><6</td> </tr> <tr> <td>Ammoniacal Nitrogen</td> <td>mg NH3-N/L</td> <td>0.32</td> <td><0.20</td> </tr> <tr> <td>Nitrate Nitrogen</td> <td>mg NO3-N/L</td> <td>2.44</td> <td>2.36</td> </tr> <tr> <td>Dissolved Oxygen</td> <td>mg DO/L</td> <td>6.66</td> <td>6.92</td> </tr> </table> <p>There are also monitoring on Pollution Control Device latest water sampling at PCD was on 4/1/2022 (EI/2022/01/2).</p> <p>In UMAC estate, the water sampling conducted to ensure the river in estate was no polluted. The management conducted the water sampling on 21/2/2022 as per report WI/2022/02/375 and previously was on 24/1/2022 (report no; WI/2022/01/419). The result showed comply with the limit.</p> <p>Same also for Labis estate, the water sampling conducted after fertiliser application been conducted as per environmental management plan.as per report WI/2022/02/592 dated 25/2/2022 showed that the result was comply with standard limit.</p>	Biological Oxygen Demand	mg/L	<6	<6	Ammoniacal Nitrogen	mg NH3-N/L	0.32	<0.20	Nitrate Nitrogen	mg NO3-N/L	2.44	2.36	Dissolved Oxygen	mg DO/L	6.66	6.92	
Biological Oxygen Demand	mg/L	<6	<6																
Ammoniacal Nitrogen	mg NH3-N/L	0.32	<0.20																
Nitrate Nitrogen	mg NO3-N/L	2.44	2.36																
Dissolved Oxygen	mg DO/L	6.66	6.92																
7.8.3	<p>Mill effluent is treated to be in compliance with national regulations. Discharge quality of mill effluent, especially Biochemical Oxygen Demand (BOD), is regularly monitored.</p> <p>- Minor compliance -</p>	<p>The mill applies the biological system with ponds in series for its treatment of effluent. The mill is disposing its effluent to land application and compost. The quality of discharged effluent was analysed every month an accredited laboratory (SAMB No. 307) and the parameters are T, pH, BOD, COD, TS, SS, O&G, AN and TN. The last 12 months results were verified where all the BOD results were within the regulated limit.</p>	Complied																
7.8.4	<p>Mill water use per tonne of FFB is monitored and recorded.</p> <p>- Minor compliance -</p>	<p>The mill processing water is obtained from a water catchment adjacent to the mill complex. The water usage monitoring is made on a monthly basis. Based on the records, the water consumption of the mill is as follows:</p>	Complied																

		<p>Year 2021: 1.61 as at Aug Year 2020: 1.16</p> <p>There were variations of performance. Probable factors are linked to rainy days, significant boiler water rinsing/discharging for maintenance etc. The base rate is 1.2 m³/mt FFB processed.</p>	
<p>Criterion 7.9: Efficiency of fossil fuel use and the use of renewable energy is optimised</p>			
7.9.1	<p>A plan for efficiency of the use of fossil fuels and to optimise renewable energy is implemented, monitored and documented.</p> <p>- Minor compliance -</p>	<p>A plan for improving the efficiency of the use of fossil fuels is in place and has been incorporated into the Environmental Aspect and Impact activities report for 2021. The document was reviewed/updated on Jan 2021.</p> <p>The estates and mill record and monitor the diesel utilization over the running hours of generator set and other vehicles running. Performance variation in view of several factors i.e.</p> <ul style="list-style-type: none"> - Infrastructure of estates - Community size / no of gen-sets - No. of vehicles / age of machine - Weather interference / crop production volume <p>The utilisation of fibre and shell by the mill as biofuel for boiler operation is consistently implemented to generate electricity through turbines. This helps to reduce the dependency to fossil fuel.</p>	Complied
<p>Criterion 7.10: Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are designed to minimise GHG emissions.</p>			
7.10.1	<p>(C) GHG emissions are identified and assessed for the unit of certification. Plans to reduce or minimise them are implemented, monitored through the Palm GHG calculator and publicly reported.</p> <p>- Critical (Major) compliance -</p>	<p>Main sources of GHG emission identified were methane (CH₄) emission through POME treatment and boiler stack from the mill. Other less significant GHG emissions identified including CO₂, SO_x and NO_x from various sources including fossil fuel, chemical and fertilizer consumptions mainly from estates activities.</p>	Complied

