

**RSPO PRINCIPLE AND CRITERIA
PUBLIC SUMMARY REPORT**

- Initial Assessment**
- Annual Surveillance Assessment (2_4)**
- Recertification Assessment** (Choose an item.)
- Extension of Scope**

Client Company Name / Parent Company: Johor Corporation
Client Company / Parent Company Address: Level 16, Menara Komtar, Johor Bahru City Centre, 80000 Johor Bahru, Johor, Malaysia.
Certification Unit: Mahamurni Plantations Sdn Bhd - Palong Cocoa Palm Oil Mill
Location of Certification Unit: KM 8.5, Off Lebuhraya Tun Razak, 85000, Segamat, Johor, Malaysia
Date of Final Report: 02/02/2023

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)	6
11. Summary of Actual Volume sold	7
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.....	13
Section 3: Assessment Findings	17
3.1 Multiple Management Units and Time Bound Plan.....	17
3.2 Progress of scheme smallholders and/or outgrowers.....	18
3.3 Details of Nonconformities	21
3.3.1 Status of Nonconformities Previously Identified and Observations.....	31
3.3.2 Summary of the Nonconformities and Status	32
3.4 Stakeholders and previous land owner / user consultation.....	33
3.5 Impartiality and conflict of interest	35
Formal Signing-off of Assessment Conclusion and Recommendation	36
Appendix A: Summary of Findings	37
Appendix B: GHG Reporting Executive Summary	125
Appendix C: Location Map of Certification Unit and Supply bases.....	127
Appendix D: Estate Field Map.....	128
Appendix E: List of Smallholder Registered and/or sampled	134
Appendix F: List of Abbreviations.....	135

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 Darul Takzim, Malaysia		
Palm Oil Mill / Group Manager / Estate (Certification Unit)	Mahamurni Plantations Sdn Bhd 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	salasah@kulim.com.my
Telephone	07-8611611	Facsimile	NA

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. 		
Assessment Cycle	<input type="checkbox"/> Pre Assessment (Choose an item.) <input type="checkbox"/> Initial Assessment <input checked="" type="checkbox"/> Annual Surveillance Assessment (ASA 2_4) <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		
Is this a remote audit or on-site audit	<input checked="" type="checkbox"/> On-site audit (Option AI)	<input type="checkbox"/> On-site audit (Option AII)	<input type="checkbox"/> Remote audit (Option B)

3. Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
EU-ISCC-Cert-DE119-60226780	ISCC	ASG Cert	17/5/2023
MSPO 698010	MS 2530-4:2013	BSI Services Malaysia Sdn Bhd	31/3/2024
MSPO 698011	MS 2530-3:2013		31/3/2024
HALAL A158821	MS 1599-2009	JAKIM	15/09/2023
BVC-MSPO/SC-0031	MSPO SCCS	BV Certification (Malaysia) Sdn Bhd	10/03/2025

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' 6.04" 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' 8.35" E
UMAC Estate	Mukim Keratong, Daerah Rompin, Bandar Tun Razak, Pahang, Malaysia	2° 53' 3.31" N	102° 48' 23.94" E
Labis Bharu Estate	Mukim Pogoh, Segamat, Johor, Malaysia	2° 25' 49.29" N	102° 52' 27.92" E

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	1,627.00	95.63
Labis Bharu Estate	1,947.24	14.53	148.12	2,109.89	92.29
Total	9,671.22	118.3	547.56	10,337.08	93.56

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

6. Plantings & Cycle						
Estate / Smallholders	Age (Years) - ha				Mature	Immature
	0 - 3	4 - 14	15 - 25	>25		
Palong Estate	0	1974.4	1547.18	0	3521.58	0
Mungka Estate	113.9	584.75	1947.77	0	2532.52	113.9
UMAC Estate	28.85	173.89	1353.24	0	1527.13	28.85
Labis Bharu Estate	271.39	247.69	1428.16	0	1675.85	271.39
Total (ha)	414.14	2980.73	6276.35	0	9257.08	414.14

7. Summary of Certified Tonnage of FFB (Own Certified Scope)				
Estate / Smallholders	Tonnage (MT) / year			
	Estimated last year (Jan 2022-Dec 2022)	Actual (Sept 21 – Aug 22)		Forecast (Jan 23 – Dec 23)
		Previous license period (Sept 21 – Dec 21)	Previous license period (Jan 22 – Aug 22)	
Palong Estate	72,942	28,293.67	54,095.080	74,147
Mungka Estate	58,319	20,798.60	30,064.280	59,699
UMAC Estate	36,061	10,378.85	19,184.520	36,587
Labis Bharu Estate	36,343	11,791.90	25,753.830	38,831
Total	203,665	200,360.73		209,264

8. Summary of Certified Tonnage of FFB (from other certified unit(s))				
Estate / Smallholders	Tonnage (MT) / year			
	Estimated last year (Jan 2022-Dec 2022)	Actual (Sept 21 – Aug 22)		Forecast (Jan 23 – Dec 23)
		Previous license period (Sept 21 – Apr 22)	Current license period (May 22 – Aug 22)	
N/A				
Total				

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

9. Summary of Non-Certified Tonnage of FFB (outside supplier – excluded from certificate)				
Out growers / smallholders	Tonnage (MT) / year			
	Estimated last year (Jan 2022-Dec 2022)	Actual (Sept 21 – Aug 22)		Forecast (Jan 23 – Dec 23)
		Previous license period (Sept 21 – Apr 22)	Previous license period (Sept 21 – Apr 22)	
N/A				
Total				

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	Sept 21	14,859.130	-	14,859.130
2	Oct 21	18,572.84	-	18,572.84
3	Nov 21	21,186.64	-	21,186.64
4	Dec 21	16,644.41	-	16,644.41
5	Jan 22	14,655.480	-	14,655.480
6	Feb 22	13,592.040	-	13,592.040
7	Mar 22	14,921.870	-	14,921.870
8	Apr 22	15,477.170	-	15,477.170
9	May 22	16,164.400	-	16,164.400
10	June 22	17,313.340	-	17,313.340
11	July 22	17,262.360	-	17,262.360
12	Aug 22	19,711.050	-	19,711.050
	TOTAL	200,360.73	-	200,360.73

10. Summary of Certified Tonnage (MT) (not applicable for ISS)				
Estimated last year (Jan 2022- Dec 2022)	Actual (Sept 21 – Aug 22)		Forecast (Jan 23 – Dec 23)	
	Previous license period (Sept 21 – Dec 21)	Previous license period (Jan 22 – Aug 22)		
FFB	FFB		FFB	
203,665 mt	71,263.02 mt	129,097.71 mt	209,264 mt	
	TOTAL	200,360.73		

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

CPO (OER: 22 %)	CPO (OER: 20.94 %)		CPO (OER: 21.99 %)
44,806 mt	15,071.78 mt	26,323.33 mt	46,038 mt
	TOTAL	41,395.11 mt	
PK (KER: 5.45 %)	PK (KER: 5.25 %)		PK (KER: 5.28 %)
11,100 mt	3,768.66 mt	6,755.39 mt	11,045 mt
	TOTAL	10,524.05 mt	

Note:

The OER and KER used for the estimation of the forecast volume in the next license period is based on the actual production data that has been proven of the achievement to be able to produce at that rate in the said review period

10A. Monthly Records of Certified CPO & PK since the last audit			
No.	Month - Year	Certified CPO (MT)	Certified PK (MT)
1	Sept 21	3,068.12	805.74
2	Oct 21	3,920.33	992.01
3	Nov 21	4,503.97	1,100.88
4	Dec 21	3,579.36	870.03
5	Jan 22	2,943.57	680.90
6	Feb 22	2,808.48	694.21
7	Mar 22	3,098.90	815.91
8	Apr 22	3,215.82	867.77
9	May 22	3,314.64	827.88
10	June 22	3,589.90	909.82
11	July 22	3,519.47	884.35
12	Aug 22	3,832.55	1,074.55
	TOTAL	41,395.11	10,524.05

11. Summary of Actual Volume sold					
Current License period (May 22 – Aug 22)					
	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	Others		
CPO (MT)	11,918.65	0	0	2,244.33	14,162.98
PK (MT)	6,634.77	0	0	0	6,634.77
Credits	0	0	0	0	0

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

Previous License period (Sept 21 - Apr 22)					
CPO (MT)	26,180.67	0	0	132.66	26,313.33
PK (MT)	3,804.74	0	0	0	3,804.74
Credits	0	0	0	0	0

11A. Records of Certified CPO & PK Sold under PalmTrace since the last audit (Sept 21 – Aug 22)				
No.	Buyers Name	PalmTrace Trading License Number	Certified CPO Sold (MT)	Certified PK Sold (MT)
1	Buyer A	TR-14b751a0-5811	31,212.95	3612.11
2	Buyer B	TR-ed49e4f4-b86a	327.47	1758.77
3	Buyer C	TR-f07048ce-07f2	2974.38	3265.77
4	Buyer D	TR-04b55cde-dbc4	160.87	1675.33
5	Buyer E	TR-4e888e01-da28	86.34	127.53
6	Buyer F	TR-036489ba-a63d	45.03	-
7	Buyer G	TR-784dff2-7bcf	2205.06	-
8	Buyer H	TR-290dec31-1bac	1087.22	-
TOTAL			38,099.32	10,439.51

11B. Records of certified CPO & PK Sold under other schemes since the last audit (Sept 21 – Aug 22)				
No.	Buyers Name	Scheme Name	Certified CPO Sold (MT)	Certified PK Sold (MT)
TOTAL				

11C. Records of CPO & PK Sold as conventional since the last audit (Sept 21 – Aug 22)			
No.	Buyers Name	CPO Sold (MT)	PK Sold (MT)
1	ABC	2,376.99	0
TOTAL		2,376.99	0

11D. Records of Certified CPO Sold under RSPO Credits since the last audit (Sept 21 – Aug 22)			
No.	Buyers Name	PalmTrace Trading License Number	RSPO Credits of Certified CPO Sold
-	-	-	-

			TOTAL

12. Independent Smallholders Certified Tonnage (MT) / Volume									
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									
CSPK									

12A. Monthly Records of Certified CPO, PK & PKE (equivalent) produced since the last audit						
No.	Month - Year	FFB (MT)	Certified CPO (MT)	Certified PK (MT)	Certified PKO (MT)	Certified PKE (MT)
1	N/A					
TOTAL						

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

13A. Records of Certified FFB, CPO, PK & PKE (including credits) sold since the last audit							
No.	Buyers Name	PalmTrace Trading License Number	FFB Sold (MT)	Certified CPO Sold (MT/credit)	Certified PK Sold (MT/credit)	Certified PKO Sold (MT/credit)	Certified PKE Sold (MT/credit)
1	N/A						
TOTAL							

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: Dr. Chaiyaporn Seekao (Chaiyaporn.Seekao@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 *16/10/2022-20/10/2022* The audit programme is included as Section 2.3.

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 Critical NC close out on-site assessment was conducted on *16/01/2023*. The audit programs are included in Section 2.3.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families and external stakeholders, review of documentation and monitoring data. 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.

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.

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.

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

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 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 (Recertification)	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: October 1, 2023 - October 5, 2023

Total Number of Mandays: 15 man-days

2.2 BSI Assessment Team

Name	Role	Competency
Mohamed Hidhir (MH)	Team Leader	<p>Education: Bachelor Degree in Chemical Engineering, National University of Malaysia</p> <p>Work Experience: 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: 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>Language proficiency: Fluent in in both verbal/written Bahasa Malaysia and English.</p> <p>Aspect covered in this audit:</p>

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<p>Economic management plan, mill best practices, estate best practices, natural and biodiversity conservation, Waste management, GHG, HCV, and RSPO supply chain requirements. Fluent in English and Bahasa Melayu.</p>
Valence (VS)	Shem	<p>Team Member</p> <p>Education: BTech (Hons) Bachelor Degree in Industrial Technology, University of Science Malaysia</p> <p>Work Experience: 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> <p>Training attended: 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 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>Language proficiency: Fluent in in both verbal/written Bahasa Malaysia and English.</p> <p>Aspect covered in this audit: Occupation Health Safety requirement, HIRARC, Environment responsibility, training, environment impact assessment and management plan. Fluent in English and Bahasa Melayu.</p>
Rahayu (RZ)	Zulkifli	<p>Team Member</p> <p>Education: Holds a Law Degree from John Moores University, Liverpool, United Kingdom.</p> <p>Work Experience: She was a practicing lawyer before she joined several public listed companies as Head of Legal Department. In 2003 she joined an environmental NGO as a turtle conservationist, and in 2014 joined RSPO as Dispute Settlement Facility Manager. Rahayu is now a freelance auditor specializing in social aspects of the RSPO and MSPO standards, with audit experiences in Malaysia, Indonesia and Ghana. Additionally, Rahayu also assists in HCV assessments (in particular HCV 5 & 6), as well as carry out Social Impact Assessments. Rahayu is also a trained and certified Mediator.</p> <p>Training attended: Completed the Endorsed RSPO P&C Lead Auditor course in 2014, ISO 14001 Lead Auditor course in 2016, the MSPO Awareness Training in 2016, and Endorsed RSPO P&C Lead Auditor Refresher course in 2018.</p> <p>Language proficiency: Fluent in in both verbal/written Bahasa Malaysia and English.</p>

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		Aspect covered in this audit: Policy and commitment, Social requirements, contract agreement, human rights, workers' welfare, smallholder welfare, Stakeholder Consultation, Legal Requirements, land & Legal issue s. Fluent in English and Bahasa Melayu.
--	--	---

Accompanying Persons:

Name	Role

2.3 Assessment Plan

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

PRELIMINARY AGENDA					
Date	Time	Subjects	MH	RZ	VS
Saturday 15/10/2022	PM	Audit travel to Segamat. Check in at VIP Hotel, Segamat	√	√	√
Sunday 16/10/2022 Mungka Estate	0730	Audit Team travelling to Mungka Estate			
	08.30 – 09.00	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). • Verification on previous audit findings 	√	√	√
	09.00 – 13.00	Mungka Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, etc.	√	√	√
	13.00 - 14.00	Lunch break	√	√	√

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

PRELIMINARY AGENDA					
Date	Time	Subjects	MH	RZ	VS
	14.00 - 16.30	Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc)	√	√	√
	16.30 – 17.00	Interim Closing briefing (end of day 1)	√	√	√
Monday 17/10/2022	07.30	Audit team travel to UMAC Estate	√	√	√
UMAC Estate	09.00 – 13.00	UMAC Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, etc.			
	10.30 – 13.00	Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	-	√	-
	13.00 - 14.00	Lunch break	√	√	√
	14.00 - 16.30	Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc)	√	√	√
	16.30 – 17.00	Interim Closing briefing (end of day 2)	√	√	√
Tuesday 18/10/2022	0730	Audit team travel to Palong Cocoa POM	√	√	√
Palong Cocoa POM	8.30 – 12.00	Palong Cocoa POM 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.			

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

PRELIMINARY AGENDA					
Date	Time	Subjects	MH	RZ	VS
	0830 – 13.00	RSPO Supply chain requirements for mill - Identity Preserve Module - Internal Audit - Outsourcing activities - Purchasing and Goods In - Sales and Goods Out - Outsourcing Activities - Record keeping - Extraction Rate - Processing - Registration of transaction - Claims	√	-	-
	10.30 – 13.00	Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	-	√	-
	13.00 - 14.00	Lunch break	√	√	√
	14.00 - 16.30	Palong Cocoa POM: Visit to laboratory, weighbridge and palm product storage area. Document Review P1 – P8: SOPs. Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation etc. Verify previous nonconformities	√	√	√
	16.30 – 17.00	Interim Closing briefing (end of day 3)	√	√	√
Wednesday 19/10/2022	07.30	Audit team travel to Labis Bahru Estate	√	√	√
Labis Bahru Estate	08.30 – 13.00	Labis Bahru Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, etc.			
	10.30 – 13.00	Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	-	√	-
	13.00 - 14.00	Lunch	√	√	√
	14.00 – 16.30	Labis Bahru Estate Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc)	√	√	√

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

PRELIMINARY AGENDA					
Date	Time	Subjects	MH	RZ	VS
	16.30-17.00	Interim Closing briefing (end of day 4)	√	√	√
Thursday 20/10/2022	0730	Audit team travel to Palong Estate	√	√	√
Palong Estate	0830 - 1230	Palong Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, etc.			
	10.00 – 12.30	Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	-	√	-
	13.00 - 14.00	Lunch break	√	√	√
	14.00 - 16.00	Palong Estate Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc)	√	√	√
	16.00 – 16.30	Audit team discussion	√	√	√
	16.30 - 17.00	Closing meeting and presentation of finding	√	√	√
	1700	End of audit	√	√	√
Friday 21/10/2022	AM	Audit team travel back to Kuala Lumpur	√	√	√

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? If no, has RSPO Secretariat approval obtained? Was the submission according to the template as announced by the RSPO Secretariat on 21/12/2021	Yes, all the estates and mills certified within 5 years after obtaining RSPO membership. Only Indonesian units, PT RAJ & PT TPR have not been certified yet and is proposed to be certified in 2025.	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. If no, has RSPO Secretariat approval obtained? Was the submission according to the template as announced by the RSPO Secretariat on 21/12/2021.	No. There have not been any new acquisitions.	Complied
Any deviations from the maximum periods requires approval by the RSPO Secretariat.	No. There have not been any new acquisitions.	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?	No. There have no any deviations from the maximum periods requires approval by the RSPO Secretariat.	Complied
Have there been any isolated lapses in implementation of the plan? If yes a Minor non-compliance shall be raised	No. There has no any changes to the time-bound plan since the last audit.	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	Yes. There is no isolated lapse in Time Bound 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.	Yes. 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.	Yes. There are no new plantings since January 1st 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, 4.6, 4.7 and 4.8.	Yes. There is No land conflict.	Complied
Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO	Yes. There is No labour dispute.	Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

P&C criterion 4.2		
Any Legal non-compliance is being addressed through measures consistent with the requirements of RSPO P&C criteria 2.1	Yes. 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.	Yes. RSPO internal audit assessment for all units been conducted.	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?	No. There is no any Critical (Major) non-compliance raised during the last internal audit.	Complied
Have there been any stakeholder (including NGO) consultation conducted?	Yes. No stakeholder comments or complaints received	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	Not Applicable

Approved Time Bound Plan

Project	Estate	Plan
Indonesia	PT RAJ	Kulim Malaysia Berhad had completed the acquisition in 2016. The rehabilitation was done for 3 years and completed in 2019. Kulim Malaysia Berhad has agreed to proceed with Sales and Purchase Agreement (“SPA”) to dispose two oil palm plantation assets in South Sumatera, Indonesia during special BOD meeting held on 20 th October 2021. RSPO certification Time Bound Plan (TBP) was initially scheduled for completion in 2023 - application to revise the TBP from 2023 to 2025 been submitted for approval by RSPO on March 27, 2022.
	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	<p>The total number of our Operating Units are now been reduced to 21 due to merger exercise between the following estates marked * that took effect from 01 January 2021.</p> <ol style="list-style-type: none"> Selai & Enggang under the name of Selai Estate Mutiara & Sg Sembrong under the name of Mutiara Estate REM & Ulu Tiram under the name of REM Estate Mungka & Sepang Loi under the name of Mungka Estate Palong & Kemedak under the name of Palong Estate Pasir Panjang & Bukit Payung under the name of Pasir Panjang Estate <p>**The SINDORA POM supply bases been chnged, to add in the following supply bases :</p> <ol style="list-style-type: none"> Basir Ismail Estate Ulu Tiram Estate
		TEREH UTARA		
		SG. TAWING		
		RENGAM		
		*SELAI		
		*ENGGANG		
		*MUTIARA		
*SG. SEMBRONG				
Sindora Mill		SINDORA		
		SUNGAI PAPAN		
		**BASIR ISMAIL		
Sedenak Mill		*REM		
		* **ULU TIRAM		
		SEDENAK		
Palong Mill	KUALA KABONG			
	UMAC			
	LABIS BAHRU			
	*MUNGKA			
	*SEPANG LOI			
	*PALONG			
	*KEMEDAK			
	*PASIR PANJANG			

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

Pasir Panjang Mill		*BUKIT PAYUNG	Certified RSPO in March 2017	
		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 were four (4) Critical; four (4) Minor nonconformities and one (1) Opportunity For Improvement raised. The Palong Cocoa Palm Oil Mill Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

The implementation of the corrective action plans to address the minor nonconformity will be followed up during the next surveillance assessment. The implementation of the Corrective Actions for the Critical Nonconformity(ies) has been verified for its effectiveness and closed accordingly. The below is the summary of the non-conformity raised during this assessment.