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

		The emission value is recorded and calculated through the utilisation of RSPO's Palm GHG Calculator ver. 4. Based on verification of various records such as store issuance records and computerised accounting system, all the data was found to be accurate.																	
7.10.2	(C) Starting 2014, the carbon stock of the proposed development area and major potential sources of emissions that may result directly from the development are estimated and a plan to minimise them prepared and implemented (following the RSPO GHG Assessment Procedure for New Development). - Critical (Major) compliance -	Palong Cocoa Palm Oil Mill and estates has calculated the GHG using RSPO Palm GHG calculator and the calculation option used is Option 1. There was no new development within the certified area.	Complied																
7.10.3	(C) Other significant pollutants are identified and plans to reduce or minimise them implemented and monitored. - Critical (Major) compliance -	An assessment of all polluting activities has been conducted and monitored. This included the gaseous emissions, particulate/soot emissions and effluent. The CU has continued to maintain its environmental aspect & impact register associated with their activities. Environmental aspect and impact (EAI) records i.e. which covers estates and mill activities/operation. 'Pollution Identification Environmental Improvement Action Plan' is established to identify the waste products and sources of pollution and outlined the action to be taken in order to minimised the risk of pollution.	Complied																
Criterion 7.11: Fire is not used for preparing land and is prevented in the managed area																			
7.11.1	(C) Land for new planting or replanting is not prepared by burning. - Critical (Major) compliance -	<p>There are new planting in UMAC estate and Labis estate as per detail:-</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">Estate</th> <th style="width: 25%;">Area</th> <th style="width: 25%;">Coordinate</th> <th style="width: 25%;">remarks</th> </tr> </thead> <tbody> <tr> <td>UMAC estate</td> <td>0.73 ha (P03/03)</td> <td>2.88878, 102.80159</td> <td>Ex lateritic</td> </tr> <tr> <td>UMAC estate</td> <td>1.40 ha (P05/03)</td> <td>2.88823, 102.776</td> <td>Ex lateritic</td> </tr> <tr> <td>Labis estate</td> <td>3.97 ha</td> <td>2.4194650,</td> <td>Ex nursery</td> </tr> </tbody> </table>	Estate	Area	Coordinate	remarks	UMAC estate	0.73 ha (P03/03)	2.88878, 102.80159	Ex lateritic	UMAC estate	1.40 ha (P05/03)	2.88823, 102.776	Ex lateritic	Labis estate	3.97 ha	2.4194650,	Ex nursery	Complied
Estate	Area	Coordinate	remarks																
UMAC estate	0.73 ha (P03/03)	2.88878, 102.80159	Ex lateritic																
UMAC estate	1.40 ha (P05/03)	2.88823, 102.776	Ex lateritic																
Labis estate	3.97 ha	2.4194650,	Ex nursery																

		102.8904510	
		During site verification not sighted any open burning in new planting area.	
7.11.2	The unit of certification establishes fire prevention and control measures for the areas directly managed by the unit of certification. - Minor compliance -	Kulim (M) Berhad has subscribed to ASEANFireAlert for the whole group estate's for aerial monitoring. FWI @ Fire Weather Index will be identified at each estate (i.e high risk area – peat soil) to monitor changes in FWI. ASEANFireAlert will trigger any changes in FWI and a notification will be sent to HQ personnel via mobile phone. Operating unit's personnel will be informed and reported to fire department for further action.	
7.11.3	The unit of certification engages with adjacent stakeholders on fire prevention and control measures. - Minor compliance -	<p>KMB engaged smallholders on the fire prevention and control measures. This was mentioned in the stakeholder meeting of respective units under item no 4 elaborating the following;</p> <ul style="list-style-type: none"> a. Memelihara dan memulihara kepelbagaian biologi b. Pihak berkepentingan boleh melaporkan kepada KMB c. Jika berlaku kebakaran di persempadanan kawasan ladang/kilang d. Pihak ladang/kilang /pekebun kecil berhampiran juga boleh mendapatkan bantuan daripada KMB jika berlaku di kawasan mereka. <p>The latest communication with adjacent stakeholder was on 23/9/2021 via Microsoft teams in all estate under Palong certification unit.</p>	
<p>Criterion 7.12: Land clearing does not cause deforestation or damage any area required to protect or enhance High Conservation Values (HCVs) or High Carbon Stock (HCS) forest. HCVs and HCS forests in the managed area are identified and protected or enhanced.</p>			
7.12.1	(C) Land clearing since November 2005 has not damaged primary forest or any area required to protect or enhance HCVs. Land clearing since 15 November 2018 has not damaged HCVs or HCS forests.	NA as no new development within Palong Cocoa POM certification unit.	Not Applicable

	<p>A historic Land Use Change Analysis (LUCA) is conducted prior to any new land clearing, in accordance with the RSPO LUCA guidance document.</p> <p>- Critical (Major) compliance -</p>						
7.12.2	<p>(C) HCVs, HCS forests and other conservation areas are identified as follows:</p> <p>a) For existing plantations with an HCV assessment conducted by an RSPO-approved assessor and no new land clearing after 15 November 2018, the current HCV assessment of those plantations remains valid.</p> <p>b) Any new land clearing (in existing plantations or new plantings) after 15 November 2018 is preceded by an HCV-HCS assessment, using the HCSA Toolkit and the HCV-HCSA Assessment Manual. This will include stakeholder consultation and take into account wider landscape-level considerations.</p> <p>PROCEDURAL NOTE: Requirement is further clarified under the Interpretation of Indicator 7.12.2 and Annex 5 (approved by BOG on 12 June 2019).</p> <p>- Critical (Major) compliance -</p>	<p>The Rapid Biodiversity Assessment was conducted by A.J.F.M Dekker in 2007 for all the estates under Palong Cocoa POM certification unit. The report has identified the list of natural habitats that is possible present in the operating units. The report details the findings of a rapid appraisal of the biodiversity in the estates and addresses the RSPO P&C relevant to biodiversity conservation and HCV. Therein being provided details relating to the following:</p> <p>a) General biodiversity issues b) Watercourses and drainage c) Habitats natural and man-made d) Wildlife e) Ponds and reservoirs f) Wetlands /watercourses g) Legal aspects h) Immediate and long-term effect</p>	Complied				
7.12.3	<i>Indicator is not applicable in Malaysia context</i>	NA	Not Applicable				
7.12.4	<p>(C) Where HCVs, HCS forests after 15 November 2018, peatland and other conservation areas have been identified, they are protected and/or enhanced. An integrated management plan to protect and/or enhance HCVs, HCS forests, peatland and other conservation areas is developed, implemented and adapted where necessary, and contains monitoring requirements. The integrated management plan is reviewed at least once every five years. The integrated management plan is developed in</p>	<p>Based on the Rapid Biodiversity Assessment report, there were some RTE species identified to be present within the estates. The estates have developed their management plan based on recommendation of HCV assessment report. Generally, the management plans consist as follows:</p> <table border="1" data-bbox="1037 1270 1872 1391"> <thead> <tr> <th>Subject</th> <th>Action plan</th> </tr> </thead> <tbody> <tr> <td>Buffer zone establishment</td> <td>- To map area that falls into buffer zone base on Agriculture manual</td> </tr> </tbody> </table>	Subject	Action plan	Buffer zone establishment	- To map area that falls into buffer zone base on Agriculture manual	Complied
Subject	Action plan						
Buffer zone establishment	- To map area that falls into buffer zone base on Agriculture manual						

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

	<p>consultation with relevant stakeholders and includes the directly managed area and any relevant wider landscape level considerations (where these are identified).</p> <p>- Critical (Major) compliance -</p>	<p>Control encroachment</p> <p>Animal sighting record</p> <p>Bird survey</p>	<p>- To put buffer zone peg on the ground</p> <p>- To brief workers on the importance of HCV area</p> <p>- Continuously monitor and reported the sign of encroachment</p> <p>To record animal sighting into animal sighting record and to be sent to SPOD monthly</p> <p>SPO department will organized Bird survey at the respective operating unit (WCS-birds and bats survey 2010)</p>	
<p>7.12.5</p>	<p>Where rights of local communities have been identified in HCV areas, HCS forest after 15 November 2018, peat land and other conservation areas, there is no reduction of these rights without evidence of a negotiated agreement, obtained through FPIC, encouraging their involvement in the maintenance and management of these conservation areas.</p> <p>- Minor compliance -</p>	<p>No local communities have been identified in HCV report High Conservation Value Assessment: Existing Oil Palm Development within Kulim RSPO Certified Plantations, Peninsular Malaysia by Dr Reza Azmi (ALS14012RA) from Wild Asia (Malaysia) dated May 2019 within Labis Bahru and UMAC Estate.</p>		<p>Complied</p>
<p>7.12.6</p>	<p>All rare, threatened or endangered (RTE) species are protected, whether or not they are identified in an HCV assessment. A programme to regularly educate the workforce about the status of RTE species is in place. Appropriate disciplinary measures are taken and documented in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect, trade, possess or kill these species.</p> <p>- Minor compliance -</p>	<p>There is evidence to continuously prevent and discourage illegal or hunting, fishing or collecting activities. Signage as well as routine patrolling activities were carried out as part of the efforts to create awareness among employees about biodiversity. Apar from that, briefing during muster was also carried out from time to time.</p>		<p>Complied</p>
<p>7.12.7</p>	<p>The status of HCVs, HCS forests after 15 November 2018, other natural ecosystems, peatland conservation areas and RTE species</p>	<p>Management plan is incorporated with ongoing monitoring of the status of HCV and RTE species that are affected by plantation or mill operations and reported by the Kulim SQD Team from Head Office. Outcomes of monitoring are communicated with plantation management and with management plan.</p>		<p>Complied</p>

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

	<p>is monitored. Outcomes of this monitoring are fed back into the management plan.</p> <p>- Minor compliance -</p>	<p>HCV monitoring/patrolling records available. From the records, no sightings of RTE recorded as per verified 12/1/2022 in UMAC estate. The monitoring of RTE and HCV conducted monthly basis, latest 18/2/2022 and previously 21/1/2022 in Labis Bahru estate. There also monitoring on RTE in Labis Bahru estate, latest record sighted woodpecker at Field P03 on December 2021.</p>	
7.12.8	<p>(C) Where there has been land clearing without prior HCV assessment since November 2005, or without prior HCV-HCSA assessment since 15 November 2018, the Remediation and Compensation Procedure (RaCP) applies.</p> <p>- Critical (Major) compliance -</p>	<p>NA as no new development within Palong Cocoa POM certification unit.</p>	<p>Not Applicable</p>

Appendix B: GHG Reporting Executive Summary

The GHG emissions that were produced in 2020 for Palong Cocoa Palm Oil Mill and supply base was calculated using the PalmGHG Calculator version 4. 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 data 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 2020 for Palong Cocoa Palm Oil Mill and supply base are as following:

Emission per product	tCO ₂ e/tProduct
CPO	1.34
PKO	1.34

Extraction	%
OER	21.18
KER	5.36

Production	t/yr
FFB Processed	185,796.25
CPO Produced	39343.35
PKO Produced	9958.15

Land Use	Ha
OP Planted Area	9671.22
OP Planted on peat	-
Conservation (forested)	25.40
Conservation (non-forested)	92.90
Total	9,789.52

Summary of Field Emission and Sink

	Own Crop*		Group		3 rd Party		Total	
	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB
Emission								
Land Conversion	95441.02	0.51	-	-	-	-	95441.02	0.51
CO ₂ Emission from fertilizer	7495.06	0.04	-	-	-	-	7495.06	0.04
NO ₂ Emission from Peat	-	-	-	-	-	-	-	-
NO ₂ Emission from Fertiliser	6783.96	0.04	-	-	-	-	6783.96	0.04
Fuel Consumption	893.19	-	-	-	-	-	893.19	-
Peat Oxidation	-	-	-	-	-	-	-	-
Sink								
Crop Sequestration	-89246.72	-0.48	-	-	-	-	-89246.72	-0.48
Conservation Sequestration	-232.92	-	-	-	-	-	-232.92	-
Total	21133.60	0.11	-	-	-	-	21133.60	0.11

*Note: Includes both estates and smallholders

Summary of Mill Emission and Credit

	tCO ₂ e	tCO ₂ e/tFFB
Emission		
POME	49394.09	0.27
Fuel Consumption	169.46	-
Grid Electricity Utilization	465.86	-
Credit		
Export of Grid Electricity	-	-
Sales of PKS	-4939.97	-0.03
Sales of EFB	-	-
Total	45089.44	0.24

Summary of Kernel Crusher Emission and Credit (if applicable)