Non-conformity			
NCR Ref #	2263996-202210-M1	Issued Date	20/10/2022
Due Date	19/01/2023	Closure Date	19/1/2023
Indicator & Category (Critical / Minor)	6.2.4 (Major)		
Statement of Nonconformity:	Housing conditions at Mungka Estate, Labis Bahru Estate and Palong Cocoa Palm Oil Mill did not satisfy the requirements of Sections 12, 23 and 24 of the Employees’ Minimum Standards of Housing, Accommodations and Amenities Act 1990 (Act 446).		
Requirement Reference:	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 of infrastructure. A reasonable time (5years) is allowed to upgrade the infrastructure.		
Objective Evidence:	<p>Found during the audit at Palong Cocoa Mill housing site the following:</p> <ol style="list-style-type: none"> 1. The area surrounding the workers’ housing were not maintained in a clean and sanitary condition. An assortment of construction debris and refuse such as broken culverts, unused metal zincs, rusty metal poles, rusty swing, broken furniture, rotten canopy, empty plastic bottles, wheelchair, etc were allowed to accumulate at the housing site. This was not in accordance with Section 23(1)(a) of Act 446. 2. The perimeter drain behind Block A not kept in a good state of repair and the water inside the drain was stagnant and foul smelling. This was not in accordance with Section 23(1)(b) of Act 446. 3. The weekly housing inspections carried out in September and October 2022 were inadequately done and failed to inspect and report the above conditions. This was not in accordance with Section 23(2) of Act 446. Found during the audit of Mungka Estate housing site the following: 		

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

	<p>4. The interior of House No. 3, Jalan Indonesia used by the grocery shop operator was filthy, untidily strewn and heaped with various items such as motorcycle parts, old tyres, dirty mattress and pillows, scrap metal, household equipment, etc. The weekly housing inspections carried out in September and October 2022 were inadequately done and failed to inspect and report the conditions of House No. 3 Jalan Indonesia. This was not in accordance with Section 23(2) of Act 446. Found during the audit of Labis Bahru Estate housing site the following:</p> <p>5. Concrete floor of the volleyball court in front of the workers’ housing was broken and overgrown with grass. This was not in accordance with Section 12(2) of Act 446.</p>
Corrections:	<ol style="list-style-type: none"> 1. Mill & Estate management had cleaned up and cleared parameter drain and all the unused items and trash. 2. All the unused items will be disclosed as non-schedule waste i.e. scrap iron and will be recorded accordingly. 3. Replace the existing drain with a larger drain and keep it clean on a regular basis. 4. Management had issued the warning letter to respective PIC for linesite inspection 5. Estate management had immediately cleaned up the grocery shop. 6. Estate management has immediately cleaned up the overgrown grass and repaired the volleyball court
Root Cause Analysis:	Ineffective linesite monitoring and linesite inspection by Mill & Estate management
Corrective Actions:	<ol style="list-style-type: none"> 1. Mill & Estate Management will improve linesite monitoring and linesite inspection through checklist by weekly. 2. Mill & Estate will improve the checklist which will used records and input from 6 monthly line-site inspection census by Estates Operation Support. 3. Briefing / refresher training on linesite inspection requirements based on Employees’ Minimum Standards of Housing will be conducted to PIC/EHA 4. Record on weekly inspection will be maintained and safely kept. Mill & Estate will monitor this checklist twice a year (six months intervals) 5. The Field Supervisor will counter-check the weekly inspection records done by PIC/EHA . The record will be verified by Estate Manager and safely kept
Assessment Conclusion:	<p>Major NC close Out verification:</p> <p>i) Mill and estate has carried out a major clean up and disposal of waste at each respective operating units. All unused items and trash disposed as non-scheduled waste and parameter drain has been cleared from any blockage and undergrowth. Related records for waste recycle/disposal was sighted i.e log book for recycle item (10/12/2022) Mungka Estate and waste record (non-schedule & scrap iron) dated 13/11/22 was sighted.</p> <p>ii) Warning letter issued to the respective PIC for linesite inspection was verified. Letter dated 20/9/22 was sighted and issued to the PIC.</p> <p>iii) No overgrown grass sighted during site verification and round for grass cutting is up to date. Volleyball court has been repair and repainted with green epoxy paint.</p>

	<p>iv) Weekly linesite inspection was verified together with 6 monthly detailed inspection/census report. Verified linesite inspection report for November, December 2022 and to date January 2023. Rectification works and action taken was verified based on comments/remarks reported in the checklist. All records related to linesite inspection will be checked by assistant manager and verified by manager to ensure prompt action taken for any damages and problem highlighted by PIC.</p> <p>v) Training and briefing session with the linesite PIC and all workers were done at all respective operating units. For example at Mungka Estate, briefing/training was carried out on 4/12/2022.</p> <p>Implemented action taken was found to be sufficient to close the major NC on 19/1/2023. Continuous implementation will be further verified in the next assessment.</p>
--	---

Non-conformity			
NCR Ref #	2263996-202210-M2	Issued Date	20/10/2022
Due Date	19/01/2023	Closure Date	19/01/2023
Indicator & Category (Critical / Minor)	6.7.3 (Major)		
Statement of Nonconformity:	A worker did not use appropriate PPE.		
Requirement Reference:	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		
Objective Evidence:	At Labis Bahru Estate, a contractor worker (truck driver – truck reg. no.: BEB 8419) was putting on canvas to cover the FFB loaded in the trailer at the loading ramp, which requires him to walk on top of the loaded FFB i.e., working at height. However, he did not use his safety harness as required by the company’s SOP for working at the loading ramp (Doc. No.: KULIM/PKS/OSH-1, dated 01/03/2021).		
Corrections:	Estate management immediately conducted the training and briefing regarding working at heights.		
Root Cause Analysis:	Inadequate enforcement on safety measures for working at height by estate management and lack of understanding on safety by contractor		
Corrective Actions:	<ol style="list-style-type: none"> 1. Tighten on safety enforcement by estate management through daily monitoring by all estate personnel 2. Weekly refresher briefing and training to ramp attendant and contract drivers 		
Assessment Conclusion:	<p>Major NC close out verification:</p> <ol style="list-style-type: none"> 1. Immediate briefing on working at height was given on 20/10/2022 to ramp workers. Related training records were made available for verification. 2. Daily monitoring of PPE compliance recorded in ramp checklist. Records for November, December 2022 and January 2023 todate were sighted. 		

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

	<p>3. Weekly refresher training records for ramp workers and contractor's driver were sighted. Interview with mandore and ramp workers at site has confirmed the understanding on working at height and related PPE used for the said activity. The workers are able to demonstrate on how to use body harness and secure it at ramp's lifeline.</p> <p>Implemented action taken was found to be sufficient to close the major NC on 19/1/2023. Continuous implementation will be further verified in the next assessment.</p>
--	--

Non-conformity			
NCR Ref #	2263996-202210-M3	Issued Date	20/10/2022
Due Date	19/01/2023	Closure Date	19/01/2023
Indicator & Category (Critical / Minor)	3.6.2 (Major)		
Statement of Nonconformity:	The monitoring of the effectiveness of the H&S plan to address health and safety risks to people was not satisfactorily demonstrated.		
Requirement Reference:	The effectiveness of the H&S plan to address health and safety risks to people is monitored.		
Objective Evidence:	<p>The following lapses were found:</p> <p>1) At Mungka and UMAC estates, the jerry cans used by the grasscutter operators to contain petrol were not relabelled in accordance with Regulations 21 of the Occupational Safety and Health (Use and Standards of Exposure of Chemicals Hazardous to Health) Regulations 2000.</p> <p>2) UMAC and Palong estates have been using Minitractor Scissor Lift (MTSL) in their FFB evacuation operation. However, there is no evidence that the estates have obtained the certificate of fitness in accordance with the Factories and Machinery (Notification, Certificate of Fitness and Inspection) Regulations, 1970.</p>		
Corrections:	<p>1. Estate Management had immediately re-labeled the jerry cans that contain petrol.</p> <p>2. Kulim's OSH officer had immediately contacted with JKKP on the requirement to obtain certificate of fitness using Minitractor Scissor Lift (MTSL) and set an appointment with JKKP on 9.11.2022</p>		
Root Cause Analysis:	<p>1. Inadequate monitoring by Estate Management on OSHA requirements.</p> <p>2. Misinterpretation by estate management on the requirement to obtain a certificate of fitness in accordance with the Factories and Machinery (Notification, Certificate of Fitness and Inspection) Regulations, 1970.</p>		
Corrective Actions:	<p>1. Refresher training on Occupational Safety and Health (Use and Standards of Exposure of Chemicals Hazardous to Health) Regulations 2000 will be conducted to respective PIC.</p> <p>2. Daily inspection shall be conducted by the mandor.</p> <p>3. The checklist record will be verify by Manager and the record will be safely kept.</p>		

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

	<p>4. As advised by JKPP, Kulim will discuss and request the manufacturer, through Kulim's mechanization unit, to apply the designation of Minitractor Scissor Lift and Kubota in MYKKP before proceeding with the exemption application.</p> <p>5. OSH Unit will assess and review twice a year for any new mechanization used.</p>
Assessment Conclusion:	<p>Major NC close out verification:</p> <ol style="list-style-type: none"> 1. Re-labelling of container was done in accordance with USECHH 2000 requirements. Hazard sign and name of chemical was clearly seen on the container. 2. Minute of meeting with JKPP on 9/11/2022 was verified and Kulim need to apply of the CF/license for MTSL before applying the exemption. 3. Awareness training on USECHH 2000 requirements was given to the respective PIC on 23/10/22 at Mungka Estate and UMAC Estate on 1/11/22. Related training records were made available for verification. 4. Daily inspection record available for December 2022 and January 2023 for UMAC and Mungka Estate. The report was checked by assistant manager and verify by manager. 5. Submission to JKPP was done via online system named MySKUD under design approval for lifting equipment, ref. no. JH/ML/23/43821 dated 17/1/2023 and pending for approval. <p>Implemented action taken was found to be sufficient to close the major NC on 19/1/2023. Continuous implementation will be further verified in the next assessment.</p>

Non-conformity			
NCR Ref #	2263996-202210-M4	Issued Date	20/10/2022
Due Date	19/01/2023	Closure Date	19/01/2023
Indicator & Category (Critical / Minor)	7.8.2 (Major)		
Statement of Nonconformity:	Water course protection from spraying activities based on 'RSPO Manual on BMPs for the management and rehabilitation of riparian reserves' (April 2017) was not effectively maintained.		
Requirement Reference:	<p>i) 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>ii) BMPs for the management and rehabilitation of riparian reserves' (April 2017): 2.1.5 ARTIFICIAL DRAINAGE CHANNELS - For artificial channels draining directly into natural waterways, bank erosion and spraying of chemicals close to the water's edge should be minimised. Leaving narrow strips (e.g. 10m wide) of unsprayed vegetation like shrubs and grasses, alongside artificial drainage channels, as well as minimising the amount of disturbances (e.g. from dredging)</p>		

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

	inside the channels, would reduce the amount of pollutants entering natural waterways via artificial channels, particularly during flooding events.
Objective Evidence:	Labis Bahru Estate Spraying of chemicals close to the water's edge was sighted at water sampling point (downstream) at P00/01. Based on information given, selective spraying was just completed for that particular field.
Corrections:	<ol style="list-style-type: none"> 1. Estate management has immediately marked the sampling points and the respective areas will be observed as buffer zone area. 2. The respective area was marked with blue and white paint to indicate area as no spraying area 3. Training had been conducted to sprayers and mandores on buffer zones management
Root Cause Analysis:	Lack of understanding by workers on spraying chemical at riparian and other buffer zones because of no clear marking and demarcation on site based on 'RSPO Manual on BMPs.
Corrective Actions:	<ol style="list-style-type: none"> 1. Continuous briefing and awareness during muster call for . 2. Buffer zone monitoring by PIC will be conducted twice a year. (six months intervals) 3. Monitoring by mandore during spraying activity conducted at buffer zone area. 4. The monitoring record was maintained and safely kept.
Assessment Conclusion:	<p>Major NC close out verification:</p> <ol style="list-style-type: none"> 1. Sampling points have been clearly marked at P00 and observed as buffer zone and no spraying area. 2. Demarcation of buffer zone area with blue and white paint pole was seen at buffer zone area and at P00. 3. Training for the spraying gang and mandore on buffer zone was carried out on 20/10/2022. Related training records were made available for verification. Interview with the spraying gang has confirmed the understanding on the buffer zone area demarcation and prohibited activities within these area. No chemical application (weeding and manuring) beyond the buffer zone. 4. Monitoring of spraying activity at buffer zone area was done on monthly basis/as and when required (during weeding rounds). Record of monitoring in November 2022 and January 2023 was sighted. <p>Implemented action taken was found to be sufficient to close the major NC on 19/1/2023. Continuous implementation will be further verified in the next assessment.</p>

Non-conformity			
NCR Ref #	2263996-202210-N1	Issued Date	20/10/2022
Due Date	19/10/2023	Closure Date	Next surveillance audit
Indicator & Category (Critical / Minor)	2.1.2 (Minor)		

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

Statement of Nonconformity:	Food Hygiene Regulations 2009 has not been included in the Company's legal register.
Requirement Reference:	A documented system for ensuring legal compliance is in place. This system has a means to track changes to the laws and regulations.
Objective Evidence:	The Company's documented system for ensuring legal compliance is inadequate as Food Hygiene Regulations 2009 is not included in the Company's legal register. As a result, the requirement that exists under Section 30 (1) Hygiene Regulations 2009 which requires food handlers to undergo a food handlers training and obtain a Certificate of Food Handlers Training from an institution specified by the Ministry of Health, Malaysia could not be demonstrated at Mungka Estate, UMEC Estate, Palong Cocoa Mill, and Palong Estate.
Corrections:	<ol style="list-style-type: none"> 1. Palong Estate immediately register food handlers (canteen) to undergo a food handler training and obtain a Certificate of Food Handlers Training from an institution specified by the Ministry of Health, Malaysia. 2. Successfully obtained a certificate on 28/10/2022. 3. Estate management will update the list legal on section 30 (1) Hygiene Regulations 2009 on Company's legal register.
Root Cause Analysis:	Lack of understanding on the requirement under section 30 (1) Hygiene Regulations 2009 which requires food handlers to undergo a food handlers training from Ministry of Health or trainer certified by the Ministry of Health (MOH).
Corrective Actions:	<ol style="list-style-type: none"> 1. Palong Estate will monitor together through checklist permit and licenses and also the requirement of the training will be included in the canteen inspection checklist. 2. The training/understanding will be conducted on Section 30 (1) Hygiene Regulations 2009 to food handlers by Ministry of Health or certified trainer by the Ministry of Health (MOH).
Assessment Conclusion:	Corrective action plan is accepted. Effectiveness of corrective action taken will be further verified in the next assessment

Non-conformity			
NCR Ref #	2263996-202210-N2	Issued Date	20/10/2022
Due Date	19/10/2023	Closure Date	Next surveillance audit
Indicator & Category (Critical / Minor)	2.2.2 (Minor)		
Statement of Nonconformity:	Evidence of legal due diligence of all contracted third parties was not effectively demonstrated.		
Requirement Reference:	All contracts, including those for FFB supply, contain specific clauses on meeting applicable legal requirements, and this can be demonstrated by the third party.		
Objective Evidence:	Evidence of legal due diligence of all contracted third parties, recruitment agencies (licensed/ accredited) for migrant workers, service providers and labour contractors, is available. Employment agreements entered into between GP Subramaniam Enterprise dated 02/01/2022 with eight contract harvesters at UMAC Estate do not provide accurate information on rate payable for piece rated work done and annual leave entitlement. The relevant clauses are:		

	<p>a. Clause 3 states that the workers would be paid based on bunch/weight. However, there is no information given on the rate payable for each bunch/ton of FFB harvested.</p> <p>b. Clause 5 states that annual leave would be determined by the contractor. There is no clarity on how many days of annual leave the workers are entitled to.</p>
Corrections:	Estate management had advised GP Subramaniam Enterprise to review the worker's employment contract.
Root Cause Analysis:	Inadequate monitoring on legal requirement of employment agreement for contract workers by Estates management.
Corrective Actions:	<ol style="list-style-type: none"> 1. Estate management will conduct a training or briefing for contractors with regard to the employment act. 2. Estate management will remind the contractor and will keep follow up on revision of employment agreement every month. 3. The copy of employment contract will be kept by estate management. 4. Estate management will appoint Person In Charge to monitor the contractor on legal compliance through Contractor Compliance Checklist.
Assessment Conclusion:	Corrective action plan is accepted. Effectiveness of corrective action taken will be further verified in the next assessment

Non-conformity			
NCR Ref #	2263996-202210-N3	Issued Date	20/10/2022
Due Date	19/10/2023	Closure Date	Next surveillance audit
Indicator & Category (Critical / Minor)	3.4.2 (Minor)		
Statement of Nonconformity:	The unit of certification could not demonstrate that social management and monitoring plans were adequately developed with participation of affected parties.		
Requirement Reference:	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.		
Objective Evidence:	<p>The social management and monitoring plans were not adequately developed resulting in non-consideration of the following which were observed during audit, and raised by the workers:</p> <ol style="list-style-type: none"> a. Local workers' needs for car garage at the housing area. (Mungka Estate, UMAC Estate, Palong Cocoa Mill, Palong Estate). b. Workers' needs for additional storage at the housing area. (Mungka Estate, UMAC Estate, Palong Cocoa Mill, Palong Estate). c. Foreign workers' needs for a dedicated transport to ferry them to the nearest town for ATM withdrawals, and purchase of food and other necessities on pay day. (Mungka Estate, UMAC Estate, Palong Cocoa Mill, and Labis Bahru Estate). 		

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

	<p>d. Local workers’ concern in handling large amount of cash when making cash withdrawals in town on behalf of their foreign colleagues. (Mungka Estate, UMAC Estate, Palong Cocoa Mill, Labis Bahru Estate).</p> <p>e. To consider of lockers for foreign workers to keep their passport at the housing. (Mungka Estate, UMAC Estate, Palong Cocoa Mill, Labis Bahru Estate, Palong Estate).</p>
<p>Corrections:</p>	<ol style="list-style-type: none"> 1. Estate Management had liaised with Kulim Property Department on the worker’s quarters renovation. Review of Kulim Social Impact Assessment (SIA) management plan interview check-list has been made by including the scope of assessment in identifying present and future of social impacts that can caused by any or more of the following: <ol style="list-style-type: none"> a) Changes to way of life, e.g., how they live, work, interact with one another. b) Socio-economic changes, e.g., education, income level, available infrastructure. c) Changes to the community, e.g., stability, cohesion. d) Changes to their overall well-being, livelihood, health and food security e) Fear and concern for disease and illness, safety, crime rate, their future and that of their children. 2. Estate Management had liase with Estate Operation Support regarding this issue and it will be highlighted during the Earthworm assessment. 3. Estate Management will re-brief the workers that estate management will provides the transport to ferry them to the nearest town. 4. This notice will be posted on the notice board for workers' reference. 5. Estate management propose to build a locker at the each of house
<p>Root Cause Analysis:</p>	<ol style="list-style-type: none"> 1. Lack of understanding by workers on restriction to make renovation or modification to the original structure of the house according to the original plan. 2. The SIA consultation conducted with the participation of the affected stakeholders does not fully cover the Social Impact that would give the affected stakeholders a sense of ownership and gain their confidence to participate in the process. Some stakeholders are not willing to participate and provide any feedback due to previous unpleasant encounters or interactions with other parties.
<p>Corrective Actions:</p>	<ol style="list-style-type: none"> 1. The complete cycle of assessing and implementing of the revised Kulim Social Impact Assessment (SIA) management plan will be carry out as below: <ol style="list-style-type: none"> i. Prepared in a participatory way with the affected stakeholders and contained actions to be taken in managing all the identified social impacts. ii. Contain all social impacts identified, identified enhancement and mitigation measures, impacted stakeholders, person in charge, timeframe for implementation and Management Plan review date. iii. The implementation of the SIA Management Plan will be monitored annually and reviewed periodically to ensure its effectiveness. 2. Estate operation support will provide the action plan on the additional storage at the housing area 3. Mill has budgeted on ATM building at mill compound for the workers next year for ease of traveling to outside. 4. SIA management plan will be updated. 5. Estate Operation Support will propose the design of lockers and to be budgeted as a provision for next year.

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

Assessment Conclusion:	Corrective action plan is accepted. Effectiveness of corrective action taken will be further verified in the next assessment
-------------------------------	--

Non-conformity			
NCR Ref #	2263996-202210-N4	Issued Date	20/10/2022
Due Date	19/10/2023	Closure Date	Next surveillance audit
Indicator & Category (Critical / Minor)	7.3.1 (Minor)		
Statement of Nonconformity:	Management plan to dispose highly toxic chemical was not effectively Implemented.		
Requirement Reference:	A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented.		
Objective Evidence:	Highly toxic chemical named Monochrotophos (Class I) was kept at Mungka Estate since 2019 based on date of application and store card. Date of manufacture was in 2018 and the supplier claimed the shelf life/expiry of the said chemical last for 5 years from manufacturing date. As to date, no product details/scientific evidence to proof the claimed made by manufacturer as this will be the basis to initiate disposal arrangement for discarded or off-specification chemical.		
Corrections:	<ol style="list-style-type: none"> Estate management will dispose of it immediately through Kualiti Alam. Record of dispose will be kept for future reference. 		
Root Cause Analysis:	Misinterpretation of storage period for highly toxic chemical named Monochrotophos (Class I) disposal which was kept at Mungka Estate since 2019.		
Corrective Actions:	<ol style="list-style-type: none"> A CEP SWAM course was arranged by HCMD on 20th – 24th November 2022 for Assistant Manager as SW Personnel. Estate management will monitoring through checklist of chemical that have expiry to avoid any delay / expiry (if any). Estate will update waste management plan on disposal of highly toxic chemical which to include the chemical disposal within 180 days after expiry date. 		
Assessment Conclusion:	Corrective action plan is accepted. Effectiveness of corrective action taken will be further verified in the next assessment		

Opportunity for Improvements	
OFI #	Description
2263996202210-I1	<p><u>Indicator 6.2.5</u></p> <p>All units require estate shops to submit price lists regularly for purposes of price monitoring. This price monitoring can be further improved if price comparisons are made between the estate shops and various external shops.</p>

Positive Findings	
PF #	Description
PF 1	Good cooperation and commitment given by management team (HQ and site) throughout audit process.

3.3.1 Status of Nonconformities Previously Identified and Observations

Non-conformity			
NCR Ref #	N/A	Issued Date	
Due Date		Closure Date	
Indicator & Category (Critical / Minor)			
Statement of Nonconformity:			
Requirement Reference:			
Objective Evidence:			
Corrections:			
Root Cause Analysis:			
Corrective Actions:			
Assessment Conclusion:			
Effectiveness Closure (for previous audit closed Critical NC):			

Opportunity for Improvement	
OFI#	Description
OFI 1	<p>OFI Statement: Indicator 3.6.2 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> <p>Verification / Follow-up actions: Based on the audiometric test conducted on 26/04/2022, there were 2 employees found to have abnormal result, but one of them had resigned. Through verification of email communication between the ATC and the management, medical exam shall be conducted on 25/10/2022 and thereafter notification to the DOSH through JKKP7 form will be determined. Thus, the OFI is satisfactorily addressed.</p>

OFI 2	<p>OFI Statement: Indicator 6.7.2 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> <p>Verification / Follow-up actions: Based on interview, the first aiders at all the sampled operating units were able to demonstrate good understanding on maintaining the good conditions of the first aid kit contents especially in term of expiry date. Physical verification of the contents at various workstations such as harvesting, spraying, workshops, and chemical stores had also shown that all the contents were in good conditions. Thus, the OFI is satisfactorily addressed</p>
OFI 3	<p>OFI Statement: Indicator 7.3.1 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> <p>Verification / Follow-up actions: Waste management plan for FY 2022 has included waste generated from PCD and disposed as scheduled waste under SW307 (wastewater) and SW408 (contaminated soil).</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
2263996-202210-M1	Major	6.2.4	20/10/2022	Closed out on 19/01/2023
2263996-202210-M2	Major	6.7.3	20/10/2022	Closed out on 19/01/2023
2263996-202210-M3	Major	3.6.2	20/10/2022	Closed out on 19/01/2023
2263996-202210-M4	Major	7.8.2	20/10/2022	Closed out on 19/01/2023
2263996-202210-N1	Minor	2.1.2	20/10/2022	"Open"
2263996-202210-N2	Minor	3.4.2	20/10/2022	"Open"

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

2263996-202210-N3	Minor	3.4.2	20/10/2022	"Open"
2263996-202210-N4	Minor	7.3.1	20/10/2022	"Open"

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)
Local communities	Tok Batin Awang Kechik Sikang (Kg RTS Bukit Serok) Mahadi Elias (Kg Mensudut Lama), Khalid Md Shah (Kg Balai Badang) Fadil Malek (Kg Jawa Buluh Kasap)	Face to face interviews
Contractors and suppliers	Sit Gin Ching (Syrikat Chi Seng Motor Sdn Bhd) Muthusamy (Nusa Bersatu Enterprise) Bhartaraja(GP Subramaniam Enterprise) Roslan (Roslan Mohamad Enterprise) Lee Hun Hiap (Alpha Two Trading), Ng Boon Sin (Bing Hong Hardware) Ravin (W/H Segamat) Nor Fazlin Abdullah Lim Son Peng (Perusahaan Jaya Cemerlang) Mohd Rapini (GP Enterprise) Khoo Song Aun (Hong Leong Huat Trading Sdn Bhd)	Face to face interviews

Estate shops/canteens	Zakaria Abd Samad (Kedai Runcit Zakaria), Azliza Mohamad (Kedai Runcit Sepang Loi) Rosni bt Ujang (Kedai Runcit Zakaria)	Face to face interviews
Schools/Tadika KEMAS	Ramlan Kamin (SK Bukit Serok) Suhaila Ikhwan (Tadika KEMAS, Kemedak Estate) Mohd Ali Adoon (SK Melayu Raya)	Face to face interviews

Stakeholders comment	
1	<p>Feedbacks: Yang Beradat, Tok Batin Kg RTS Bukit Serok informed that relationship with the UMAC has always been good. The estate always extends help to the Orang Asli community from RTS Bukit Serok especially during the floods. The community has a collaboration with FELCRA Bukit Serok on the planting of oil palm. Under this collaboration, each Orang Asli participant receives RM800 per month from the FFB harvesting proceeds. However, there is an issue of over planting by FELCRA Bukit Serok into land belonging to UMAC Estate. Meetings between UMAC Estate, Kulim Plantations, JAKOA and Tok Batin have been held twice to discuss how this matter can be resolved. Tok Batin also confirmed that harvesting continues as usual and the affected participants continue to receive their RM800 every month.</p> <p>Audit Team verification and response: Verification was done via interviews with UMAC Estate and Kulim Plantation sustainability team, and review of meeting minutes dated 07/12/2021 and 24/03/2022 attended by Manager UMAC Estate, Kulim Plantation Sustainability team, FELCRA Bukit Serok representatives, professional surveyor, JAKOA representatives and Tok Batin Bukit Serok. Survey work carried out by a professional surveyor found that Lots 25457 and 25458 on PT 298 and PT 336 Mukim Keratong, Daerah Rompin have been encroached by FELCRA Bukit Serok. The meetings discussed several options proposed, expected costs involved for carrying out second survey and possible compensation costs should Kulim Plantation decides to acquire the land from FELCRA/JAKOA. As of the date of this audit, there has been no development and Kulim Plantation and UMAC Estate are still waiting for feedback from FELCRA Bukit Serok and JAKOA.</p>
2	<p>Feedbacks: Contractors and suppliers informed that there has been no issue with all the units under Palong Complex. They also confirmed that there is good business relationship and open communication. They are invited for stakeholder meetings, are aware of the Company’s policies, legal and RSPO requirements that they have to comply with including Kulm’s anti bribery policy. Payments are all received within the agreed timeframe stated in invoices and contracts signed.</p> <p>Audit Team verification and response: Verification was done by sampling contracts, stakeholder meeting minutes, purchase orders, invoices and payment vouchers. No further issue.</p>
3	<p>Feedbacks: Schools/Tadika KEMAS: Good relationship, collaboration and support with all units within Palong Complex. SK Melayu Raya informed that request was made to Labis Bahru Estate for a van and driver to help ferry pupils from the estate to school to ensure full school attendance. The van can also be used to provide transport for other students involved in school activities elsewhere. The Tadika KEMAS teacher also</p>

	<p>informed that Kemedak Estate helps to pay utility bills, provide general class furniture and general maintenance.</p> <p>Audit Team verification and response: Sighted at Labis Bahru Estate the approved budget for the purchase of a van to be used for SK Melayu Raya starting from January 2023. No further issue.</p>
4	<p>Feedbacks: Shops and cafeterias: Most of those interviewed had no issues except for the grocery shop in Palong Estate. The operator claimed that for the past two months, i.e., when the estate started to engage a third party to supply lunch packs for harvesters, her income has reduced by about half.</p> <p>Audit Team verification and response: No further issue.</p>
5	<p>Feedbacks: NUPW worker representatives confirmed that they were voted by the workers, and there is no interference from management. Management also allows them to attend meetings at NUPW HQ. Meetings are also held with the management to discuss workers' welfare.</p> <p>Audit Team verification and response: Verification was done via sampled minutes of NUPW meetings held between worker representatives and estate and mill management. No further issue.</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	
	<p>Feedbacks:</p> <p>Audit Team verification and response:</p>

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 14 (Aug 2022)

Formal Signing-off of Assessment Conclusion and Recommendation

<p>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.</p>	
Report prepared by	Acceptance of Assessment Conclusion
Name: Mohamed Hidhir Bin Zainal Abidin	Name: Salasah Elias
Company Name: BSI Services (M) Sdn Bhd	Company Name: Kulim (Malaysia)Berhad
Title: Lead Auditor	Title: Deputy General Manager
<p>Signature:</p> 	<p>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></p> 
Date: 22/1/2023	Date: 28/1/2023

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> <p>- Critical (Major) compliance -</p> <p>Palong Palm Oil Mill and its supply base make available documents specified in the RSPO P&C to the public. These documents are either available at the office and accessible at each operating unit which were audited. Alternatively, these documents were also available via the Company’s website http://www.kulim.com.my. These documents are:</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 informed of the availability of these documents and briefed on them during stakeholder meetings held on 11/10/2022 at VIP Hotel, Segamat. This meeting was attended by</p>	Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		local community from Kg Melayu Raya, contractors, service providers, suppliers, NUPW representative, school representative from SK Melayu Raya, and neighbouring estates. Other information provided included Code of Business Conduct, Anti-Bribery Management System, conflict of interest, gift and entertainment, and whistle blowing.	
1.1.2	Information is provided in appropriate languages and accessible to relevant stakeholders. - Minor compliance -	Information to relevant stakeholders were provided in Bahasa Malaysia which is the appropriate language for the stakeholders. This was evidenced by minutes of stakeholder meeting held on 11/10/2022 at VIP Hotel, Segamat. The meeting and the subsequent question and answer session was conducted in Bahasa Malaysia. Similarly, information on total CPO produced, total FFB processed, total estimated water consumption, quarterly production data provided by Palong Cocoa POM to the Department of Environment dated 13/07/2022 and 13/04/2022 were also prepared in appropriate language when used when dealing with government departments, i.e., Bahasa Malaysia.	Complied
1.1.3	(C) Records of requests for information and responses are maintained. - Critical (Major) compliance -	Records of requests for information and the responses were duly maintained and kept in the relevant files. Sampled during the audit were information provided by Palong Cocoa Mill to Department of Environment dated 13/07/2022 and 13/04/2022.	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 -	Consultation and communication procedures are documented under an SOP known as Communication and Consultation Management System Issue No. 1 Doc. No. SQD/SMS/1.1 dated 1/08/2020. This SOP applies to all communications and consultations between the Company and its internal and external stakeholders. This procedure was disclosed and explained during stakeholder meeting held on 11/10/2022 at VIP Hotel, Segamat by the Company's nominated representative, i.e., Deputy Manager, Sustainability & Innovation Department, Kulim Plantations Berhad.	Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

1.1.5	<p>There is a current list of contact and details of stakeholders and their nominated representatives.</p> <p>- Minor compliance -</p>	<p>Each unit within Palong POM and its supply base maintains its own list of current stakeholders which have been updated as of 30/10/2022. Each stakeholder list contains contacts and details of the stakeholders and their nominated representatives. The stakeholders include suppliers, contractors, service providers, transporters, list of CPO and PKO buyers, government agencies such as Dept of Wildlife and National Parks, Labour Department, Immigration Dept, Dept of Safety and Health, Indonesian Consulate, Bangladeshi High Commission, schools, local communities such as surrounding villages such as Kg Melayu Raya, Kg Bukit Serok, Kg Balai Badamg, Kg Mensudut Lama, and nearby schools, clinics, etc</p>	Complied
Criterion 1.2: The unit of certification commits to ethical conduct in all business operations and transactions.			
1.2.1	<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 which was signed by the Executive Director and updated on 7/12/2021. The Company also has a No Gift and Entertainment Policy signed by its Executive Director and updated in August 2021. A review of the stakeholder meeting minutes confirmed that these Policies were communicated to all external stakeholders during the stakeholder meeting held on 11/10/2022.</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. 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 27 May 2022 signed by an Indonesian manpower supplier, PT Hamparan Karya Insani and Kulim</p>	Complied

		(Malaysia) Berhad, as well as Vendor’s letter of declaration on anti-bribery. This document 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.	
1.2.2	A system is in place to monitor compliance and the implementation of the policy and overall ethical business practice. - Minor compliance -	The system in place to monitor compliance and implementation of the No Gift and Entertainment Policy, Ethics Policy and overall business practice include: <ul style="list-style-type: none"> a. 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; b. Integrity ethics declaration signed by all levels of employees (management, workers). c. Integrity and ethics declaration signed by all levels of employees (management, workers). d. Conflict of Interest Declaration forms signed by all levels of employees. Based on internal audit report and result of Anti-Bribery Management System audit, there is no reported case and system in to monitor compliance and is effectively implemented.	Complied
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 -	Palong Certification Unit is committed to comply with all applicable local, national and ratified international laws and regulations. Licences and permits checked as per the following: <u>Palong Cocoa POM</u>	Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<p>i) DOE License @ Compliance Schedule no. 004720, validity 1/7/2022 to 30/6/2023 for processing capacity of 40 mt/hr. BOD₃ limit is 2500 mg/l and method of discharge is land application and composting</p> <p>ii) Application for contravene of license (CL) submitted on 30/9/2022 due to problem with ESP system on 16/9/2022. Payment was made on 2/10/22 (ref: 202268091200R300892) and waiting for approval.</p> <p>iii) MPOB License no. 578392004000 selling and transporting of FFB with processing capacity of 192,000 mt/year validity 1/12/2021 to 30/11/2022.</p> <p>iv) Diesel permit serial no. J006057 [ref.: JH(SGT)0143/08 PSK], licensee: Palong Cocoa POM, diesel=14,000 liter/month, validity 18/8/21 to 17/8/24.</p> <p>v) Energy commission license for private installation, license no: 2021/02766; (validity period 7/11/2021 – 6/11/2022) for 2.17 MW installation capacity.</p> <p>vi) All UPVs and steam boiler CF's belonged to the mill covering various equipment such as sterilizers, hoist and crane and boilers.</p> <ul style="list-style-type: none"> - Boiler no.3 (JH PMD 185, valid until 16/10/23) - Vertical Sterilizer (JH PMT 27041, PMT 27042, PMT 20585) valid until 12/05/23) - Back pressure receiver (BPR), PMT 60888 valid until 12/5/2023 <p>vii) Permit for water abstraction, License no: 07/A/Sgt/116, file no: BAKAJ/334/300/5/6/8/9 with approval for industrial total 250 m³/day valid until 31/12/2022.</p> <p><u>Mungka/Sepang Loi estate</u></p> <p>i) MPOB license referred to 501828802000 valid from 1/2/2022 until 31/12/2022 for 970.21 ha.</p> <p>ii) SPAN Water Services Industry (Licensing) Reg 2007 Class License No: SPAN/EKS/(PT)/800-4(2)/29/09 valid 16/8/2020 – 15/08/2023</p>	
--	--	---	--

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<p>iii) Diesel Permit ref: JH(SGT)0101/03 PSK, serial no. P:J006164, quantity: 10,000 litre, valid until 31/8/23</p> <p>iv) Air Compressor certificate of fitness (CF), JH PMT 22244 valid until 25/04/23</p> <p>v) BAKAJ River water extraction license (07/A/Sgt/024 validity until 31/12/2022). Maximum extraction per day: 68 m3/day</p> <p>vi) MPOB license referred to 570584002000 valid from 1/4/2022 until 31/3/2023 for 1922.72 Ha</p> <p><u>Labis Bahru Estate</u></p> <p>i) MPOB license referred to 501775302000 valid from 3/4/2021 until 30/4/2023 for 2,108.16 ha.</p> <p>ii) Diesel Permit ref: JH(SGT)00103/03 PSK, serial no. P:J, quantity: 9,080 litre, valid until 21/1/21</p> <p>iii) Air Compressor certificate of fitness (CF), JH PMT 18012 valid until 4/7/2023</p>	
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. Other related legal for COVID19 pandemic under Prevention and Control of Infectious Diseases (Measure Within The Infected Local Areas) Regulation 2020 was also has been identified. Tracking system available to identify changes in the relevant regulations</p>	<p>Non-compliance</p>

		<p>through head office, sustainability team, website information and the information are communicated from the Head Office. Kulim (Malaysia) Berhad have centralised system for tracking any changes in the law.</p> <p>The Company's documented system for ensuring legal compliance is inadequate as Food Hygiene Regulations 2009 is not included in the Company's legal register. As a result, the requirement that exists under Section 30 (1) Hygiene Regulations 2009 which requires food handlers to undergo a food handlers training and obtain a Certificate of Food Handlers Training from an institution specified by the Ministry of Health, Malaysia could not be demonstrated at Mungka Estate, UMEC Estate, Palong Cocoa Mill, and Palong Estate. Thus, a minor NC was raised.</p> <p>It was found during the audit that the Company's documented system for ensuring legal compliance is inadequate as Food Hygiene Regulations 2009 is not included in the Company's legal register. As a result, the requirement that exists under Section 30 (1) Hygiene Regulations 2009 which requires food handlers to undergo a food handlers training and obtain a Certificate of Food Handlers Training from an institution specified by the Ministry of Health, Malaysia could not be demonstrated at Mungka Estate, UMEC Estate, Palong Cocoa Mill, and Palong Estate. Therefore, a Minor NC was raised.</p>	
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. This was confirmed through the field visit at Sepang Loi and Kemedak estate. Apart from that, erection of concrete slab with GPS coordinate/peg no. along the boundaries was also commonly practiced and clearly visible.</p>	Complied

		Sepang Loi Estate – trenches and markers available along the boundary with smallholders (peg no. 66 – P05/02) and Selumpur estate (peg no. 9 – P08/02)	
Criterion 2.2: All contractors providing operational services and supplying labour, and Fresh Fruit Bunch (FFB) suppliers, comply with legal requirements.			
2.2.1	A list of contracted parties is maintained. - Minor compliance -	Palong Cocoa Mill and its supply base each has its own list of contracted parties contained in the stakeholder lists. These lists are maintained and updated as of October 2022.	Complied
2.2.2	All contracts, including those for FFB supply, contain specific clauses on meeting applicable legal requirements, and this can be demonstrated by the third party. Evidence of legal due diligence of all contracted third parties, recruitment agencies (licensed/ accredited) for migrant workers, service providers and labour contractors, is available. - Minor compliance -	All short and long-term contracts contain a provision which requires contracting parties such as manpower service providers and FFB transporters contain specific clauses on meeting applicable legal requirements. Sampled during the audit were the following contracts: <ul style="list-style-type: none"> A. Between Kulim Plantations and an Indonesian manpower supplier, PT Hamparan Karya Insani dated 27 May 2022; B. Between Ladang Mungka and Lurza Snr Enterprise dated 01/01/2021; C. Between Mahamurni Plantations and GP Subramaniam Enterprise dated 26/05/2022; D. Between dated Mahamurni Plantations and Sg Rezeki Sdn Bhd 17/08/2022 However, evidence of legal due diligence of all contracted third parties was not effectively demonstrated. It was found during the audit that employment agreements entered into between GP Subramaniam Enterprise dated 02/01/2022 with eight contract harvesters at UMAC Estate do not provide accurate information on rate payable for piece-rated work done and annual leave entitlement. The relevant clauses are:	Non-compliance

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<p>A. Clause 3 states that the workers would be paid based on bunch/weight. However, there is no information given on the rate payable for each bunch/ton of FFB harvested.</p> <p>B. Clause 5 states that annual leave would be determined by the contractor. There is no clarity on how many days of annual leave the workers are entitled to.</p> <p>Therefore, a Minor Non-Compliance was raised.</p>	
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 short and long-term contracts sampled under Indicator 2.2.2 above contain a provision which disallows contracting parties to engage in child, forced and trafficked labour. The clause states "The contractors represents and warrants that the contractor shall comply with applicable labour and employment laws regarding and prohibit any forms of child labour, forced and trafficked labour. Any eligible young labour will be employed only in accordance with Children and Young Person (Employment) Act 1966.</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>- Critical (Major) compliance -</p>	<p>All FFBs are sourced from Kulim Plantation's own estates namely, Palong Estate, Mungka Estate, EMAC Estate and Labis Bahru Estate. Details are available in this audit report under Section 1 – Scope of Assessment (Table No. 4). Therefore, this Indicator is not applicable.</p>	Not Applicable
2.3.2	<p>For all indirectly sourced FFB, the unit of certification obtains from the collection centres, agents or other intermediaries, the evidence as listed in Indicator 2.3.1.</p> <p>- Minor compliance -</p>	<p>All FFBs are sourced from Kulim Plantation's own estates namely, Palong Estate, Mungka Estate, EMAC Estate and Labis Bahru Estate. Details are available in this audit report under Section 1 – Scope of Assessment (Table No. 4). Therefore, this Indicator is not applicable.</p>	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	<p>(C) A business or management plan (minimum three years) is documented that includes, where applicable, a jointly developed business case for Scheme Smallholders.</p> <p>- Critical (Major) compliance -</p>	<p>The business plan for the mill was 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 also 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 managements have their monthly progress report and regular meetings to monitor the expenditure to ensure the budget is not overrun.</p>				Complied																																			
3.1.2	<p>An annual replanting programme projected for a minimum of five years with yearly review, is available.</p> <p>- Minor compliance -</p>	<p>All the estates maintain record of replanting program from 2023 to 2046. The 5 years projection of replanting at the sampled estates is as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2">Estates</th> <th colspan="5">Year / Ha</th> </tr> <tr> <th>2023</th> <th>2024</th> <th>2025</th> <th>2026</th> <th>2027</th> </tr> </thead> <tbody> <tr> <td>Mungka</td> <td>0</td> <td>0</td> <td>134.16</td> <td>82.67</td> <td>134.16</td> </tr> <tr> <td>UMAC</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Labis Bahru</td> <td>232.06</td> <td>208.50</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Palong</td> <td>102.30</td> <td>62.76</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table>	Estates	Year / Ha					2023	2024	2025	2026	2027	Mungka	0	0	134.16	82.67	134.16	UMAC	0	0	0	0	0	Labis Bahru	232.06	208.50	0	0	0	Palong	102.30	62.76	0	0	0				Complied
Estates	Year / Ha																																								
	2023	2024	2025	2026	2027																																				
Mungka	0	0	134.16	82.67	134.16																																				
UMAC	0	0	0	0	0																																				
Labis Bahru	232.06	208.50	0	0	0																																				
Palong	102.30	62.76	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 29/09/2021 (Palong Cocoa POM), 19/09/2022 (Mungka Estate), 20/09/2022 (UMAC Estate), 22/09/2022 (Labis Bahru Estate), 29/09/2022 (Palong Estate). They were chaired by the respective</p>				Complied																																			