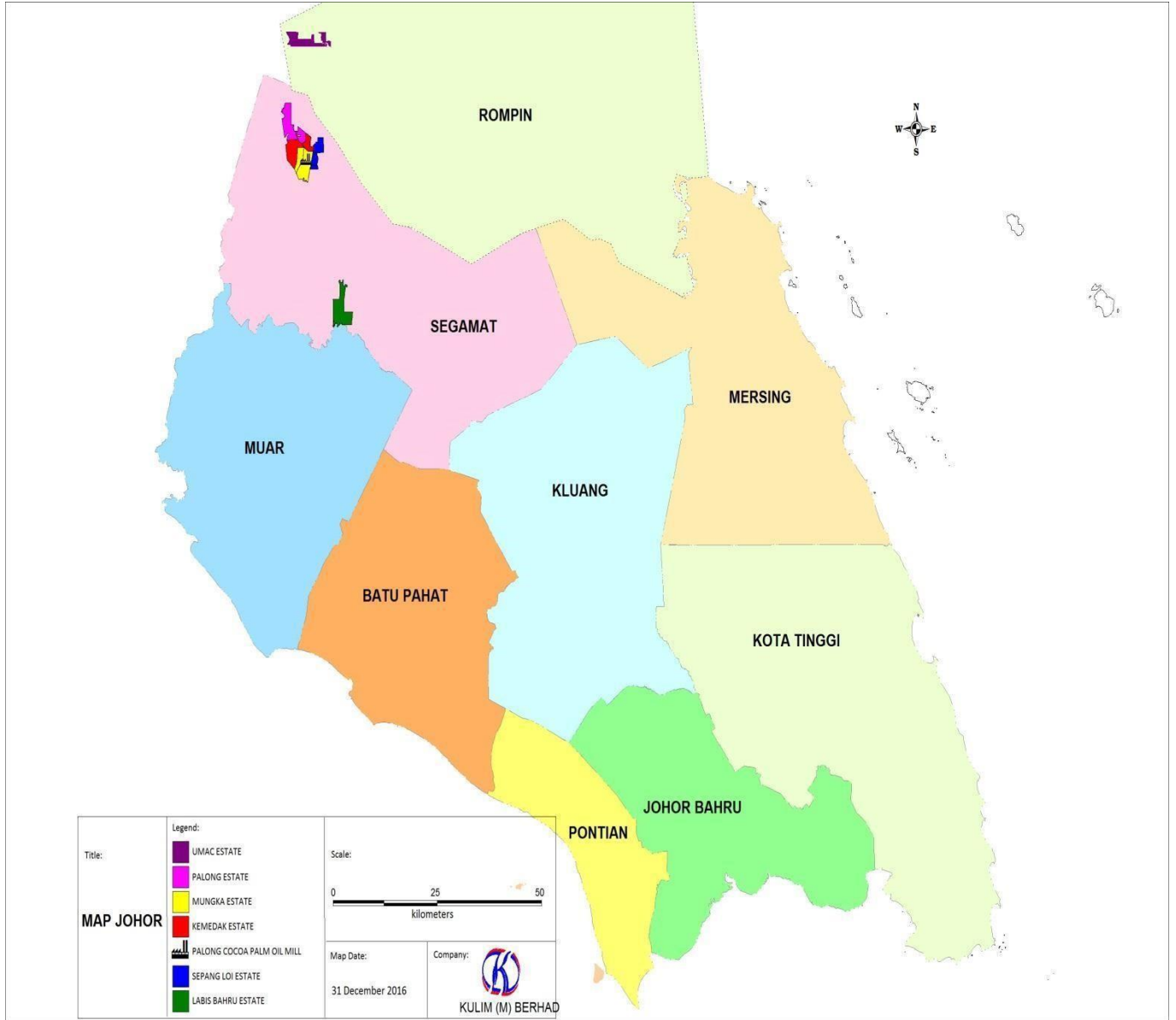
Emissions	tCO ₂ e
PK from own mill	-
PK from other source	-
Fuel Consumptions	-
Total Crusher emissions	-

*This mill has no kernel crusher operation.

Palm Oil Mill Effluent (POME) Treatment:	
Divert to Compost (%)	21.28
Divert to anaerobic diversion (%)	78.72