		<p>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 	
<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>			
<p>3.2.1</p>	<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> <p>Palong Cocoa Mill and its supply base have their own plans for continuous improvements which are based on main social considerations. These include:</p> <ul style="list-style-type: none"> - plans to carry out awareness on and prevention of mental health issues; - progressively repaint workers' houses at all units; - construction of lockers for foreign workers to store their passports at all units; 	<p>Complied</p>

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		- purchase of van to ferry pupils from Labis Bahru Estate to SK Melayu Raya so as to cut down on truancy at Labis Bahru Estate.	
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>	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 January to December 2021 for (social and environment metrics) and economic metrics from Sept 2021 – Aug 2022 (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	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 been established which covers all the operation in the estate such as land preparation, planting/replanting, field maintenance, infrastructure development & maintenance, harvesting & evacuation, integrated pest management, and pest & 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>	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	Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		visit, Estate Inspectorate visit, and workplace inspection by Safety Officer. Visit reports were made available for verification at all the sampled operating units.	
3.3.3	Records of monitoring and any actions taken are maintained and available. - Minor Compliance -	Records of monitoring with regards to EHS and RSPO implementation are maintained and available for verification. Among monitoring records verified: <ul style="list-style-type: none"> - Palong Cocoa POM Inspectorate Visit report, dated 21-22/06/2022 - PI Report 1/2022 – Mungka Estate: Visited on 16/02/2022 - Agronomy Report No. 1/22 – Mungka Estate – visited on 25-26/01/2022 - Agronomy Report No. 1/2022 – UMAC Estate – visited on 21-23/06/2022 - PI Report 03/2022 – Labis Bahru Estate: Visited on 05-06/07/2022 - Agronomy Report No. 1/2022 – Labis Bahru Estate – visited on 25/07/2022 - Agronomy Report No. 01/2022 – Palong Estate – visited on 24-25/08/2022 - PI Report 02/2022 – Palong Estate: Visited on 19-20/06/2022 	Complied
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.			
3.4.1	(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. - Critical (Major) compliance -	There are no new plantings or new operations within Mungka, UMAC, Labis Bahru, and Palong Estates. Nevertheless, each unit has its own Social Impact Assessments done which have been prepared internally. Details of the Social Impact Assessment are contained in Indicator 3.4.2 below. The mill has continued to review and update Environmental Impact Assessment (EIA) procedure and has been documented as per Environmental Risk Assessment Form (EIA-PCPOM-2022) dated	Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<p>15/09/2022. All significant impacts have been determined and mitigation plan was developed thereafter as per document. Similarly, for the estates the EAI was made available for each activity reviewed for the year of 2022. List of activities based on activity code (ER001 to E015) were reviewed from bio composting to nursery operation. For example at Mungka Estate, Environmental Risk Assessment was reviewed by environmental officer on 15/8/22 and approved by operating unit head on 30/08/2022.</p>	
<p>3.4.2</p>	<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. - Minor Compliance -</p>	<p>Palong Cocoa POM Certification Unit has established Environmental Management Plan and was made available in the estates/mill for review. Internal stakeholders (estate and mill team) were consulted for during review process especially for those interact directly with the activities at estate’s and mill’s workstation. For example under environmental impacts (ER010. ER018 and ER021) – effluent spillage and bund leakage/rupture, establishment of emergency response plan and daily monitoring of furrow and pond were included in the environmental management/improvement pan dated 15/9/22.</p> <p>Social Impact Assessment (SIA) as well as the Social Management and Monitoring Plans for Palong Cocoa Mill and its supply base were documented and available. These Plans were developed with participation of affected stakeholders via stakeholder meetings, interviews and feedback received including from NUPW and WOW meetings.</p> <p>However, the unit of certification could not demonstrate that the social management and monitoring plans were adequately developed with participation of affected parties. It was found during the audit that social management and monitoring plans were not adequately developed resulting in non-consideration of</p>	<p>Non-compliance</p>

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<p>the following which were observed during audit, and raised by the workers:</p> <ul style="list-style-type: none"> A. Local workers’ needs for car garage at the housing area. (Mungka Estate, UMAC Estate, Palong Cocoa Mill, Palong Estate). B. Workers’ needs for additional storage at the housing area. (Mungka Estate, UMAC Estate, Palong Cocoa Mill, Palong Estate). C. Foreign workers’ needs for a dedicated transport to ferry them to the nearest town for ATM withdrawals, and purchase of food and other necessities on pay day. (Mungka Estate, UMAC Estate, Palong Cocoa Mill, and Labis Bahru Estate). D. Local workers’ concern in handling large amount of cash when making cash withdrawals in town on behalf of their foreign colleagues. (Mungka Estate, UMAC Estate, Palong Cocoa Mill, Labis Bahru Estate). E. To consider foreign workers’ need for lockers to keep their passports at the housing. (Mungka Estate, UMAC Estate, Palong Cocoa Mill, Labis Bahru Estate, Palong Estate). <p>Therefore, a Minor Non-Compliance was raised</p>	
3.4.3	<p>(C) The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way. - Critical (Major) compliance -</p>	<p>The social management and monitoring plans for all units within Palong Cocoa Mill supply base are being implemented, reviewed and updated regularly in a participatory way. These were done by way of stakeholder meetings, WOW and NUPW meetings. The reviews and updates are done on an annual basis. Implementations were verified during interviews with the external stakeholders and workers.</p>	Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<p>Among the most recent inputs were received from SUHAKAM who suggested, among other things, that passports to be given to the workers as per the Passport Act, and grievance procedures to be explained to the workers. It was verified during the audit that these have all been implemented in full by the unit of certification.</p> <p>The environmental management plan established based on operation with significant impact to the environment. The management plan was reviewed annually. The management plan stated the environmental issue, mitigation actions, monitoring plan and person responsible for monitoring implementation. Sighted Environmental Plan has been reviewed on September 2022 for mill and estates.</p>	
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 documented SOPs:</p> <ul style="list-style-type: none"> - Recruitment of New Foreign Workers Rev. No. 1 Issue No. 1 dated 1 Jan 2019; and - 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. <p>These SOPs are documented and kept at the office premises and available to all workers and their representatives, where applicable. Sampled also were briefings given to workers on 22/04/2022 and 18/07/2022 (Mungka Estate), 15/02/2022 (Labis Bahru Estate), and on 04/09/2022 (UMAC Estate).</p>	Complied
3.5.2	<p>Employment procedures are implemented, and records are maintained.</p> <p>- Minor Compliance -</p>	<p>Evidence was available that Palong Cocoa Mill and its supply base were able to demonstrate the implementation of its own employment procedures and that records were maintained. For</p>	Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<p>example, 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, and mosque funds. Among those sampled were the following workers:</p> <table border="1" data-bbox="1153 571 1928 986"> <thead> <tr> <th>Estate</th> <th>Workers No</th> <th>Date joined</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Mungka</td> <td>E820000904</td> <td>01/09/2022</td> </tr> <tr> <td>E820000890</td> <td>01/08/2022</td> </tr> <tr> <td rowspan="2">Labis Bahru</td> <td>E1500001307</td> <td>10/01/2020</td> </tr> <tr> <td>E1500001362</td> <td>01/08/2022</td> </tr> <tr> <td rowspan="2">Palong Cocoa Mill</td> <td>E840000209</td> <td>16/03/2020</td> </tr> <tr> <td>E840000237</td> <td>18/01/2022</td> </tr> <tr> <td>Palong</td> <td>IC 601203016xxx</td> <td>12/01/2022</td> </tr> </tbody> </table>	Estate	Workers No	Date joined	Mungka	E820000904	01/09/2022	E820000890	01/08/2022	Labis Bahru	E1500001307	10/01/2020	E1500001362	01/08/2022	Palong Cocoa Mill	E840000209	16/03/2020	E840000237	18/01/2022	Palong	IC 601203016xxx	12/01/2022	
Estate	Workers No	Date joined																						
Mungka	E820000904	01/09/2022																						
	E820000890	01/08/2022																						
Labis Bahru	E1500001307	10/01/2020																						
	E1500001362	01/08/2022																						
Palong Cocoa Mill	E840000209	16/03/2020																						
	E840000237	18/01/2022																						
Palong	IC 601203016xxx	12/01/2022																						
Criterion 3.6: An occupational health and safety (H&S) plan is documented, effectively communicated and implemented.																								
3.6.1	<p>(C) All operations are risk assessed to identify H&S issues. Mitigation plans and procedures are documented and implemented.</p> <p>- Critical (Major) compliance -</p>	<p>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:</p> <ul style="list-style-type: none"> - Change in work process - Revision/changes in legislative requirement - Occurrence of accidents 	Complied																					

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

Appropriate risk control measures were determined and implemented for the respective activities and operation.

CHRA was last conducted at the sampled management unit as following. Note: CHRA validity based on USECHH Regulation 2000 is valid for 5 years. All CHRA reviewed still within validity period

Estates/ Mill	Date of assessment	Report ref. No.	Assessor Reg. No.
Palong Cocoa POM	21/05/2018 & 02/2021 (supplementary)	JKKP HQ/03/ASS/00/1 54-2018/060 & JKKP HQ/12/ASS/00/3 09-2021/001 (supplementary)	JKKP HQ/03/ASS/00/15 4
UMAC	08/05-13/08/2018 & 01/2021 (supplementary)	JKKP HQ/03/ASS/00/1 54-2018/055 & JKKP HQ/12/ASS/00/3 09-2021/028 (supplementary)	JKKP HQ/03/ASS/00/15 4

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		Labis Bahru	08/05-13/08/2018 & 02/2021 (supplementary)	JKKP HQ/03/ASS/00/1 54-2018/054 & JKKP HQ/03/ASS/00/1 54-2021/008 (supplementary)	JKKP HQ/03/ASS/00/15 4	
		Palong	06/05/2018 & 02/2021 (supplementary)	JKKP HQ/03/ASS/00/1 54-2018/050 & JKKP HQ/03/ASS/00/1 54-2021/011 (supplementary)	JKKP HQ/03/ASS/00/15 4	
		Kemedak	07/05/2018 & 02/2021 (supplementary)	JKKP HQ/03/ASS/00/1 54-2018/052 & JKKP HQ/03/ASS/00/1 54-2021/006 (supplementary)	JKKP HQ/03/ASS/00/15 4	

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		Mungka	07/05 – 13/08/2018 & 22/12/2020 – 31/01/2021 (supplementary)	JKKP HQ/03/ASS/00/1 54-2018/309 & JKKP HQ/03/ASS/00/1 54-2021/009 (supplementary)	JKKP HQ/03/ASS/00/15 4	
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>	<p>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 to name a few. Records of monitoring were made available for verification by the sampled management units.</p> <p>However, the monitoring of the effectiveness of some of the H&S plans to address health and safety risks to people was not satisfactorily demonstrated, where the following lapses were found:</p> <ol style="list-style-type: none"> 1) At Mungka and UMAC estates, the jerry cans used by the grasscutter operators to contain petrol were not relabelled in accordance with Regulations 21 of the Occupational Safety and Health (Use and Standards of Exposure of Chemicals Hazardous to Health) Regulations 2000. 2) UMAC and Palong estates have been using Minitractor Scissor Lift (MTSL) in their FFB evacuation operation. However, there 				Non-compliance

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<p>is no evidence that the estates have obtained the certificate of fitness in accordance with the Factories and Machinery (Notification, Certificate of Fitness, and Inspection) Regulations, 1970.</p> <p>Thus, a non-conformity report was assigned due to this lapse.</p>	
<p>Criterion 3.7: All staff, workers, Scheme Smallholders, out-growers, and contract workers are appropriately trained.</p>			
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>	<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 specific subjects. The program mainly covers both requirements of the estates and mill in the CU.</p>	Complied
3.7.2	<p>Records of training are maintained.</p> <p>- Minor Compliance -</p>	<p>Generally, the subjects covered for the trainings are occupational safety & health, environment & HCV, company's policies on labour welfare, discrimination, ethical conducts, human rights, sexual harassment, etc., and best practices. The trainings for stakeholders such as contractors, vendors, surrounding communities were also conducted. Records of training were maintained by the mill and estates and made available for verification.</p>	Complied
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 provided for personnel carrying out the tasks critical to the effective implementation of the Supply Chain Certification Standard (SCCS) was given on 15/9/2022. Person in charge at each identified Critical Control Point (CCP) [weighbridge operator, have been trained.</p>	Complied
<p>Criterion 3.8: Supply chain requirement for mills (note: All supply chain requirements are considered as Critical (C). However, it will not contribute to suspension if there is more than 5 non-compliance within a principle)</p>			

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

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. Thus this indicator is not applicable.</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 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.</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 Summary of CPO and PK deliver in a year (from the last audit date) reported under Table 6 of this report.</p>	Complied
3.8.4	<p>The mill shall also meet all registration and reporting requirements for the appropriate supply chain through the RSPO IT platform.</p>	<p>The mill has met all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization, PalmTrace. The registration of PalmTrace will be</p>	Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<p>carried out by the Marketing Department in HQ. Company has registered in PalmTrace system as follows: Members ID: RSPO_PO1000001265 License valid until 22/01/2023 Member category: Oil Mill</p>	
<p>3.8.5</p>	<p>Documented procedures 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> <ul style="list-style-type: none"> a) Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements. b) Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records). c) Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the mill’s procedures for the implementation of this standard. 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>Kulim (Malaysia) Berhad has developed Traceability Procedure (Doc. No.: SQD/SMS/1.2, Issue No. 1, Rev. No.: 05 dated 1/8/20). On the marketing side, Procedure title: RSPO Supply Chain; Procedure, ref: MKTG 04; dated January 2021 is referred to. Seen the records that included in the procedure are as below:</p> <ul style="list-style-type: none"> i. Weighbridge tickets ii. Training records iii. Internal audit report iv. Invoice and contracts v. Delivery and storage records vi. Daily Production Report <p>Training records for RSPO Supply Chain & Stamping was sighted where the training was conducted on 15/9/2022 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, ref: MKTG 04; dated January</p>	<p>Complied</p>

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		2021 which has covered the process of incoming of FFB and ensuring no contamination in the IP mill.	
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. The latest internal audit was carried out on 11/9/22 by SID 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
3.8.7	<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. 39373 • Estate's name: UMAC Estate • Date of delivery: 17/10/2022 • Field No.: P03 • Lorry no.: JKU 2633 • FFB Weight: 35.35 mt • WB ticket: 185084 	Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<ul style="list-style-type: none"> • Traceability Identification: RSPO certified FFB (RSPO 613087) • FFB despatch no: DB A no. 78826 • Estate name: Labis Bahru Estate • Date of delivery: 18/10/2022 • Field No.: P07/P03/P04/P00 • Lorry no.: BFB 3484 • FFB Weight: 34.08 mt • WB ticket: 185100 • Traceability Identification: RSPO certified FFB (RSPO 613087) 	
<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 documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation):</p> <ol 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; 	<p>Palong Cocoa POM ensured the required information is available in document form. Sampled of CPO contract: CPOIP-M21077 dated 25/11/21, quantity 5,000 mt (delivery month – January 2022)</p> <ul style="list-style-type: none"> • The name and address of the buyer; XXX • The name and address of the seller: The loading or shipment/ delivery date; e.g. 7/2/22 • The date on which the documents were issued; • A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations); Crude Palm Oil (CPO) RSPO IP • The quantity of the products delivered; e.g. 43.18 mt • Any related transport documentation; e.g. Despatch note e.g. #C09603 • Supply chain certificate number of the seller; e.g. On weighbridge ticket e.g. RSPO 613087 • A unique identification number: palm trace no. TR-1c6a457c-b81b 	<p>Complied</p>

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

	<p>h) Any related transport documentation; i) A unique identification number.</p>	<ul style="list-style-type: none"> • Available in a few forms e.g. DN no., seal no., etc. <p>Palong Cocoa POM ensured the required information is available in document form. Sampled of PK contract: MPOK 2115 IP dated 19/11/21, quantity 2500 mt (delivery month – July 2022)</p> <ul style="list-style-type: none"> • The name and address of the buyer; XXX • The name and address of the seller: Palong Cocoa POM • The loading or shipment/ delivery date; e.g. 4/8/22 • The date on which the documents were issued; • A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations); Palm Kernel (PK) RSPO IP • The quantity of the products delivered; e.g. 41.82 mt • Any related transport documentation; e.g. Despatch note e.g. #K02580 • Supply chain certificate number of the seller; e.g. On weighbridge ticket e.g. RSPO 613087 • A unique identification number: palm trace no. TR-465be52b-9002 <p>Available in a few forms e.g. DN no., seal no., etc.</p>	
3.8.9	<p>Outsourcing Activities</p> <p>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</p> <p>ii) The mill shall ensure the following:</p>	<p>The production of CPO and PK is carried out in-house in Palong Cocoa POM without any outsourced facility. Only the transportation of CPO is outsourced to contractors. Transportation of PK was assigned by the buyers. The following contract agreements were made available for verification:</p> <p>1) Teo Tuan Kwee Sdn Bhd, MPSB/CPO 1/2016 (TEO), refer to LOA, MPSB/G1/6/2(2020) dated 15/06/2020. Date commencement: 01/06/2020, completion date: 31/05/2023.</p>	Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

	<p>a) The mill has legal ownership of all input material to be included in outsourced processes</p> <p>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 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>	<p>2) Mirzafiz Sdn Bhd, MPSB/CPO 1/2016 (MIRZAFIZ), refer to LOA, MPSB/G1/6/2(2020) dated 15/06/2020. Date commencement: 01/06/2020, completion date: 31/05/2023.</p> <p>3) 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> <p>4) FICA Logistic Sdn Bhd, MPSB/CPO 1/2016 (FICA), refer to LOA, MPSB/G1/6/2(2020) dated 15/06/2020. Date commencement: 01/06/2020, completion date: 31/05/2023.</p> <p>5) Syarikat Buana Kita Sdn Bhd, MPSB/CPO 1/2016 (BUANA), refer to LOA, MPSB/G1/6/2(2020) dated 15/06/2020. Date commencement: 01/06/2020, completion date: 31/05/2023.</p> <p>Under clause 6 on the contract, it reads: <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>	
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 which was last updated in Sep 2022.	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</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 	Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

	<p>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>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.</p> <p>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.</p> <p>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.</p>	<p>- Training records</p> <p>- FFB Transaction records</p> <p>ii) Traceability Procedure (Doc. No.: SQD/SMS/2.1, Issue No. 1, Rev. No.: 06 dated 17/02/2022), the records retention for all RSPO Supply Chain related records to be retained for a minimum of 5 years' period. 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.</p> <p>iii) Record and balance of all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and recorded in mass balance sheet. Mass balance sheet for the period of Sept 2021 – Aug 2022 was verified. No negative stock recorded at the end of inventory period.</p>	
<p>3.8.13</p>	<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>	<p>Conversion factor of CPO and PK production is depending on the actual OER and KER. Nonetheless, in forecasting the future productions, the OER and KER are estimated based on experience and performance. It was verified that the estimated OER and KER mentioned in Table 10 are in line with the mill's previous performance.</p>	<p>Complied</p>
<p>3.8.14</p>	<p>Extraction rates shall be updated periodically to ensure accuracy against actual performance or industry average if appropriate.</p>	<p>The facility is using the actual extraction rate and therefore updating of rates is not necessary. Nonetheless, in forecasting the future productions, the OER and KER are estimated based on experience and performance. It was verified that the estimated OER and KER mentioned in Table 10 are in line with the mill's previous performance.</p>	<p>Complied</p>

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

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>	<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. There was no receipt of uncertified FFB and the mill only processes RSPO certified FFB from Kulim (M) Berhad group estates within the period under review.</p>	Complied
3.8.16	<p>Registration of Transactions</p> <p>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 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>	<p>Shipping announcement in the RSPO PalmTrace platform is carried out by the mill when RSPO certified products are sold as certified to buyers.</p>	Complied
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 2021 without the use of trademark logo.</p>	Complied
4.2	<p>In corporate communications a member is allowed to:</p> <p>a. Display its RSPO membership status</p> <p>b. Display the RSPO web address (www.rspo.org)</p>	<p>Kulim (Malaysia) Berhad has stated the member's history with regard to RSPO in the company's website and annual report 2021 without the use of trademark logo.</p>	Complied

	<p>c. State that the member supports the work of the RSPO</p> <p>d. State the member’s history with regard to the RSPO.</p> <p>e. Use the RSPO trademark to promote its membership of the RSPO.</p> <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>		
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	<p>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:</p> <p>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 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>	<p>Palong Cocoa Palm Oil Mill is not under distributor or wholesaler category. Thus, this requirement is not applicable.</p>	<p>Not Applicable</p>
MODULE A – IDENTITY PRESERVED & SEGREGATED SPECIFIC RULES			
Certified oil palm content (IP)			
	<p>For IP, 95% or above of the oil palm content must be RSPO IP-certified.</p>	<p>Oil palm content is 100% CPO and claim as RSPO IP-certified.</p>	<p>Complied</p>
	<p>For SG, 95% or above of the oil palm content must be SG, or a combination of SG and IP.</p>	<p>No SG claim was made.</p>	<p>Complied</p>
	<p>Where there is any percentage of non-certified oil palm within the product, the reason for this must be fully justified and an action plan for moving to fully certified oil palm must be in place, in accordance with the requirements of the RSPO SCCS. In addition, the volume of non-certified oil palm products must be covered by the purchase of RSPO Credits of equivalent volume.</p>	<p>Oil palm content is 100% CPO and claim as RSPO IP-certified. All infeed material (FFB) is RSPO certified.</p>	<p>Complied</p>
Labelling and trademark (IP)			
	<p>Members are allowed to use the RSPO label in one of the following ways:</p> <ul style="list-style-type: none"> • RSPO trademark which includes the tag 'CERTIFIED' or 	<p>As to date, no RSPO trademark used on the RSPO products. Kulim (Malaysia) Berhad has stated the member’s history with regard to</p>	<p>Complied</p>

	<ul style="list-style-type: none"> 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. 	<p>RSPO in the company's website and annual report 2021 without the trademark logo used.</p>	
Messaging (IP)			
	<p>Messaging ALLOWED in storytelling in product-related communications may include some or all of the following elements:</p> <ul style="list-style-type: none"> 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 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. 	<p>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 2021 without the trademark logo used.</p>	<p>Complied</p>
Principle 4: Respect community and human rights and deliver benefits			
Criterion 4.1: The unit of Certification respects human rights, which includes respecting the rights of Human Rights Defenders.			