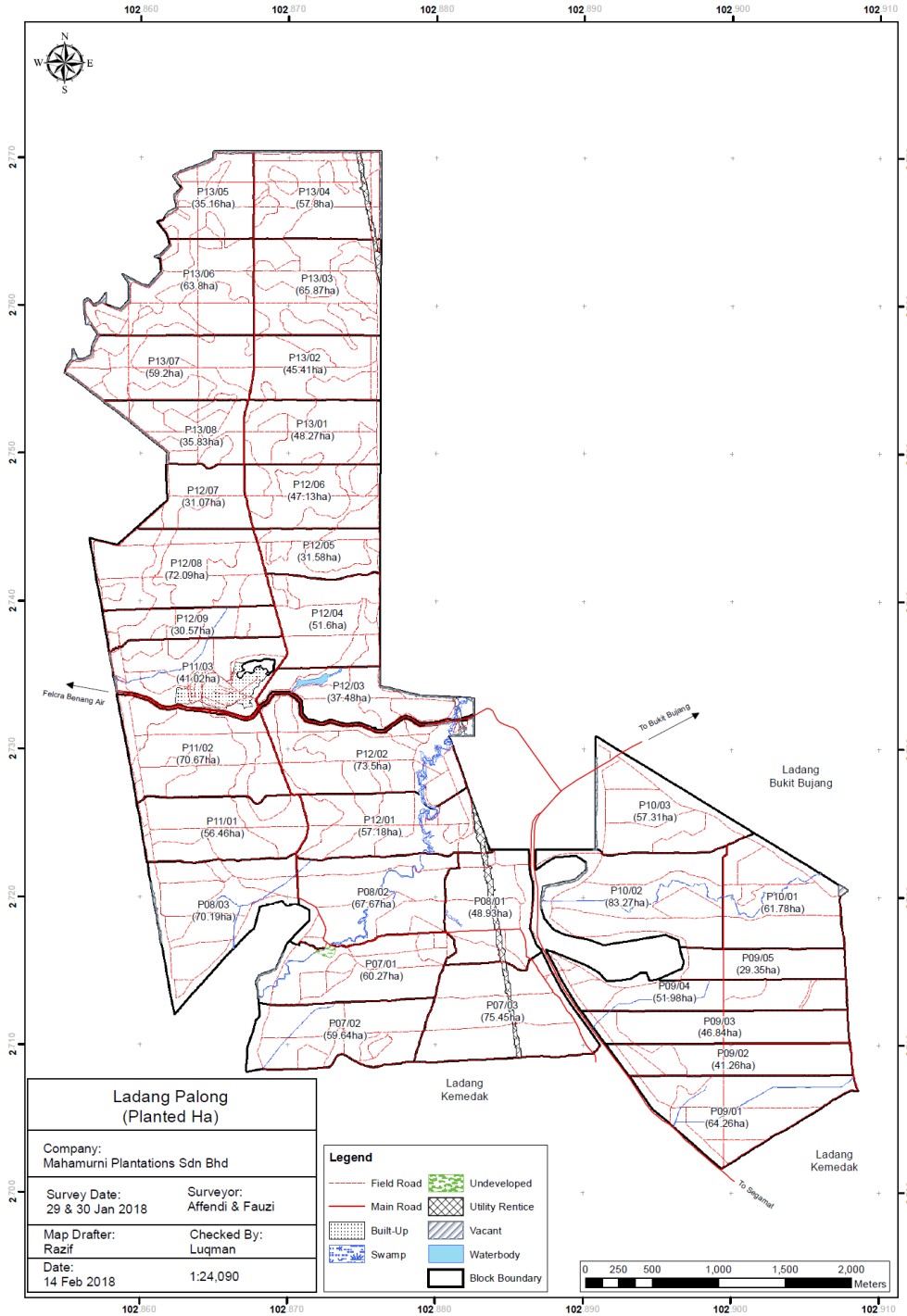
POME Diverted to Anaerobic Digestion:	
Divert to anaerobic pond (%)	100
Divert to methane captured (flaring) (%)	-
Divert to methane captured (energy generation) (%)	-

Appendix C: Location Map of Certification Unit and Supply bases

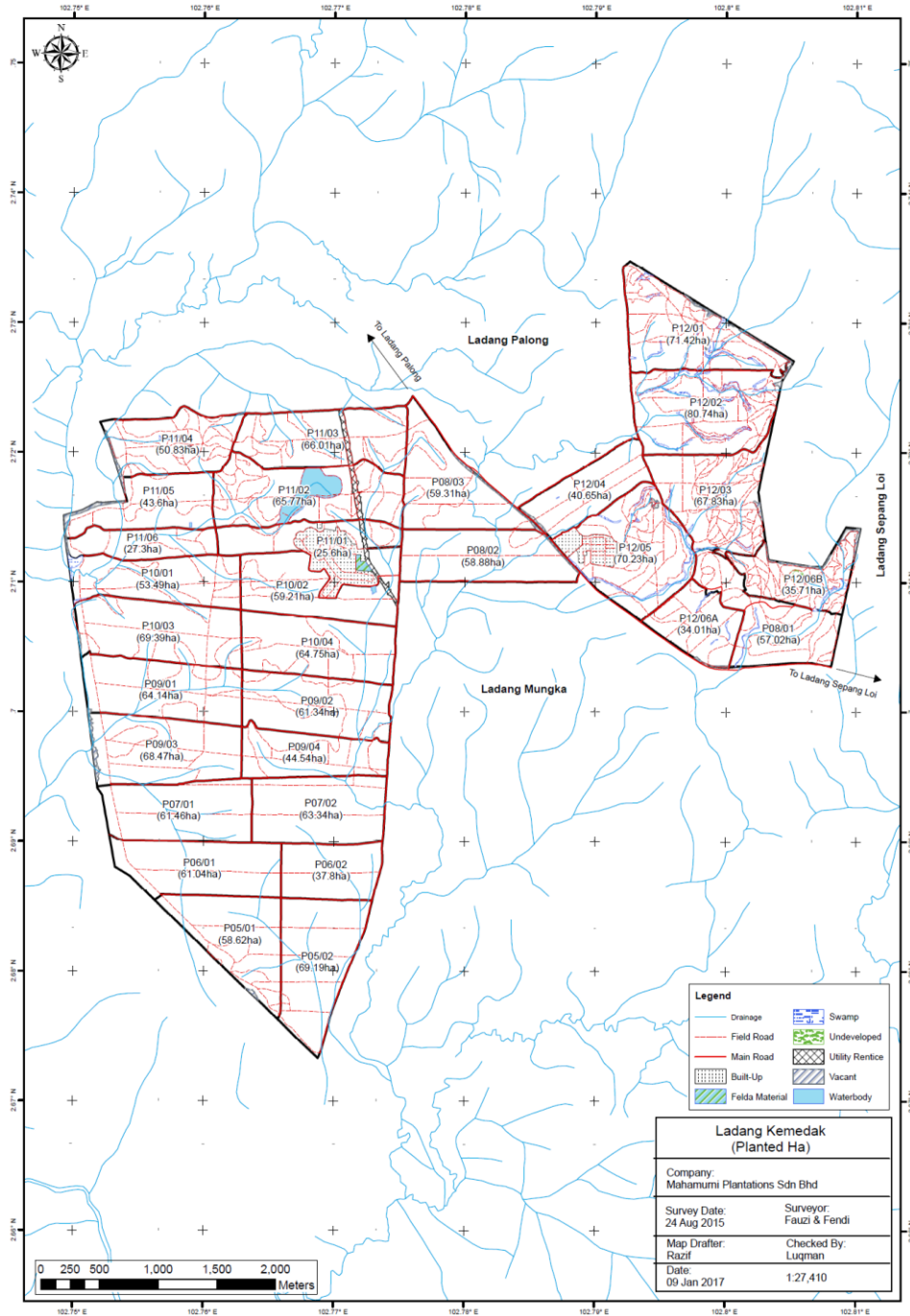


Appendix D: Estate Field Map

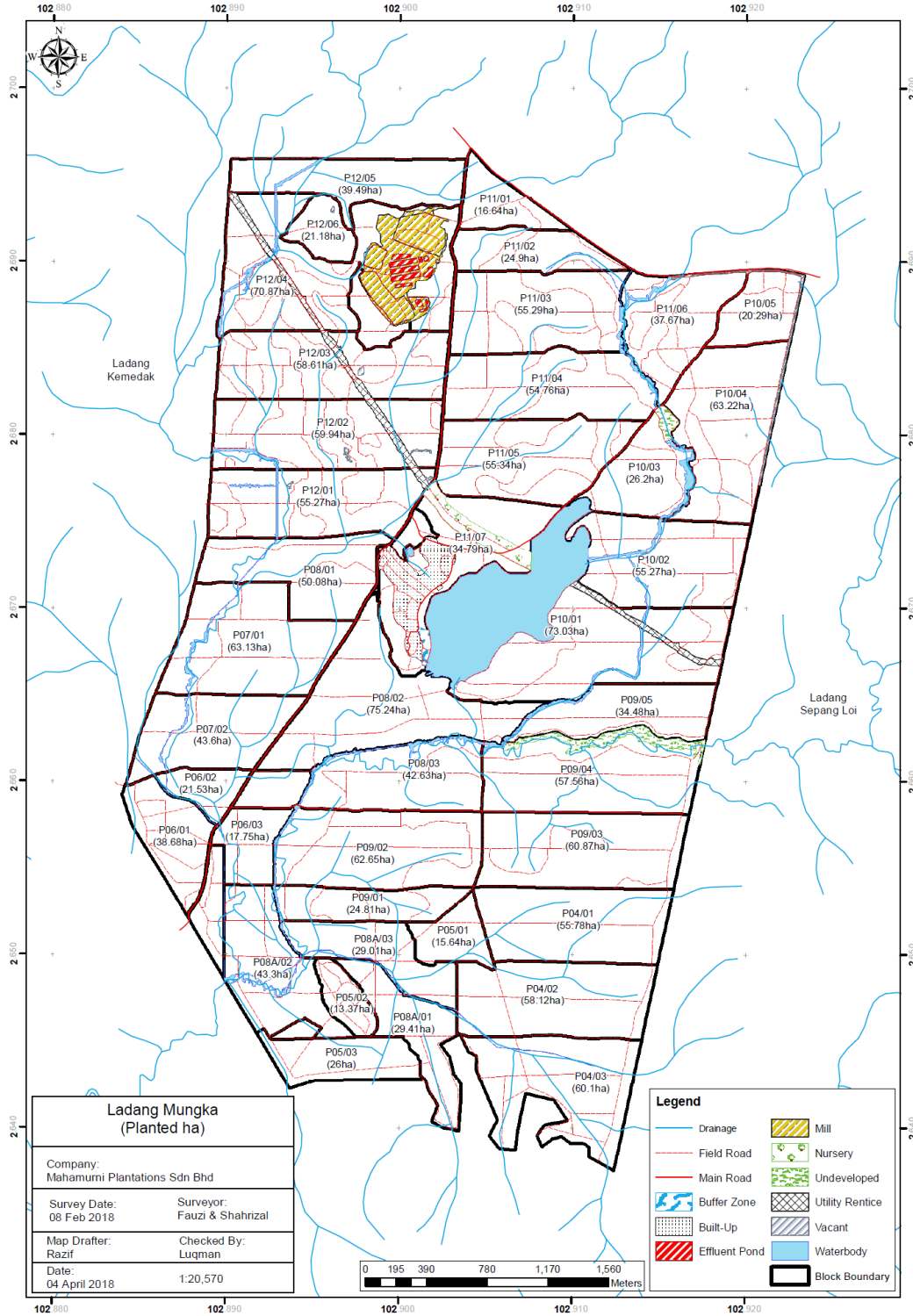
Palong Estate (Main Division)