4.1.1	<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>The Policy to respect human rights is documented in Kulim (Malaysia) Berhad’s Sustainability Policy dated 1/10/2021 signed by its Managing Director. Among others, this Policy states the 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, whistleblowers, complainants and community spokespersons.</p> <p>This Policy was communicated to stakeholders during stakeholder meeting held on 11/10/2022, and to all levels of workforce during the following briefings:</p> <p>Mungka Estate: 19/01/2011 and 14/04/2022 UMAC Estate: 12/05/2022 and 19/05/2022 Palong Cocoa Mill: 24/08/2022 Labis Bahru Estate: 07/02/2022 and 07/03/2022</p>	Complied
4.1.2	<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 was no evidence of any use of violence or the instigation of violence within Palong Cocoa Mill and its supply base. This was further verified during interviews held with the workers and external stakeholders such as local communities from Kg Melayu Raya, Kg Kg Mensudut Lama, Kg Balai Badang, Kg Jawa Buluh Kasap as well as contractors and suppliers.</p>	Complied
<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>			
4.2.1	<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 whistleblowers, where requested, without risk of reprisal or intimidation and follows the RSPO policy on respect for HRD.</p> <p>- Critical (Major) compliance -</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 to all parties who deal with the Company who may have complaints and</p>	Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<p>grievances. Clause 5.8 states that complainants' anonymity would be respected and protected if requested.</p> <p>In addition, the Company's Sustainability Policy also states that it respects, supports and protects 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, whistleblowers, complainants and community spokespersons.</p>	
4.2.2	<p>Procedures are in place to ensure that the system is understood by the affected parties, including by illiterate parties.</p> <p>- Minor compliance -</p>	<p>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. Workers interviewed also confirmed their understanding of the complaints and grievance procedures.</p>	Complied
4.2.3	<p>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.</p> <p>- Minor compliance -</p>	<p>Based on complaints book sighted, no grievances from external stakeholders have been filed against Palong Cocoa Mill and its supply base. Records of complaints can only be seen from housing defects at the linesite. Reports of repairs that needed to be carried out also contained status of repair works done and acknowledged by the complainants. The repair works were carried out within a reasonable timeframe of less than one week.</p>	Complied
4.2.4	<p>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.</p> <p>- Minor compliance -</p>	<p>Conflict resolution mechanism is contained in Clause 5.5 of Grievance Mechanism Doc. No. SQD/SMS/4.1 Issue No. 1 dated 1 August 2020. This mechanism applies throughout the Company including Palong Cocoa Mill and its supply base. It provides an option for parties to engage independent legal, technical advice and third-party mediator.</p>	Complied
<p>Criterion 4.3: The unit of Certification contributes to local sustainable development as agreed by local communities.</p>			

4.3.1	<p>Contributions to community development that are based on the results of consultation with local communities are demonstrated.</p> <p>- Minor compliance -</p>	<p>Contributions to local development offered by Palong Cocoa Mill and its supply base include providing job opportunities to the local communities, and extending medical treatment at the estate clinics for Orang Asli community from RPS Kg Bukit Serok. In addition, financial and in-kind support are also being provided by the estates to the nearby schools. For example, Ladang Kemedak hosts a KEMAS kindergarten within its premises which is being attended by workers' children from Palong Estate, Kemedak and Sepang Loi Divisions, and Palong Cocoa Mill. Children from the nearby communities are also allowed to enter the estate premises to attend the KEMAS kindergarten. The estate also pays for the kindergarten's general maintenance, electricity, water and class furniture.</p>	Complied																						
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	<p>(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.</p> <p>- Critical (Major) compliance -</p>	<p>Copies of land titles were sighted and duly verified, and quit rents have been paid accordingly. Details of the sampled land titles were as follows:</p> <table border="1" data-bbox="1137 932 1930 1361"> <thead> <tr> <th rowspan="2"></th> <th rowspan="2">Mill/Estates</th> <th colspan="4">Land title</th> </tr> <tr> <th>HS(D) No.</th> <th>PTD Ref</th> <th>Size (ha)</th> <th>Expiry date</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Palong Cocoa POM (located in Ladang Mungka, separated by fencing)</td> <td>11071</td> <td>1354</td> <td>17.03</td> <td>18/8/2044</td> </tr> <tr> <td>2</td> <td></td> <td>45484</td> <td></td> <td>20.11</td> <td>perpetual</td> </tr> </tbody> </table>		Mill/Estates	Land title				HS(D) No.	PTD Ref	Size (ha)	Expiry date	1	Palong Cocoa POM (located in Ladang Mungka, separated by fencing)	11071	1354	17.03	18/8/2044	2		45484		20.11	perpetual	Complied
	Mill/Estates	Land title																							
		HS(D) No.	PTD Ref	Size (ha)	Expiry date																				
1	Palong Cocoa POM (located in Ladang Mungka, separated by fencing)	11071	1354	17.03	18/8/2044																				
2		45484		20.11	perpetual																				

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

			UMAC Estate (including Sepang Loi Division)	45500		48.53	perpetual	
		3	Palong Estate (including Kemedak Division)	11069	793	931.0	11/9/2112	
		4	Labis Bahru Estate	38197	1265	1237.5 1	Freehold (no specific term)	
		5	Mungka Estate	11069	793	931	11/09/2112 Leasehold (no specific terms)	
4.4.2	Copies of documents evidencing agreement-making processes and negotiated agreements detailing the FPIC process are available and include:	<p>During the audit, it was found that a certified surveyor who was appointed by Kulim Plantations on 11/05/2020 had found that an area of approximately 14ha (34.5 acres) at P09 Block 1,2 and 3 belonging to UMAC Estate had been overplanted by FELCRA Bukit Serok. This area is part of the land developed by FELCRA Bukit Serok for oil palm plantations with the intention of benefitting the Orang Asli community from RPK Bukit Serok. Each Orang Asli beneficiary receives RM800 per month. Following the final survey, UMAC Estate proceeded to peg the actual boundary.</p> <p>To discuss this matter, two preliminary meetings were held on 07/12/2021 and 23/03/2022 between UMAC Estate, Kulim</p>						Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<p>Plantations, FELCRA Bukit Serok, JAKOA and the Tok Batin of RPK Kg Bukit Serok. Copies of the meeting minutes evidencing discussions between affected parties were sighted and verified.</p> <p>The situation as of the audit remains as follows:</p> <ul style="list-style-type: none"> a. FELCRA continues to harvest the FFB on the overplanted land. b. The Orang Asli beneficiaries continue to receive RM800 per month from FELCRA as confirmed by the Tok Batin of Kg Bukit Serok. c. During the 23/03/2022 meeting, parties considered several options of settlement and the costs involved for each. However, no decision was made during this meeting. <p>UMAC Estate is currently waiting for FELCRA Bukit Serok to revert with a formal proposal for settlement.</p>	
<p>4.4.2a</p>	<p>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.</p> <p>- Minor compliance -</p>	<p>Based on the preliminary meetings held on 07/12/2021 and 23/03/2022 between UMAC Estate, Kulim Plantations, FELCRA Bukit Serok, JAKOA and the Tok Batin of RPK Kg Bukit Serok evidence was available that discussions are being held in good faith with all affected groups, and information are being shared to all affected groups for purposes of decision making.</p> <p>Copies of the meeting minutes dated 07/12/2021 and 23/03/2022 evidencing discussions between affected parties were sighted and verified.</p>	<p>Complied</p>
<p>4.4.2b</p>	<p>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.</p> <p>- Minor compliance -</p>	<p>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. The overplanting by FELCRA Bukit Serok into UMAC Estate’s land does not involve legal or customary use of the land, and as such, the community’s decision to give or withhold is not relevant nor applicable.</p>	<p>Not Applicable</p>

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 from nearby villagers, there was no evidence of any dispute with any previous owner or occupants. The overplanting by FELCRA Bukit Serok into UMAC Estate's land does not involve legal or customary use of the land, and as such, 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 neighbouring communities where applicable, and relevant authorities). - Critical (Major) compliance -	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. The overplanting by FELCRA Bukit Serok into UMAC Estate's land does not involve legal or customary use of the land, and as such, this Indicator is not applicable.	Not Applicable
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 from nearby villagers, there was no evidence of any dispute with any previous owner or occupants. The overplanting by FELCRA Bukit Serok into UMAC Estate's land does not involve legal or customary use of the land, and as such, 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 from nearby villagers, there was no evidence of any dispute with any previous owner or occupants. The overplanting by FELCRA Bukit Serok into UMAC Estate's land does not involve legal or customary use of the land, and as such, 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 from nearby villagers, there was no evidence of any dispute with any previous owner or occupants. The overplanting by FELCRA Bukit Serok into UMAC Estate's land does not involve legal	Not Applicable

		or customary use of the land, and as such, this Indicator is 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, there was no evidence of any dispute with any previous owner or occupants. The overplanting by FELCRA Bukit Serok into UMAC Estate's land does not involve legal or customary use of the land, and as such, 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 documented, long-term and two-way process of consultation and negotiation. - Critical (Major) compliance -	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. The overplanting by FELCRA Bukit Serok into UMAC Estate's land does not involve legal or customary use of the land, and as such, this Indicator is not applicable.	Not Applicable
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, there was no evidence of any dispute with any previous owner or occupants. The overplanting by FELCRA Bukit Serok into UMAC Estate's land does not involve legal or customary use of the land, and as such, 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,	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. The overplanting by	Not Applicable

	<p>the full range of food and water provisioning options are considered. There is transparency of the land allocation process.</p> <p>- Minor compliance -</p>	<p>FELCRA Bukit Serok into UMAC Estate’s land does not involve legal or customary use of the land, and as such, this Indicator is not applicable.</p>	
4.5.5	<p>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.</p> <p>- Minor compliance -</p>	<p>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. The overplanting by FELCRA Bukit Serok into UMAC Estate’s land does not involve legal or customary use of the land, and as such, this Indicator is not applicable.</p>	Not Applicable
4.5.6	<p>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.</p> <p>- Minor compliance -</p>	<p>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. The overplanting by FELCRA Bukit Serok into UMAC Estate’s land does not involve legal or customary use of the land, and as such, this Indicator is not applicable.</p>	Not Applicable
4.5.7	<p>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.</p> <p>- Minor compliance -</p>	<p>Based on documents sighted and interviews conducted with stakeholders from nearby villagers, no new lands were acquired for plantations and mills after 15/11/2018. Therefore, this Indicator is not applicable.</p>	Not Applicable
4.5.8	<p>(C) New lands are not acquired in areas inhabited by communities in voluntary isolation.</p> <p>- Critical (Major) compliance -</p>	<p>Based on documents sighted and interviews conducted with stakeholders from nearby villagers, no new lands have been acquired in areas inhabited by communities in voluntary isolation. Therefore, this Indicator is not applicable.</p>	Not Applicable
<p>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.</p>			

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

4.6.1	<p>(C) A mutually agreed procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, is in place.</p> <p>- Critical (Major) compliance -</p>	<p>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. The overplanting by FELCRA Bukit Serok into UMAC Estate’s land does not involve legal or customary use of the land, and as such, this Indicator is not applicable.</p>	Not Applicable
4.6.2	<p>(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.</p> <p>- Critical (Major) compliance -</p>	<p>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. The overplanting by FELCRA Bukit Serok into UMAC Estate’s land does not involve legal or customary use of the land, and as such, this Indicator is not applicable.</p>	Not Applicable
4.6.3	<p>Evidence is available that equal opportunities are provided to both men and women to hold land titles for scheme small holdings.</p> <p>- Minor compliance -</p>	<p>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. The overplanting by FELCRA Bukit Serok into UMAC Estate’s land does not involve legal or customary use of the land, and as such, this Indicator is not applicable.</p>	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, there was no evidence of any dispute with any previous owner or occupants. The overplanting by FELCRA Bukit Serok into UMAC Estate’s land does not involve legal or customary use of the land, and as such, 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>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</p>	Complied

	- Critical (Major) compliance -	Program dated 04/09/2007. This procedure is to ensure any negotiation with regards to compensation for loss of local rights are dealt with fairly.	
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>	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. Since there is no land disputes related to customary or user rights, no participatory monitoring, evaluation and corrective actions have been carried out.	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>	Based on documents sighted and interviews conducted with stakeholders from nearby villagers, there was no evidence of any communities having lost access and rights to land for plantation expansion. Therefore, this Indicator is not applicable.	Not Applicable
<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	<p>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.</p> <p>- Minor compliance -</p>	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	<p>(C) Land conflict is not present in the area of the unit of certification. Where land conflict exists, acceptable conflict resolution processes (see</p>	Based on documents sighted and interviews conducted with stakeholders, there was no evidence of any dispute with any	Not Applicable

	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 -	previous owner or occupants. Palong Cocoa POM and its supply base were not newly acquired units. Therefore, this indicator is 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 Kemedak, Sepang Loi, Palong, Mungka, UMAC, Labis Bahru Estates. No independent smallholder crop is received and therefore this Indicator is not applicable.	Not Applicable
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 -	The Mill processes only FFB from its own estates namely Kemedak, Sepang Loi, Palong, Mungka, UMAC, Labis Bahru Estates. No independent smallholder crop is received and therefore this Indicator is not applicable.	Not Applicable

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

5.1.3	<p>(C) Fair pricing, calculated as a portion of the international CPO price less costs is provided to smallholders in the supply base and documented.</p> <p>- Critical (Major) compliance -</p>	<p>The Mill processes only FFB from its own estates namely Kemedak, Sepang Loi, Palong, Mungka, UMAC, Labis Bahru Estates. No independent smallholder crop is received and therefore this Indicator is not applicable.</p>	Not Applicable
5.1.4	<p>(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.</p> <p>- Critical (Major) compliance -</p>	<p>The Mill processes only FFB from its own estates namely Kemedak, Sepang Loi, Palong, Mungka, UMAC, Labis Bahru Estates. No independent smallholder crop is received and therefore this Indicator is not applicable.</p>	Not Applicable
5.1.5	<p>Contracts are fair, legal and transparent and have an agreed timeframe.</p> <p>- Minor compliance -</p>	<p>Sighted during the audit were the following contracts:</p> <ol style="list-style-type: none"> 1. Between Kulim Plantations and an Indonesian manpower supplier, PT Hamparan Karya Insani dated 27 May 2022; 2. Between Ladang Mungka and Lurza Snr Enterprise dated 01/01/2021; 3. Between Mahamurni Plantations and GP Subramaniam Enterprise dated 26/05/2022; 4. Between Mahamurni Plantations and Sg Rezeki Sdn Bhd dated 17/08/2022 <p>The above contracts are fair, legal and transparent as they contain agreed time frame, scope of work, fees and payment of services, rights and obligations of both parties, mutual termination clause, force majeure, etc. This was further confirmed during audit interviews conducted with contractors and suppliers.</p>	Complied
5.1.6	<p>(C) Agreed payments are made in a timely manner and receipts specifying price, weight, deductions and amount paid are given.</p> <p>- Critical (Major) compliance -</p>	<p>Audit interviews held with all local suppliers and contractors confirmed that payments are made in a timely manner, often within one week of invoice. Palong Cocoa Mill and its supply base were</p>	Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		able to demonstrate that payments were made within 30 days of invoice as agreed in the contracts	
5.1.7	Weighbridges used for determining payment to smallholders are verified by an independent third party on a regular basis (this can be government). - Minor compliance -	The Mill processes only FFB from its own estates namely Kemedak, Sepang Loi, Palong, Mungka, UMAC, Labis Bahru Estates. No independent smallholder crop is received and therefore this Indicator is not applicable.	Not Applicable
5.1.8	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 -	The Mill processes only FFB from its own estates namely Kemedak, Sepang Loi, Palong, Mungka, UMAC, Labis Bahru Estates. No independent smallholder crop is received and therefore this Indicator is not applicable.	Not Applicable
5.1.9	(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 -	The Mill processes only FFB from its own estates namely Kemedak, Sepang Loi, Palong, Mungka, UMAC, Labis Bahru Estates. No independent smallholder crop is received and therefore this Indicator is not applicable.	Not Applicable
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 -	The Mill processes only FFB from its own estates namely Kemedak, Sepang Loi, Palong, Mungka, UMAC, Labis Bahru Estates. No independent smallholder crop is received and therefore this Indicator is not applicable.	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).	The Mill processes only FFB from its own estates namely Kemedak, Sepang Loi, Palong, Mungka, UMAC, Labis Bahru Estates. No independent smallholder crop is received and therefore this Indicator is not applicable.	Not Applicable

	- Minor compliance -		
5.2.3	Where applicable, the unit of certification provides support to smallholders to promote legality of FFB production. - Minor compliance -	The Mill processes only FFB from its own estates namely Kemedak, Sepang Loi, Palong, Mungka, UMAC, Labis Bahru Estates. No independent smallholder crop is received and therefore this Indicator is not applicable.	Not Applicable
5.2.4	(C) Evidence exists that the unit of certification trains Scheme Smallholders on pesticide handling. - Critical (Major) compliance -	The Mill processes only FFB from its own estates namely Kemedak, Sepang Loi, Palong, Mungka, UMAC, Labis Bahru Estates. No independent smallholder crop is received and therefore this Indicator is not applicable.	Not Applicable
5.2.5	The unit of certification regularly reviews and publicly reports on the progress of the Smallholder support programme. - Minor compliance -	The Mill processes only FFB from its own estates namely Kemedak, Sepang Loi, Palong, Mungka, UMAC, Labis Bahru Estates. No independent smallholder crop is received and therefore this Indicator is not applicable.	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 based on ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age. - Critical (Major) compliance -	The Policies that have been developed by Kulim (Malaysia) Berhad to deal with equal opportunity and non-discrimination are: <ul style="list-style-type: none"> a. Business Policy b. Core Labour Standard c. People Policy 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.	Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