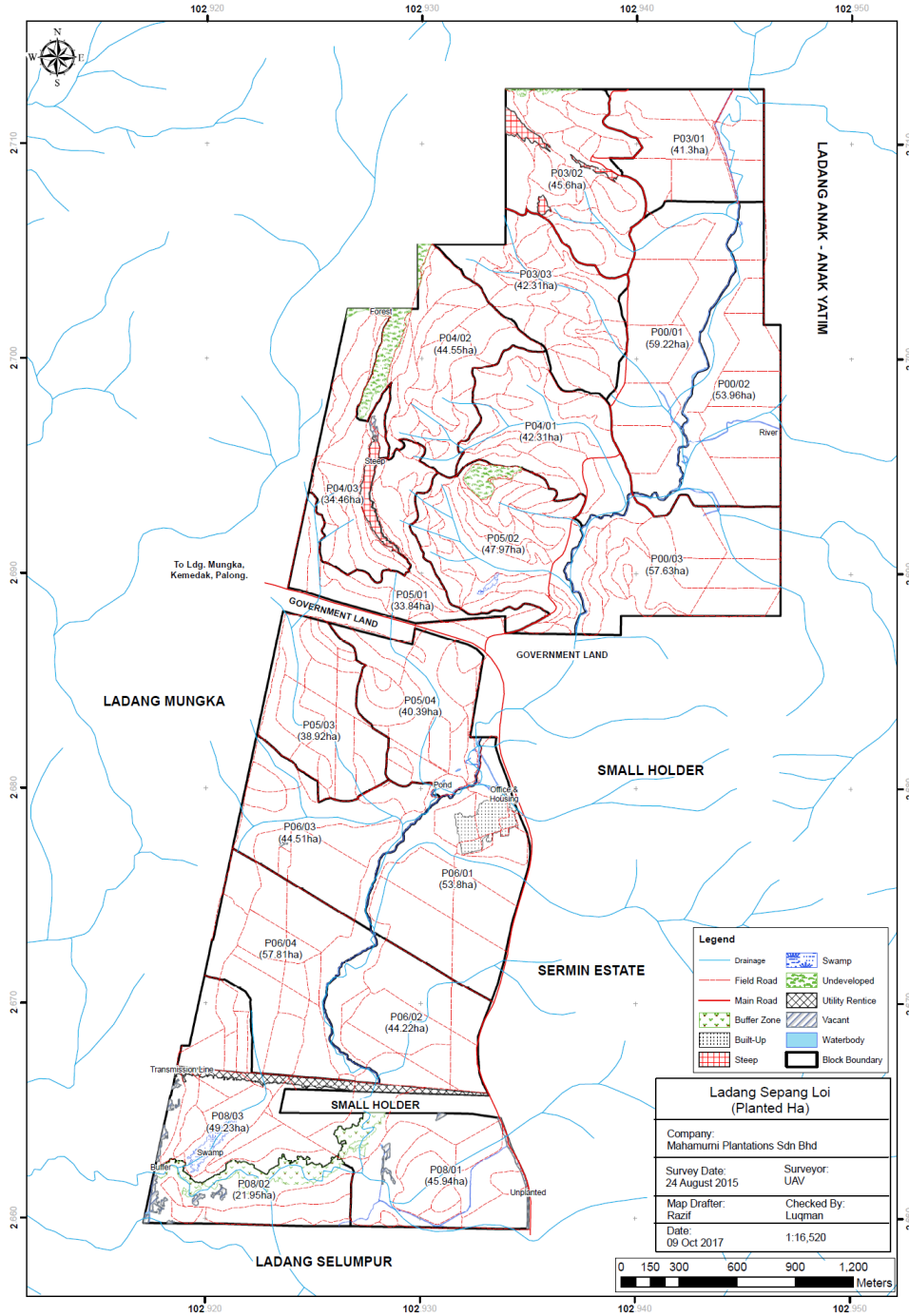
Palong Estate (Kemedak Division)



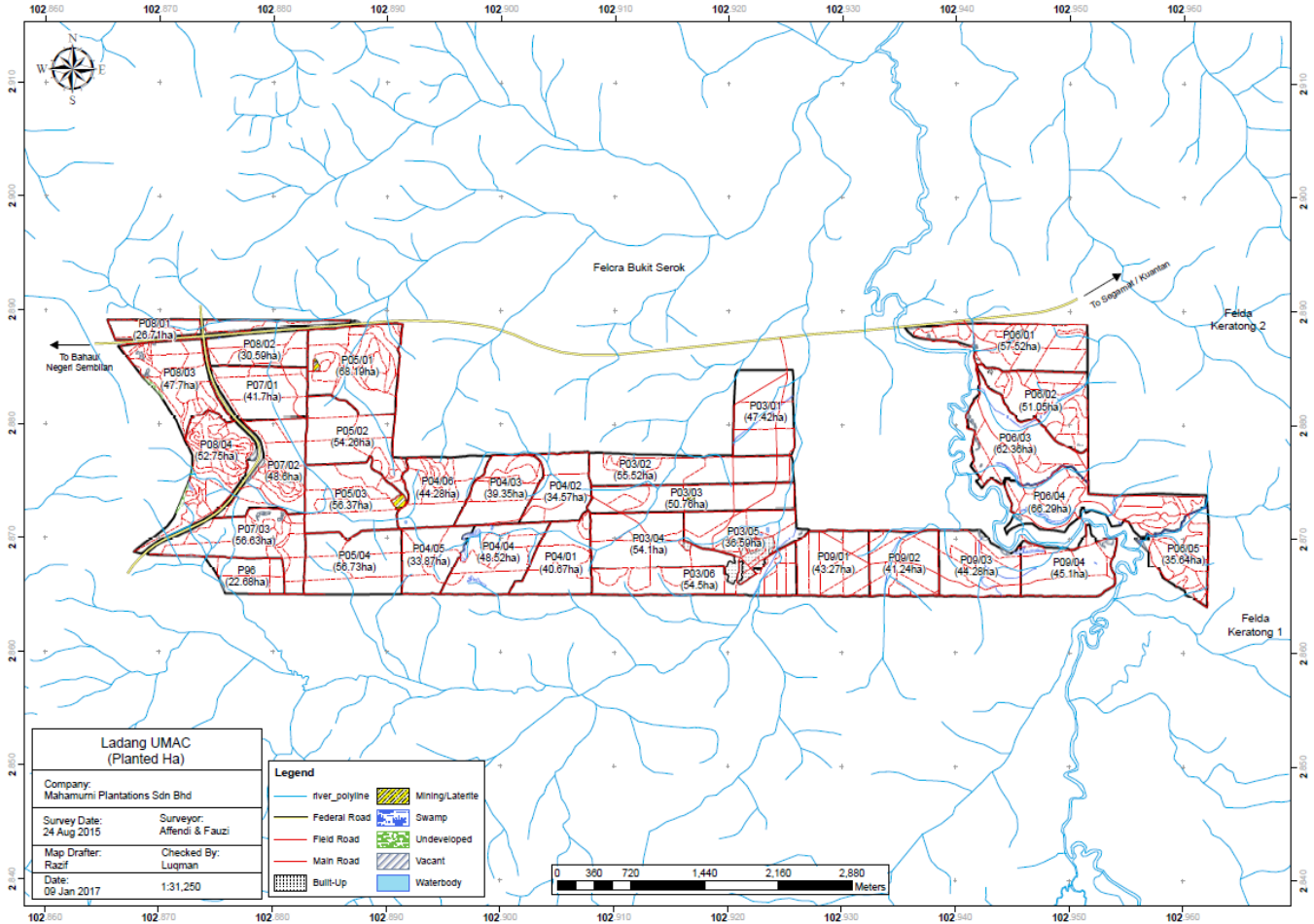
Mungka Estate (Main Division)



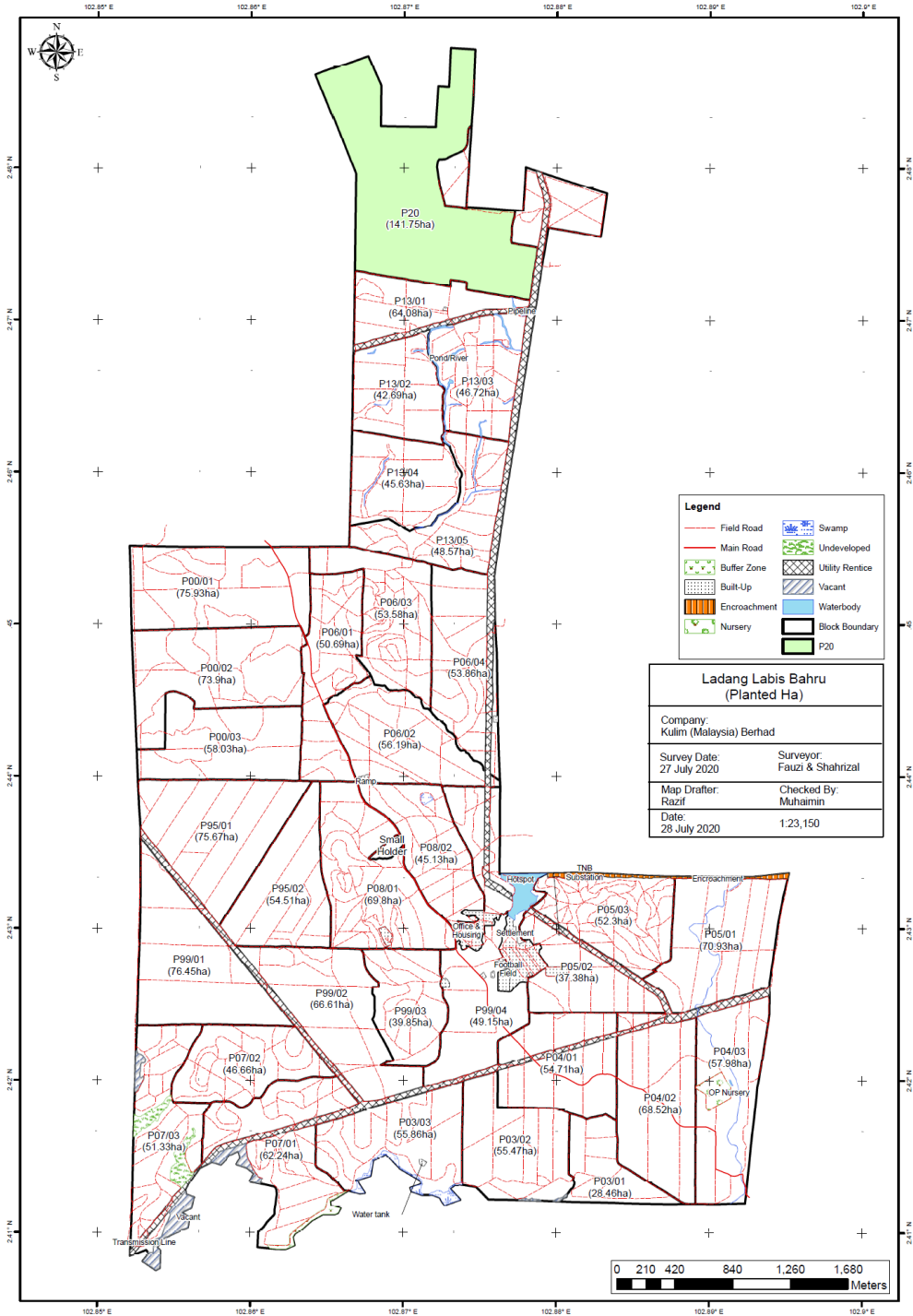
Mungka Estate (Sepang Loi Division)



UMAC Estate



Labis Bahru Estate



RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

Appendix E: List of Smallholder Registered and sampled

No	Name of farmer	Location	GPS Reference		Area Summary (Ha)		Forecasted annual FFB Production (MT)	Date of joining	Smallholder ID
			Latitude (N)	Longitude (E)	Total Certified Area	Planted Area			
	NA								
Total									
Note: * are smallholders sampled in this audit.									

Appendix F: List of Abbreviations

a.i	Active Ingredient
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
ISS	Independent Smallholder Standard
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
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
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