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>Reviewed during the audit was contract dated 19/05/2022 sent by Kulim (Malaysia) Berhad to 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 following Kulim's 'Zero Cost Policy'. No recruitment fees are imposed on any of the foreign workers, and this was further confirmed by foreign workers interviewed.</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>Palong Cocoa Mill and its supply base were able to demonstrate that recruitment, selection, hiring, access to training and promotion are based on skills, medical fitness for the job available. This was evidenced by the recruitment process of the following workers:</p> <ul style="list-style-type: none"> a. Palong Estate (IC No. 000210011xxx) b. Palong Cocoa Mill (Workers No. E840000330 and E8400003329) c. Mungka Estate (Workers No. E8200000904 and E8200000890) d. Labis Bahru Estate (Workers No. E150001467 and E100001698) <p>Sighted in their personal files were job application forms, academic qualifications, previous job experience, medical examination results, letter of job offer and appraisal records.</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 Assistants at UMAC Estate, Palong Estate, Palong Cocoa Mill and representatives of Women OnWards (WOW) Committee members, pregnancy testing are not conducted as a discriminatory measure, but only when it is legally mandated (i.e. where the job requires the female workers to handle chemicals). However, it was verified during the audit that no women</p>	Complied

		employees handle chemicals. Visits to the field also confirmed this where female workers at the nursery in Mungka Estate informed that spraying and fertilising were specifically carried out by male workers.	
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>All the units within Palong Cocoa Mill and its supply base have in place the Women OnWards (WOW) committee which is a committee of women employees whose members were female employees and housewives who live in the estate/mill housing. Based on interviews conducted with WoW committee members and a review of their meeting minutes, evidence was available that WoW was set up to raise awareness on issues of concern to women such as domestic violence, sexual harassment, reproductive rights, and complaints and grievance channel for such abuses.</p> <p>Sampled WoW committee meetings were reviewed as follows: Palong Cocoa POM: 10/02/2022 and 29/08/2022 Palong Estate: 26/09/2022 Labis Bahru Estate: 25/08/2022</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. Sampled were the following general workers:</p> <ul style="list-style-type: none"> - Labis Bahru Estate: No. E1500011279 (male) and E150000004 (female) - Palong Estate: IC No. 000210001xxxx (male) and IC No. 92091401xxxx (female) 	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>			

<p>6.2.1</p>	<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. Clause 9 of the employment contract also specifically states that unless otherwise stated, all terms and conditions of contract are subjected to the Employment Act 1955 and SOCSO Act 1969, and the current MAPA/NUPW contract. Also confirmed via sampled payslips that wages were paid in accordance with the Minimum Wages Order 2022 (from May 2022 onwards). Salary deductions and overtime were in accordance with relevant laws and permit (SOCSO, EPF, EIS) and Labour Office permits.</p> <p>Among the payslips sampled were as follows:</p> <table border="1" data-bbox="1137 1040 1926 1391"> <thead> <tr> <th>Estate/Mill</th> <th>Worker No</th> <th>Contract signed</th> <th>Payslips reviewed 2022</th> </tr> </thead> <tbody> <tr> <td rowspan="7">Labis Bahru Estate (sampled 10)</td> <td>E150001307</td> <td>10/01/2020</td> <td>Feb (low crop)</td> </tr> <tr> <td>E150001344</td> <td>07/07/2020</td> <td>June (med crop)</td> </tr> <tr> <td>E150001178</td> <td>09/01/2019</td> <td>September (high crop)</td> </tr> <tr> <td>E150000362</td> <td>01/08/2022</td> <td></td> </tr> <tr> <td>E150001484</td> <td>04/09/2014</td> <td></td> </tr> <tr> <td>E150001510</td> <td>01/10/2013</td> <td></td> </tr> <tr> <td>E150000362</td> <td>04/09/2014</td> <td></td> </tr> </tbody> </table>	Estate/Mill	Worker No	Contract signed	Payslips reviewed 2022	Labis Bahru Estate (sampled 10)	E150001307	10/01/2020	Feb (low crop)	E150001344	07/07/2020	June (med crop)	E150001178	09/01/2019	September (high crop)	E150000362	01/08/2022		E150001484	04/09/2014		E150001510	01/10/2013		E150000362	04/09/2014		<p>Complied</p>
Estate/Mill	Worker No	Contract signed	Payslips reviewed 2022																										
Labis Bahru Estate (sampled 10)	E150001307	10/01/2020	Feb (low crop)																										
	E150001344	07/07/2020	June (med crop)																										
	E150001178	09/01/2019	September (high crop)																										
	E150000362	01/08/2022																											
	E150001484	04/09/2014																											
	E150001510	01/10/2013																											
	E150000362	04/09/2014																											

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		E150001307 E150001462 E150000101	10/01/2020 21/11/2021 07/08/2922	
	Palong Cocoa Mil (sampled 7)	E840000188 E840000209 E840000237 E840000219 E840000166 E840000023 E840000301	12/02/2019 16/03/2020 18/01/2022 24/09/2017 18/09/2017 01/06/1995 10/02/2021	Feb (low crop) June (med crop) September (high crop)
	Mungka (sampled 9)	E820000890 E820000904 E820000880 Passport No EA0291722 EA0114002 C5272560 AU441800 C9508481 C7743979	01/08/2022 01/09/2022 01/06/2011 01/12/2021 11/10/2022 05/07/2022 05/07/2022 04/08/2022 27/08/2017	Feb (low crop) July (med crop) September (high crop)
	Palong (sampled 12)	P/port No: C2149707 AU572815 EG 0924905 E0476893 EG0085527	01/07/2016 06/07/2011 27/07/2022 01/07/2019 01/08/2021	Jan (low crop) June (med crop) September (high crop)

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		EJ0374813 IC No: 890501xxxx 014270xxxx 021027xxxx 920914xxxx 831231xxxx 880806xxxx	01/08/2021 12/08/2019 17/08/2020 11/11/2020 13/07/2021 06/07/2020 29/04/2018		
		UMAC (sampled 8)	P/port No: C4612153 C7582783 C4612955 C8829145 C8182327 C3492565 A01950374 B3624095	22/03/2022 25/07/2022 21/08/2022 02/11/2018 15/01/2018 01/12/2020 01/11/2013 02/11/2018	Jan (low crop) Feb (med crop) September ((high crop)
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 2022, 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</p>			Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<p>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 (SOCSCO, EPF, EIS) and Labour Office permits. None of the sampled workers had any family members performing work.</p> <p>Among the contracts sampled were those in Indicator 6.2.1 above.</p>	
<p>6.2.3</p>	<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 (SOCSCO, EPF, EIS) and non-statutory deductions (e.g. mosque funds, electricity bills, etc) in accordance with Labour Office permits. These permits are as follows:</p> <ul style="list-style-type: none"> A. Mungka Estate: JTK Ref: TK (NJ) U-24 dated 06/01/2020 for electricity and water deductions; B. UMAC Estate: JTK Serial No. PP3/21/005/2008 dated 12/09/2008 for electricity and water deductions; C. Palong Cocoa Mill: JTK Ref BHG PU/9/134 Jld 17 (16) dated 30/11/2018 for maximum overtime of up to 130 hours per month. And JTK Ref BHG PU/9/135 Jld 16 (15) dated 30/11/2018 allowing women to work from 10PM to 5AM D. Labis Bahru Estate: JTK Ref: TK (NJ) U-24 dated 02/12/2018 for electricity, water, surau and temple monthly deductions. <p>It was also verified during the audit that written requests were made by the workers from each operating unit making the abovementioned deductions.</p>	<p>Complied</p>

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<p>Overtime hours are voluntary as evidenced from overtime consent forms verified at Palong Cocoa Mill for workers No. E840000188, E840000209, E840000237, E840000219, E840000166, E840000023, and E840000301.</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 of infrastructure. A reasonable time (5years) is allowed to upgrade the infrastructure. - Critical (Major) compliance -</p>	<p>Based on interviews with workers, documentation review and visits made to the mill and estate housing areas, Palong Cocoa Mill and its supply base were able to demonstrate that adequate housing, sanitation facilities, water supplies, medical and welfare amenities are being provided to all employees and their family members. Houses have between 2 to 3 bedrooms with between 2 to 3 occupants per house. Electricity and water are available 24 hours a day. Available amenities include estate clinic, children’s playground, takraw court, volleyball court, surau and grocery stores.</p> <p>Mungka Estate provide treated water for free to its workers. Verified at Mungka Estate was domestic water sampling carried out by Decagon Lab & Analytical Testing Sdn Bhd (Ref: LW/514(1-2)/22 dated 20/06/2022 at Ladang Mungka which shows total coliform count and E.coli was absent for both.</p> <p>Linesite inspections are carried out on weekly as verified from records sighted for all operating units. The clinics are visited on a fortnightly basis by a Visiting Medical Officer who supervises the estate medical/health assistants, conduct linesite inspections and attend to patients at the estate clinics. Records sighted were as follows:</p> <p><u>Mungka Estate:</u> VMO from Klinik Medipulse Segamat visited on 6/09/2022, 20/9/022, 4/10/2022. Linesite inspection on 02/10/2022, 09/10/2022, 14/10/2022.</p>	<p>Non-compliance</p>

**RSPO P&C Public Summary Report
Revision 14 (Aug 2022)**

		<p><u>Palong Estate:</u> Linesite inspection on 26/09/2022, 02/10/2022, 06/10/2022, 13/10/2022.</p> <p><u>UMAC Estate:</u> VMO from Polyclinic Endau in Bahau visited on 11/08/2022, 25/08/2022, 08/09/2022, 29/9/2022, 13/10/2022.</p> <p><u>Palong Cocoa Mill:</u></p> <p>VMO from Klinik Medipulse Segamat visited on 6/09/2022, 20/9/022, 4/10/2022.</p> <p>Linesite inspection on 27/09/2022, 04/10/2022, 11/10/2022.</p> <p><u>Labis Bahru Estate:</u> Linesite inspection on 23/09/2022, 30/09/2022, 07/10/2022, 14/10/2022.</p> <p>However, housing conditions at Mungka Estate, Labis Bahru Estate and Palong Cocoa Palm Oil Mill did not satisfy the requirements of Sections 12, 23 and 24 of the Employees’ Minimum Standards of Housing, Accommodations and Amenities Act 1990 (Act 446).</p> <p>Found during the audit at Palong Cocoa Mill housing site the following:</p> <ol style="list-style-type: none"> 1. The area surrounding the workers’ housing were not maintained in a clean and sanitary condition. An assortment of construction debris and refuse such as broken culverts, unused metal zincs, rusty metal poles, rusty swing, broken furniture, rotten canopy, empty plastic bottles, wheelchair, etc were allowed to accumulate at the housing site. This was not in accordance with Section 23(1)(a) of Act 446. 2. The perimeter drain behind Block A not kept in a good state of repair and the water inside the drain was stagnant and foul smelling. This was not in accordance with Section 23(1)(b) of Act 446. 3. The weekly housing inspections carried out in September and October 2022 were inadequately done and failed to inspect and 	
--	--	---	--

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<p>report the above conditions. This was not in accordance with Section 23(2) of Act 446.</p> <p>Found during the audit of Mungka Estate housing site the following:</p> <p>4. The interior of House No. 3, Jalan Indonesia used by the grocery shop operator was filthy, untidily strewn and heaped with various items such as motorcycle parts, old tyres, dirty mattress and pillows, scrap metal, household equipment, etc. The weekly housing inspections carried out in September and October 2022 were inadequately done and failed to inspect and report the conditions of House No. 3 Jalan Indonesia. This was not in accordance with Section 23(2) of Act 446.</p> <p>Found during the audit of Labis Bahru Estate housing site the following:</p> <p>5. Concrete floor of the volleyball court in front of the workers' housing was broken and overgrown with grass. This was not in accordance with Section 12(2) of Act 446.</p> <p>Therefore, a Major Non-Compliance was raised.</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. Each operating unit within Palong Cocoa Mill has its own canteen and sundry shops. All units require estate shops to submit price lists regularly for purposes of price monitoring. This price monitoring can be further improved if price comparisons were made between the estate shops and various external shops.</p>	OFI
6.2.6	<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:</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 RM1,500 per month, or more.</p>	Complied

STATEMENT FROM THE RSPO STANDARDS STANDING COMMITTEE REGARDING INDICATOR 6.2.6 ON DECENT LIVING WAGE

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).

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.

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.

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 the RSPO Guidance for Implementing a Decent Living Wage (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).

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:

- Updated assessment on prevailing wages and in-kind benefits

Palong Cocoa Mill and its supply base have also carried out the calculation of prevailing wages and in-kind benefits in 2021. The calculation took into account housing, electricity, water, education and healthcare. Below is the breakdown of the prevailing wage calculation as of 2021:

Mill/Estate	In-kind benefits (RM)	Average take-home pay (RM)	Prevailing wage (RM)
Palong Cocoa Mill	1128.37	1808.49	2936.86
UMAC	4044.50	1500.00	5544.50
Palong	577.86	1278.49	1856.37
Labis Bahru	1057.84	1290.57	2348.41
Mungka	608.72	11342.00	1950.72

Based on the breakdown given, the calculation of prevailing wages including in-kind benefits is reasonable.

	<ul style="list-style-type: none"> • 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 including contractors' workers and contracted workers 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 in Bahasa Malaysia and English are 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. - Kulim (Malaysia) Berhad's Core Labour Standards on Rights of Employees which states that Kulim recognises and respects the rights of employees to form and/or join trade unions of their choice which are given due recognition by KULIM. <p>This is demonstrably implemented when all workers (foreign and local) are free to become NUPW members. Sampled were the following briefings on freedom of association given to the workers:</p>	Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		Mungka Estate: 19/01/2022, 11/03/2022. UMAC Estate: 12/05/2022 Palong Cocoa Mill: 24/08/2022 Labis Bahru Estate: 07/02/2022	
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 -	It was verified during the audit that NUPW representatives were freely elected by the workers, as confirmed by records dated 28/09/2018 sighted at Mungka Estate. Minutes of meetings between the NUPW representatives and management were also sampled during the audit. These minutes were documented and prepared in Bahasa Malaysia and were duly verified at Palong Estate (22/06/2022), Mungka Estate (19/07/2022) and at Labis Bahru Estate (21/07/2022).	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 will 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 the following contractors:	Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<ul style="list-style-type: none"> - Between Kulim Plantations and an Indonesian manpower supplier, PT Hamparan Karya Insani dated 27 May 2022; - Between Ladang Mungka and Lurza Snr Enterprise dated 01/01/2021; - Between Mahamurni Plantations and GP Subramaniam Enterprise dated 26/05/2022; - Between dated Mahamurni Plantations and Sg Rezeki Sdn Bhd 17/08/2022 	
6.4.2	<p>(C) There is evidence that minimum age requirements are met. Personnel files show that all workers are above the national 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>Documentary evidence is available that minimum age requirements are met. This is based on workers' check roll list and copies of their passport/NRIC details. Based on workers' NRIC and passports, all workers were at least 18 years old when employed.</p>	Complied
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.</p> <p>This Policy was also communicated during stakeholder meeting held on 11/10/2022. 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</p>	Complied

		<p>labour. Reviewed during the audit were the contract Addendum signed by the following contractors:</p> <ul style="list-style-type: none"> - Between Kulim Plantations and an Indonesian manpower supplier, PT Hamparan Karya Insani dated 27 May 2022; - Between Ladang Mungka and Lurza Snr Enteprise dated 01/01/2021; - Between Mahamurni Plantations and GP Subramaniam Enterprise dated 26/05/2022; - Between dated Mahamurni Plantations and Sg Rezeki Sdn Bhd 17/08/2022 <p>Interviews held with contractors and suppliers also confirmed their understanding of this obligation.</p>	
<p>Criterion 6.5: There is no harassment or abuse in the workplace, and reproductive rights are protected.</p>			
<p>6.5.1</p>	<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. - 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. This Policy has been communicated to all levels of workforce via WoW meetings and muster briefings held as follows:</p> <ul style="list-style-type: none"> - Palong Cocoa POM: WoW meeting (10/02/2022) - Palong Estate: WoW meeting (26/09/2022) - Mungka Estate: Muster briefing (20/07/2022) - Labis Bahru Estate: Muster briefings (12/01/2022, 21/02/2022) and WoW meeting (25/08/2022) - UMAC Estate: Muster briefings (16/03/2022 and 23/02/2022) <p>Interviews held with employees of both genders confirmed their awareness of this Policy and its implementation.</p>	<p>Complied</p>

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

<p>6.5.2</p>	<p>(C) A policy to protect the reproductive rights of all, especially of women, is implemented and communicated to all levels of the workforce. - 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 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. This Standard has been communicated to all levels of workforce during muster briefings and WoW meetings as follows:</p> <ul style="list-style-type: none"> - Palong Cocoa POM: WoW meeting (10/02/2022) - Palong Estate: WoW meeting (26/09/2022) - Mungka Estate: Muster briefing (20/07/2022) - Labis Bahru Estate: Muster briefings (12/01/2022, 21/02/2022) and WoW meeting (25/08/2022) - UMAC Estate: Muster briefings (16/03/2022 and 23/02/2022) <p>Interviews held with employees of both genders confirmed their awareness of this Policy and its implementation.</p> <p>At Labis Bahru Estate, when a loose fruit picker (Worker No. E150001342) was confirmed pregnant, she was immediately assigned light work to only sweep the platform. When she gave birth on 30/06/2022, she was given 2 months paid maternity leave until 28/08/2022 as verified via her July and August payslips.</p>	<p>Complied</p>
<p>6.5.3</p>	<p>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 -</p>	<p>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, nursing facilities, awareness and counselling.</p>	<p>Complied</p>

6.5.4	<p>A grievance mechanism, which respects anonymity and protects complainants where requested, is established, implemented and communicated to all levels of the workforce.</p> <p>- Minor compliance -</p>	<p>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.</p>	Complied
Criterion 6.6: No forms of forced or trafficked labour are used.			
6.6.1	<p>(C) All workers have entered into employment voluntarily and the following are prohibited:</p> <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 • Withholding of wages <p>- Critical (Major) compliance -</p>	<p>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.</p> <ul style="list-style-type: none"> • Passports <ul style="list-style-type: none"> - All foreign workers now keep their own passports. except for administration purposes including legalisation and renewal processes. • Charging the workers for recruitment fees <ul style="list-style-type: none"> - Contract dated 19/05/2022 between Kulim (Malaysia) Berhad to 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 following Kulim's 'Zero Cost Policy'. No recruitment fees are imposed on any of the foreign workers, and this was further confirmed by foreign workers interviewed. • Contract substitution <ul style="list-style-type: none"> - Verified during interviews conducted with foreign workers at all the estates that the workers knew about the work 	Complied

		<p>they would be doing before leaving their countries of origin (Indonesia and Bangladesh). There is no contract substitution.</p> <ul style="list-style-type: none"> • Involuntary overtime <ul style="list-style-type: none"> - All overtime work are carried out on a voluntary basis as seen from the overtime request form signed by the workers at Palong Cocoa Mill and estates. This was further confirmed by the workers themselves during audit interviews. • Lack of freedom of workers to resign <ul style="list-style-type: none"> - Clause 5 of employment contracts allows 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. • Penalty for termination of employment <ul style="list-style-type: none"> - Clause 5 of employment contracts allows 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. • Debt bondage <ul style="list-style-type: none"> - Based on payslips sighted and interview with workers, there was no evidence of any debt bondage and withholding of wages. Interview with the workers also confirmed this. • Withholding of wages <ul style="list-style-type: none"> - Based on payslips sighted and interview with workers, there was no evidence of any debt bondage and withholding of wages. Interview with the workers also confirmed this. 	
--	--	---	--

6.6.2	<p>(C) Where temporary or migrant workers are employed, a specific labour policy and/or procedures are established and implemented.</p> <p>- Critical (Major) compliance -</p>	<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 - 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>	Complied														
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="1137 1203 1930 1342"> <thead> <tr> <th rowspan="2">OU</th> <th colspan="4">Quarter and dates</th> </tr> <tr> <th>03/2022</th> <th>02/2022</th> <th>01/2022</th> <th>04/2021</th> </tr> </thead> <tbody> <tr> <td>PCPOM</td> <td>15/07</td> <td>18/04</td> <td>07/01</td> <td>17/12</td> </tr> </tbody> </table>	OU	Quarter and dates				03/2022	02/2022	01/2022	04/2021	PCPOM	15/07	18/04	07/01	17/12	Complied
OU	Quarter and dates																
	03/2022	02/2022	01/2022	04/2021													
PCPOM	15/07	18/04	07/01	17/12													

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		Sepang Loi	21/09	16/06	20/03	06/12	
		Mungka	22/09	09/06	20/03	23/12	
		UMAC	10/08	18/05	18/02	09/11	
		Labis Bahru	27/09	17/06	17/03	23/12	
		<p>Generally, among the agenda discussed in the meetings are:</p> <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</i></p>					Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<p style="text-align: center;"><i>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 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.</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 with 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</p>	<p>Non-compliance</p>

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<p>provided for free and worn accordingly. However, at Labis Bahru Estate, a contractor worker (truck driver – truck reg. no.: BEB 8419) was putting on canvas to cover the FFB loaded in the trailer at the loading ramp, which requires him to walk on top of the loaded FFB i.e., working at height, did not use his safety harness as required by the company’s SOP for working at the loading ramp (Doc. No.: KULIM/PKS/OSH-1, dated 01/03/2021). Thus, a non-conformity report was assigned due to this lapse.</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>																	
<p>6.7.4</p>	<p>All workers are provided with medical care and covered by accident insurance. Costs incurred from work- related incidents leading to injury or sickness are covered in accordance with Malaysian law.</p> <p>- Minor compliance -</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 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="1137 1098 1856 1361"> <thead> <tr> <th>Estates/mill</th> <th>Transaction date</th> <th>Payment voucher Ref. No.</th> <th>No. of employees covered</th> </tr> </thead> <tbody> <tr> <td>PC POM</td> <td>05/09/2022</td> <td>22000717</td> <td>113</td> </tr> <tr> <td>UMAC</td> <td>06/10/2022</td> <td>22000701</td> <td>140</td> </tr> <tr> <td>Labis Bahru</td> <td>11/10/2022</td> <td>22001132</td> <td>155</td> </tr> </tbody> </table>	Estates/mill	Transaction date	Payment voucher Ref. No.	No. of employees covered	PC POM	05/09/2022	22000717	113	UMAC	06/10/2022	22000701	140	Labis Bahru	11/10/2022	22001132	155	<p>Complied</p>
Estates/mill	Transaction date	Payment voucher Ref. No.	No. of employees covered																
PC POM	05/09/2022	22000717	113																
UMAC	06/10/2022	22000701	140																
Labis Bahru	11/10/2022	22001132	155																

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		Palong	06/10/2022	22000899	241		
		Mungka	03/10/2022	22000808	118		
6.7.5	Occupational injuries are recorded using Lost Time Accident (LTA) metrics. - Minor compliance -	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 2021. Verification against the certification unit's other records such as JKKP 8 found the data to be accurate.					Complied
Principle 7: Protect, conserve and enhance ecosystems and the environment							
Criterion 7.1: Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.							
7.1.1	(C) IPM plans are implemented and monitored to ensure effective pest control. - Critical (Major) compliance -	<p>The sampled estates continued to monitor the Implementation of Integrated Pest Management (IPM) plans.</p> <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 					Complied

		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	(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. - Critical (Major) compliance -	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 with the justification in the manual.	Complied
7.2.2	(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. - Critical (Major) compliance -	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 and 2022 (year to-date) was less than 1 kg a.i./ha for both matured and immature areas.	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 with 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 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> <ol style="list-style-type: none"> Judgment of the threat and verify why this is a major threat Why there is no other alternative which can be used Which process was applied to verify why there is no other less hazardous alternative What is the process to limit the negative impacts of the application Estimation of the timescale of the application and steps taken to limit application to the specific outbreak. 	<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> <ol style="list-style-type: none"> The review of the chemical register concluded that all pesticides used were of class II, III & class IV. The use of paraquat had been prohibited in all KMB estates. 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. 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. Based on the regulated chemical register, among the chemical used in the estates are as follows: 	Complied

	<p>- Minor compliance -</p>	<table border="1" data-bbox="1220 360 1809 598"> <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> <p>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.</p>	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. - 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. - Critical (Major) compliance -</p>	<p>The pesticides were kept in the designated stores at all the sampled estates in accordance with 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																					

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

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 latest 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> <table border="1" data-bbox="1137 1129 1935 1331"> <thead> <tr> <th></th> <th></th> <th></th> <th></th> <th>OHD Reg. No.</th> </tr> </thead> <tbody> <tr> <td>Mungka</td> <td>23/11/2021</td> <td>22 13 pesticides 9 fertilisers</td> <td>All fit</td> <td>HQ/11/DOC/00/235</td> </tr> <tr> <td>UMAC</td> <td>22/07/2022</td> <td>23</td> <td>All fit</td> <td>HQ/11/DOC/00/235</td> </tr> </tbody> </table>					OHD Reg. No.	Mungka	23/11/2021	22 13 pesticides 9 fertilisers	All fit	HQ/11/DOC/00/235	UMAC	22/07/2022	23	All fit	HQ/11/DOC/00/235	Complied
				OHD Reg. No.														
Mungka	23/11/2021	22 13 pesticides 9 fertilisers	All fit	HQ/11/DOC/00/235														
UMAC	22/07/2022	23	All fit	HQ/11/DOC/00/235														

		Labis Bahru	24/07/2022	36 23 pesticides 11 fertilisers	All fit	HQ/11/DOC/00/235	
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>	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.					Complied
<p>Criterion 7.3: Waste is reduced, recycled, reused and disposed of in an environmentally and socially responsible manner.</p>							
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 as reported under indicator 7.2.8.</p> <p>Highly toxic chemical named Monochrotophos (Class I) was kept at Mungka Estate since 2019 based on date of application and store card. Date of manufacture was in 2018 and the supplier claimed the shelf life/expiry of the said chemical last for 5 years from manufacturing date. As to date, no product details/scientific evidence to proof the claimed made by manufacturer as this will be the basis to initiate disposal arrangement for discarded or off-specification chemical. Thus, a minor NC was raised.</p>					Complied
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>	In Palong Cocoa POM and the estates in the CU, procedure SPO/W1/06-10 – Scheduled Wastes (Hazardous Waste)					Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<p>Management has been established. The disposal of scheduled waste was available and disposed at Kualiti Alam Sdn Bhd.</p> <table border="1" data-bbox="1137 434 1933 813"> <thead> <tr> <th>Type SW</th> <th>Consignment note</th> <th>Dated</th> <th>Weight (mt)</th> </tr> </thead> <tbody> <tr> <td>SW 408</td> <td>2022042816GT4CI K</td> <td>28/4/2022</td> <td>0.0118</td> </tr> <tr> <td>SW 305</td> <td>20220428167F269 H</td> <td>28/4/2022</td> <td>0.59</td> </tr> <tr> <td>SW 410</td> <td>20220428`6CX0UF L</td> <td>28/4/2022</td> <td>0.0898</td> </tr> <tr> <td>SW 429</td> <td>2022042816PX0BL C</td> <td>28/4/2022</td> <td>0.1007</td> </tr> </tbody> </table> <p>Latest disposal was on conducted on 13/9/2022 at Labis Bahru sampled as per below:- SW 305 consignment not 2022091318B06TY3 with total 1.425 mt of spent/used oil been disposed to Kualiti Alam Sdn Bhd. Another sampling on SW 307 spent mineral oil-water emulsion disposal on 13/9/2022, consignment note 20220913189IUDB5 with total 0.051 mt. This waste was disposed at Kualiti Alam Sdn Bhd.</p>	Type SW	Consignment note	Dated	Weight (mt)	SW 408	2022042816GT4CI K	28/4/2022	0.0118	SW 305	20220428167F269 H	28/4/2022	0.59	SW 410	20220428`6CX0UF L	28/4/2022	0.0898	SW 429	2022042816PX0BL C	28/4/2022	0.1007	
Type SW	Consignment note	Dated	Weight (mt)																				
SW 408	2022042816GT4CI K	28/4/2022	0.0118																				
SW 305	20220428167F269 H	28/4/2022	0.59																				
SW 410	20220428`6CX0UF L	28/4/2022	0.0898																				
SW 429	2022042816PX0BL C	28/4/2022	0.1007																				
7.3.3	<p>The unit of certification does not use open fire for waste disposal. - Minor compliance -</p>	<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. <p>There was no evidence that fire had been used to prepare land for replanting in the estate No fire was used for waste disposal.</p>	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	<p>Good agriculture practices, as contained in SOPs, are followed to manage soil fertility to optimise yield and minimise environmental impacts.</p> <p>- Minor compliance -</p>	<p>Kulim (M) Berhad Agriculture Manual has been established to cover land preparation, planting/replanting, field maintenance, infrastructure development & maintenance, harvesting & evacuation, integrated pest management, and pest & diseases. There are 19 SOPs and 18 WI's covering all aspects of oil palm management. The related SOP namely Leaf and Soil Sampling Notes procedure was sighted. 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>	Complied
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 is annually, whereas for soil analysis, the frequency is once in 4 years. Reports of foliar and soil analysis were made available for verification at all the sampled estates.</p>	Complied
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>Application of bio-compost and EFB in the field was observed at the sampled estate in accordance with the recommendations by Kulim's agronomy department. Records of application were maintained by the estates and made available for verification. Among the</p>	Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		information available in the records is field number, quantity of EFB/POME/compost being applied (mt) and date of application.																																														
7.4.4	Records of fertiliser inputs are maintained. - Minor compliance -	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 in-line with the recommendations by agronomist, for all the sampled estates.	Complied																																													
Criterion 7.5: Practices minimise and control erosion and degradation of soils.																																																
7.5.1	(C) Maps identifying marginal and fragile soils, including steep terrain, are available. - Critical (Major) compliance -	<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" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Soil series</th> <th style="text-align: center;">Mungka</th> <th style="text-align: center;">UMAC</th> <th style="text-align: center;">Labis Bahru</th> <th style="text-align: center;">Palong & Kemedak</th> </tr> </thead> <tbody> <tr> <td>Kompleks Aluvium Setempat</td> <td style="text-align: center;">42.31</td> <td style="text-align: center;">0.98</td> <td></td> <td></td> </tr> <tr> <td>Bungor</td> <td style="text-align: center;">30.45</td> <td style="text-align: center;">24.73</td> <td></td> <td></td> </tr> <tr> <td>Melaka</td> <td style="text-align: center;">15.49</td> <td style="text-align: center;">-</td> <td style="text-align: center;">2.21</td> <td></td> </tr> <tr> <td>Rasau</td> <td style="text-align: center;">-</td> <td style="text-align: center;">9.02</td> <td></td> <td></td> </tr> <tr> <td>Tai Tak</td> <td style="text-align: center;">-</td> <td style="text-align: center;">8.97</td> <td></td> <td></td> </tr> <tr> <td>Harimau</td> <td style="text-align: center;">-</td> <td style="text-align: center;">8.23</td> <td></td> <td></td> </tr> <tr> <td>Kampong Pasu</td> <td style="text-align: center;">-</td> <td style="text-align: center;">7.72</td> <td></td> <td></td> </tr> <tr> <td>Gajah Mati</td> <td style="text-align: center;">-</td> <td style="text-align: center;">6.63</td> <td style="text-align: center;">62.37</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		Rasau	-	9.02			Tai Tak	-	8.97			Harimau	-	8.23			Kampong Pasu	-	7.72			Gajah Mati	-	6.63	62.37		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																																													
Rasau	-	9.02																																														
Tai Tak	-	8.97																																														
Harimau	-	8.23																																														
Kampong Pasu	-	7.72																																														
Gajah Mati	-	6.63	62.37																																													

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>Serok</td><td style="text-align: center;">-</td><td style="text-align: center;">6.29</td><td style="text-align: center;">4.73</td><td></td></tr> <tr><td>Tai Tak</td><td></td><td style="text-align: center;">8.97</td><td></td><td></td></tr> <tr><td>Tebok</td><td></td><td style="text-align: center;">2.84</td><td></td><td></td></tr> <tr><td>Telemong</td><td></td><td style="text-align: center;">0.59</td><td></td><td></td></tr> <tr><td>Terap</td><td></td><td style="text-align: center;">1.92</td><td></td><td></td></tr> <tr><td>Chat</td><td></td><td></td><td style="text-align: center;">15.53</td><td></td></tr> <tr><td>Gong Chenak</td><td></td><td></td><td style="text-align: center;">3.88</td><td></td></tr> <tr><td>Lubok Itek</td><td></td><td></td><td style="text-align: center;">0.09</td><td></td></tr> <tr><td>Sitiawan</td><td></td><td></td><td style="text-align: center;">0.43</td><td></td></tr> <tr><td>Sogomana</td><td></td><td></td><td style="text-align: center;">7.33</td><td></td></tr> <tr><td>Tepus</td><td></td><td></td><td style="text-align: center;">1.58</td><td></td></tr> <tr><td>Terap</td><td></td><td></td><td style="text-align: center;">1.51</td><td></td></tr> </table> <p>There were no problematic or marginal soils in the 2 sampled estates.</p>	Serok	-	6.29	4.73		Tai Tak		8.97			Tebok		2.84			Telemong		0.59			Terap		1.92			Chat			15.53		Gong Chenak			3.88		Lubok Itek			0.09		Sitiawan			0.43		Sogomana			7.33		Tepus			1.58		Terap			1.51		
Serok	-	6.29	4.73																																																												
Tai Tak		8.97																																																													
Tebok		2.84																																																													
Telemong		0.59																																																													
Terap		1.92																																																													
Chat			15.53																																																												
Gong Chenak			3.88																																																												
Lubok Itek			0.09																																																												
Sitiawan			0.43																																																												
Sogomana			7.33																																																												
Tepus			1.58																																																												
Terap			1.51																																																												
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 of terraces, road maintenance and maintenance of soft vegetation in the interlines. Cover crops were planted in the replanting areas and in certain matured areas. The cover crop such as mucuna bracteata had been planted along the exposed slopes by management. Large areas with neprolepis biserrata in the inter rows were sighted during</p>	Complied																																																												

		the visit. The slope maps were provided by the AASD (Agronomy Advisory Service Dept).	
7.5.3	There is no new planting of oil palm on steep terrain. - Minor compliance -	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.	Complied
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.			
7.6.1	(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 -	Soil surveys and topographic information were made available in the form of maps at all the sampled estates. The information was used to manage the drainage and in-field road system. There is no new planting or plan to develop new area at all the sampled estates.	Complied
7.6.2	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 -	Soil surveys and topographic information were made available in the form of maps at all the sampled estates. The information was used to manage the drainage and in-field road system. There is no new planting or plan to develop new area at all the sampled estates.	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 and topographic information were made available in the form of maps at all the sampled estates. The information was used to manage the drainage and in-field road system. There is no new planting or plan to develop new area at all the sampled estates.	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.	There is no peat soil or soil categorized as marginal or fragile at the sampled estates. There was also no new planting in the estates. Thus, this indicator is not applicable.	Not Applicable

	- Critical (Major) compliance -		
7.7.2	<p>Areas of peat within the managed areas are inventoried, documented and reported (effective from 15 November 2018) to RSPO Secretariat.</p> <p>PROCEDURAL NOTE:</p> <p>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).</p> <p>- Minor compliance -</p>	There is no peat soil or soil categorized as marginal or fragile at the sampled estates. There was also no new planting in the estates. Thus, this indicator is not applicable.	Not Applicable
7.7.3	<p>(C) Subsidence of peat is monitored, documented and minimised.</p> <p>- Critical (Major) compliance -</p>	There is no peat soil or soil categorized as marginal or fragile at the sampled estates. There was also no new planting in the estates. Thus, this indicator is not applicable.	Not Applicable
7.7.4	<p>(C) A documented water and ground cover management programme is in place.</p> <p>- Critical (Major) compliance -</p>	There is no peat soil or soil categorized as marginal or fragile at the sampled estates. There was also no new planting in the estates. Thus, this indicator is not applicable.	Not Applicable
7.7.5	<p>(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 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>	There is no peat soil or soil categorized as marginal or fragile at the sampled estates. There was also no new planting in the estates. Thus, this indicator is not applicable.	Not Applicable

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>	<p>There is no peat soil or soil categorized as marginal or fragile at the sampled estates. There was also no new planting in the estates. Thus, this indicator is not applicable.</p>	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>	<p>There is no peat soil or soil categorized as marginal or fragile at the sampled estates. There was also no new planting in the estates. Thus, this indicator is not applicable.</p>	Not Applicable
<p>Criterion 7.8: Practices maintain the quality and availability of surface and groundwater.</p>			
7.8.1	<p>A water management plan is in place and implemented to promote more efficient use and continued availability of water 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>Water management and action plans at all the sampled estates and mill for year 2022 were made available. Among the objectives of the management plan are:</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 (SAMM 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>	Complied
7.8.2	<p>(C) Water courses and wetlands are protected, including maintaining and restoring appropriate riparian and other buffer zones in line with 'RSPO</p>	<p>Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones has been verified at the</p>	Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

	<p>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>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 5/10/2022 (WI/2022/10/580) and result as per below:</p> <table border="1" data-bbox="1137 699 1928 1337"> <thead> <tr> <th>Parameter</th> <th>Unit</th> <th>WI-1508 (Upstream)</th> <th>WI-1509 (Downstream)</th> </tr> </thead> <tbody> <tr> <td>pH</td> <td>-</td> <td>6.6</td> <td>6.7</td> </tr> <tr> <td>Chemical Oxygen Demand</td> <td>mg O2/L</td> <td>54</td> <td>90</td> </tr> <tr> <td>Biological Oxygen Demand</td> <td>mg/L</td> <td><10</td> <td><10</td> </tr> <tr> <td>Ammoniacal Nitrogen</td> <td>mg NH3-N/L</td> <td><0.50</td> <td><0.50</td> </tr> <tr> <td>Nitrate Nitrogen</td> <td>mg NO3-N/L</td> <td>0.97</td> <td><0.50</td> </tr> <tr> <td>Dissolved Oxygen</td> <td>mg DO/L</td> <td>7.67</td> <td>7.07</td> </tr> </tbody> </table>	Parameter	Unit	WI-1508 (Upstream)	WI-1509 (Downstream)	pH	-	6.6	6.7	Chemical Oxygen Demand	mg O2/L	54	90	Biological Oxygen Demand	mg/L	<10	<10	Ammoniacal Nitrogen	mg NH3-N/L	<0.50	<0.50	Nitrate Nitrogen	mg NO3-N/L	0.97	<0.50	Dissolved Oxygen	mg DO/L	7.67	7.07	
Parameter	Unit	WI-1508 (Upstream)	WI-1509 (Downstream)																												
pH	-	6.6	6.7																												
Chemical Oxygen Demand	mg O2/L	54	90																												
Biological Oxygen Demand	mg/L	<10	<10																												
Ammoniacal Nitrogen	mg NH3-N/L	<0.50	<0.50																												
Nitrate Nitrogen	mg NO3-N/L	0.97	<0.50																												
Dissolved Oxygen	mg DO/L	7.67	7.07																												

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<p>There are also monitoring on Pollution Control Device latest water sampling at PCD was on 27/9/2022 (EI/2022/09/152).</p> <p>Same also for Sepang Loi estate, the water sampling conducted after fertiliser application been conducted as per environmental management plan as per report WI/2022/08/346 dated 28/8/2022 showed that the result was comply with standard limit.</p>	
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> <p>Year 2022: 1.52 as at September</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>	Complied
<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 2020. The document was reviewed/updated on Jan 2020.</p>	Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<p>The estates and mill record and monitor the diesel utilization over the running hours of gen-set and other vehicles running. Performance variation in view of several factors i.e.</p> <ul style="list-style-type: none"> a) Infrastructure of estates, b) Community size / no of gen-sets, c) No. of vehicles / age of machine. d) Weather interference / crop production volume <p>There is no opportunity for the estates to capitalize the utilisation of fibre/shell produced from the mill as part of their energy production in replacement of fossil fuel with the current technology limitation.</p>	
<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>Palong Cocoa Palm Oil Mill and estates had identified emission of greenhouse gas (GHG) from their operations such as emission from their farm tractor and gen set operation.</p> <ul style="list-style-type: none"> a) The management from both estates and mill had planned to reduce emission by daily inspection and monitoring for their farm tractor and gen set to prevent any leakage and problem that could adverse impact the environment. b) Fuel Consumption, Peat Oxidation, POME and reported in the Palm GHG Summary Report. 	Complied
7.10.2	<p>(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).</p> <p>- Critical (Major) compliance -</p>	<p>Palong Cocoa Palm Oil Mill and estates has calculated the GHG using RSPO Palm GHG calculator version 4. There was no new development within the certified area.</p>	Complied

7.10.3	<p>(C) Other significant pollutants are identified and plans to reduce or minimise them implemented and monitored. - Critical (Major) compliance -</p>	<p>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 aspects/impacts 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 used to identify the waste products and sources of pollution, was in place and is reviewed accordingly.</p>	Complied
Criterion 7.11: Fire is not used for preparing land and is prevented in the managed area			
7.11.1	<p>(C) Land for new planting or replanting is not prepared by burning. - Critical (Major) compliance -</p>	<p>There is no land preparation by burning at Palong Complex Management Unit. Kulim (M) Berhad owned policy on sustainable crude oil palm has included zero open burning policy which signed by Managing Director on 1/10/2021. Management complying with the Malaysian environmental law – EQA and Regulations 1974.</p>	Complied
7.11.2	<p>The unit of certification establishes fire prevention and control measures for the areas directly managed by the unit of certification. - Minor compliance -</p>	<p>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.</p>	Complied
7.11.3	<p>The unit of certification engages with adjacent stakeholders on fire prevention and control measures. - Minor compliance -</p>	<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; <i>a. Memelihara dan memulihara kepelbagaian biologi</i> <i>b. Pihak berkepentingan boleh melaporkan kepada KMB</i> <i>c. Jika berlaku kebakaran di persempadanan kawasan ladang/kilang</i> <i>d. Pihak ladang/kilang /pekebun kecil berhampiran juga boleh</i></p>	Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		<p><i>mendapatkan bantuan daripada KMB jika berlaku di kawasan mereka.</i></p> <p>Engagement process was done via stakeholder meeting on 11/10/2022.</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	<p>(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.</p> <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>	<p>Not applicable as no new development within Palong Cocoa POM certification unit.</p>	Not Applicable
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 July 2008 (Final report July 2009) 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</p>	Complied

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		g) Legal aspects h) Immediate and long-term effect													
7.12.3	<i>Indicator is not applicable in Malaysia context</i>	Not applicable	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 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>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"> <thead> <tr> <th>HCV plan</th> <th>Progress</th> <th>Person In Charge</th> </tr> </thead> <tbody> <tr> <td>Animal sighting</td> <td>To record animal sighting and send to SPOD on monthly basis.</td> <td>Estate team</td> </tr> <tr> <td>Encroachment control</td> <td>Briefing to workers on the importance of HCV Continuously monitor and report sign of encroachment</td> <td>Sustainability and estate team</td> </tr> <tr> <td>Buffer zone establishment</td> <td>Mapped out area Buffer zone peg Twice a year maintenance programme</td> <td>Sustainability and estate team</td> </tr> </tbody> </table>	HCV plan	Progress	Person In Charge	Animal sighting	To record animal sighting and send to SPOD on monthly basis.	Estate team	Encroachment control	Briefing to workers on the importance of HCV Continuously monitor and report sign of encroachment	Sustainability and estate team	Buffer zone establishment	Mapped out area Buffer zone peg Twice a year maintenance programme	Sustainability and estate team	Complied
HCV plan	Progress	Person In Charge													
Animal sighting	To record animal sighting and send to SPOD on monthly basis.	Estate team													
Encroachment control	Briefing to workers on the importance of HCV Continuously monitor and report sign of encroachment	Sustainability and estate team													
Buffer zone establishment	Mapped out area Buffer zone peg Twice a year maintenance programme	Sustainability and estate team													

7.12.5	<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>	Complied						
7.12.6	<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>Although there is no RTE species identified at Palong complex group estate, 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. The latest awareness training on environmental and biodiversity was carried out on 7-8/9/2022 for internal stakeholders (workers) at Labis Bahru Estate.</p>	Complied						
7.12.7	<p>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.</p> <p>- Minor compliance -</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 SQI Team from Head Office. Outcomes of monitoring are communicated with plantation management and with management plan. HCV monitoring/patrolling records available.</p> <p>Sample of latest sighting of animal and patrolling records as per below:</p> <table border="1" data-bbox="1137 1155 1928 1350"> <thead> <tr> <th data-bbox="1137 1155 1328 1222">Date of monitoring</th> <th data-bbox="1339 1155 1731 1222">Visited area (hotspots/HCV)</th> <th data-bbox="1742 1155 1928 1222">Estate</th> </tr> </thead> <tbody> <tr> <td data-bbox="1137 1225 1328 1350">7/9/22, 13/9/22, 20/9/22 & 27/9/22</td> <td data-bbox="1339 1225 1731 1350">Field P05/1, P04/2, P03/3 and P03/2</td> <td data-bbox="1742 1225 1928 1350">Mungka Estate</td> </tr> </tbody> </table>	Date of monitoring	Visited area (hotspots/HCV)	Estate	7/9/22, 13/9/22, 20/9/22 & 27/9/22	Field P05/1, P04/2, P03/3 and P03/2	Mungka Estate	Complied
Date of monitoring	Visited area (hotspots/HCV)	Estate							
7/9/22, 13/9/22, 20/9/22 & 27/9/22	Field P05/1, P04/2, P03/3 and P03/2	Mungka Estate							

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

		13/9/22, 21/9/22 & 23/9/22	P05/04, P04/2 and P07/2	UMAC Estate	
		9/9/22, 23/8/22	P07/03, P03/02	Labis Bahru Estate	
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>	No land clearing without prior HCV assessment since November 2005 occurred at visited estates.			Complied

Appendix B: GHG Reporting Executive Summary

The GHG emissions that were produced in **2021** for **Palong Cocoa POM** and supply base was calculated using the PalmGHG Calculator version 3.0.1. The assessment team had verified the data input in the PalmGHG Calculator against operations records. PalmGHG Calculation Options selected 'Full version' and 'Exclude LUC Emission' calculation option is not applied. The records verified includes:

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

The summary of the Net GHG emitted in **2021** for **Palong Cocoa POM** and supply base are as following:

Emission per product	tCO ₂ e/tProduct
CPO	0.57
PK	0.57

Extraction	%
OER	21.02
KER	5.24

Production	t/yr
FFB Process	180,101.50
CPO Produced	37,858.29
PK Produced	9,442.12

Land Use	Ha
OP Planted Area	12,005.21
OP Planted on peat	0
Conservation (forested)	37.82
Conservation (non-forested)	93.19
Total	12,136.22

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	95,519.05	0.53	66.93	0.63	0	0	95,585.98	1.16
CO ₂ Emission from fertilizer	9,309.10	0.05	5.45	0.05	0	0	9,314.55	0.10
NO ₂ Emission	7,601.99	0.04	4.46	0.04	0	0	7,606.45	0.08
Fuel Consumption	1,086.90	0.01	0.93	0.01	0	0	1,087.83	0.02
Peat Oxidation	0	0	0	0	0	0	0	0
Sink								
Crop Sequestration	-90,539.39	-0.50	-63.44	-0.59	0	0	-90602.83	-1.09
Conservation Sequestration	-232.92	0	-0.33	0	0	0	-233.25	-0.33
Total	22,744.73	0.13	14	0.13	0	0	22758.73	0.26

**Note: Includes both estates and smallholders*

RSPO P&C Public Summary Report
Revision 14 (Aug 2022)

Summary of Mill Emission and Credit

	tCO ₂ e	tCO ₂ e/tFFB
Emission		
POME	9,761.25	0.05
Fuel Consumption	155.39	0
Grid Electricity Utilization	529.76	0
Credit		
Export of Grid Electricity	0	0
Sales of PKS	-6,316.68	-0.04
Sales of EFB	0	0
Total	4,129.72	0.02

Summary of Kernel Crusher Emission and Credit (if applicable)

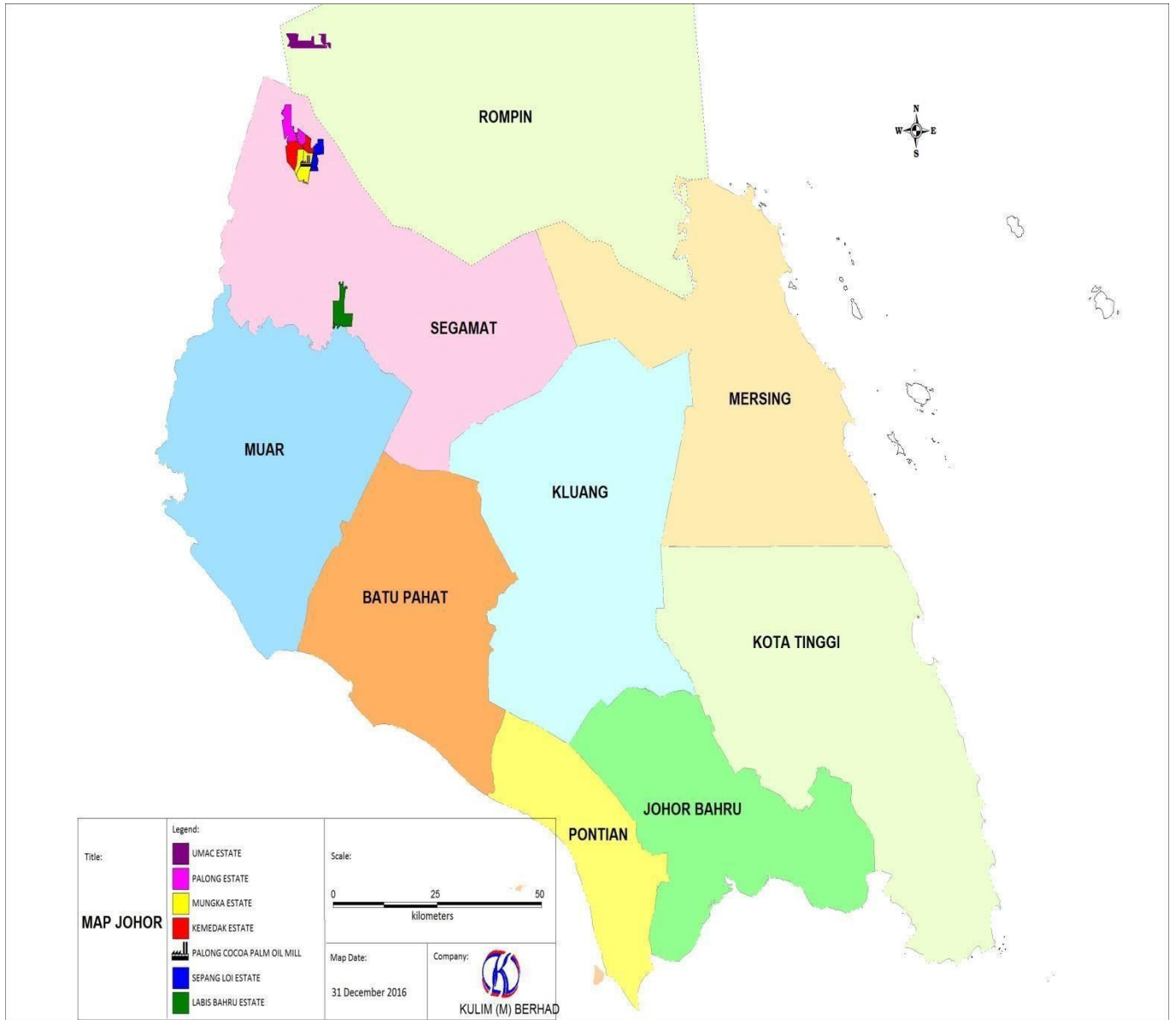
Emissions	tCO ₂ e
PK from own mill	0
PK from other source	0
Fuel Consumptions	0
Total Crusher emissions	0

*This mill has no kernel crusher operation.

Palm Oil Mill Effluent (POME) Treatment:	
Divert to Compost (%)	0
Divert to anaerobic diversion (%)	100

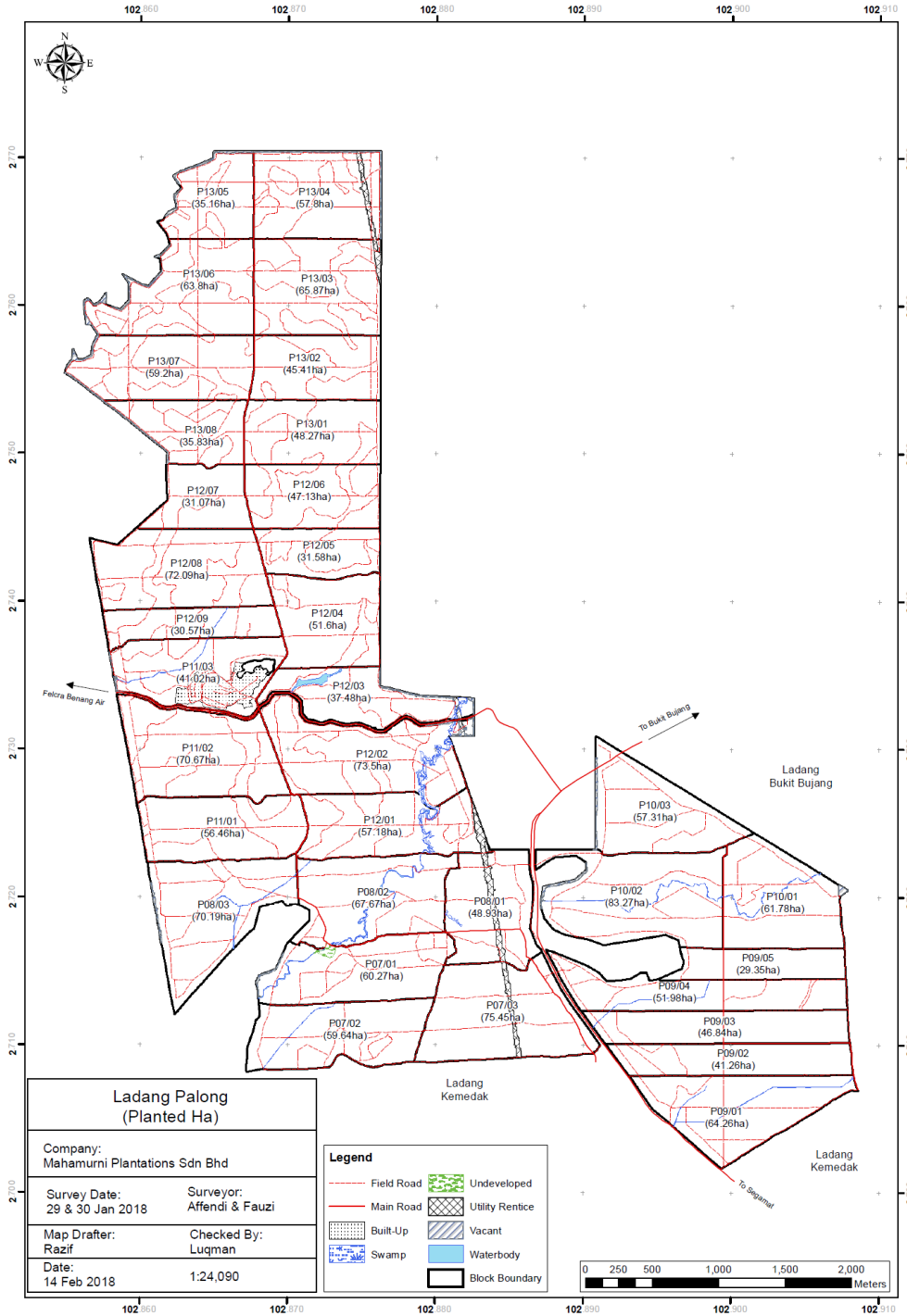
POME Diverted to Anaerobic Digestion:	
Divert to anaerobic pond (%)	100
Divert to methane captured (flaring) (%)	0
Divert to methane captured (energy generation) (%)	0

Appendix C: Location Map of Certification Unit and Supply bases

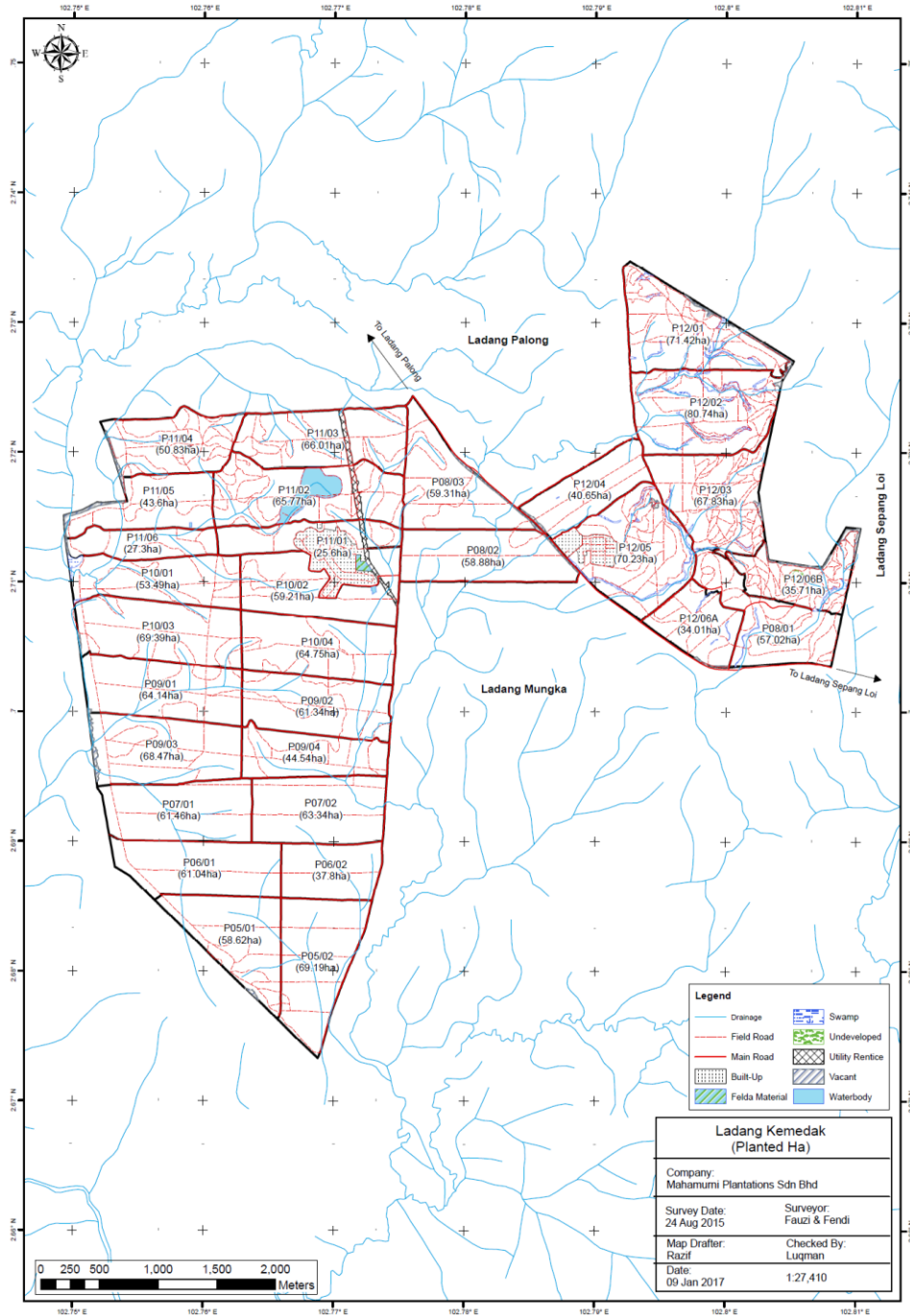


Appendix D: Estate Field Map

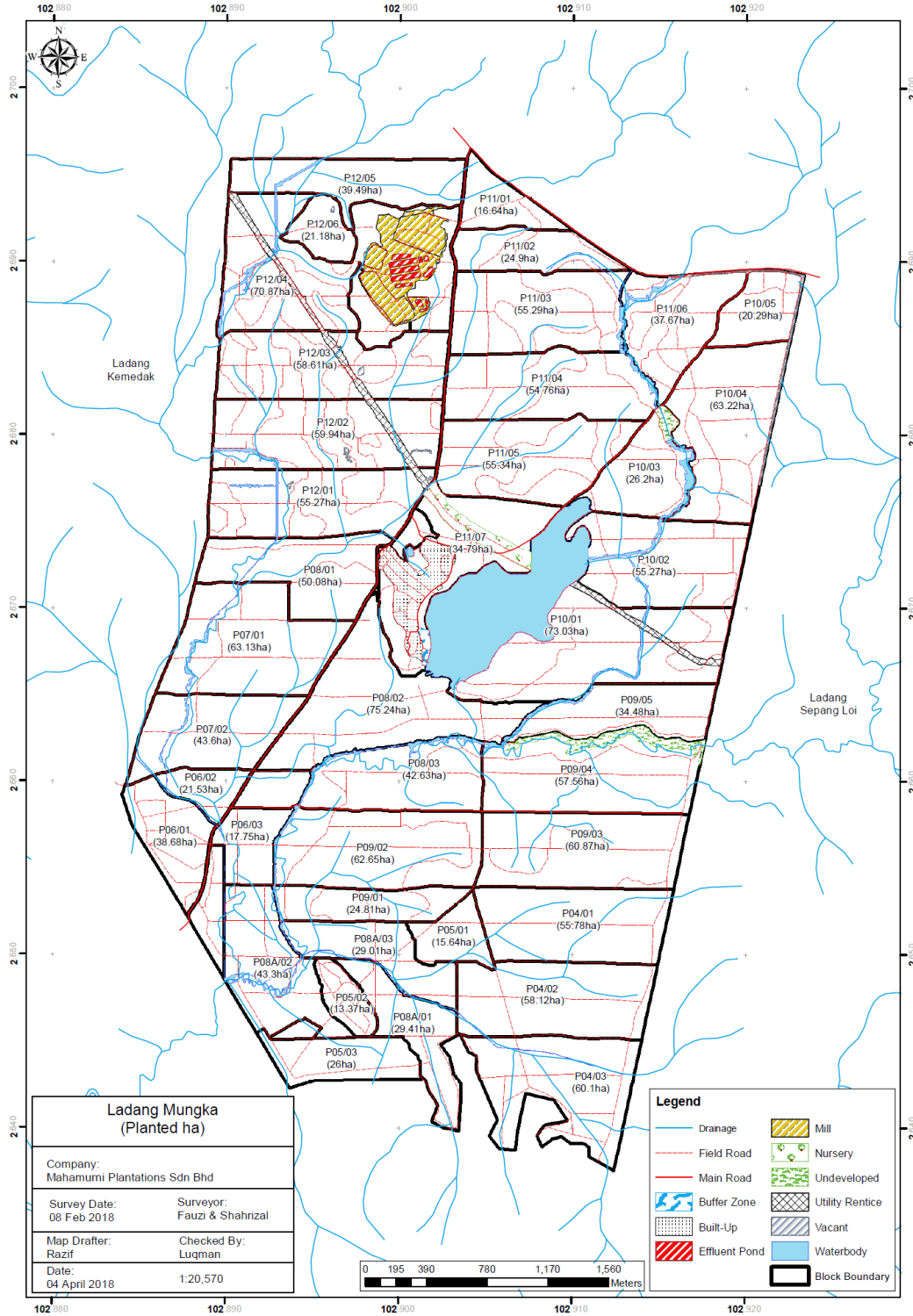
Palong Estate (Main Division)



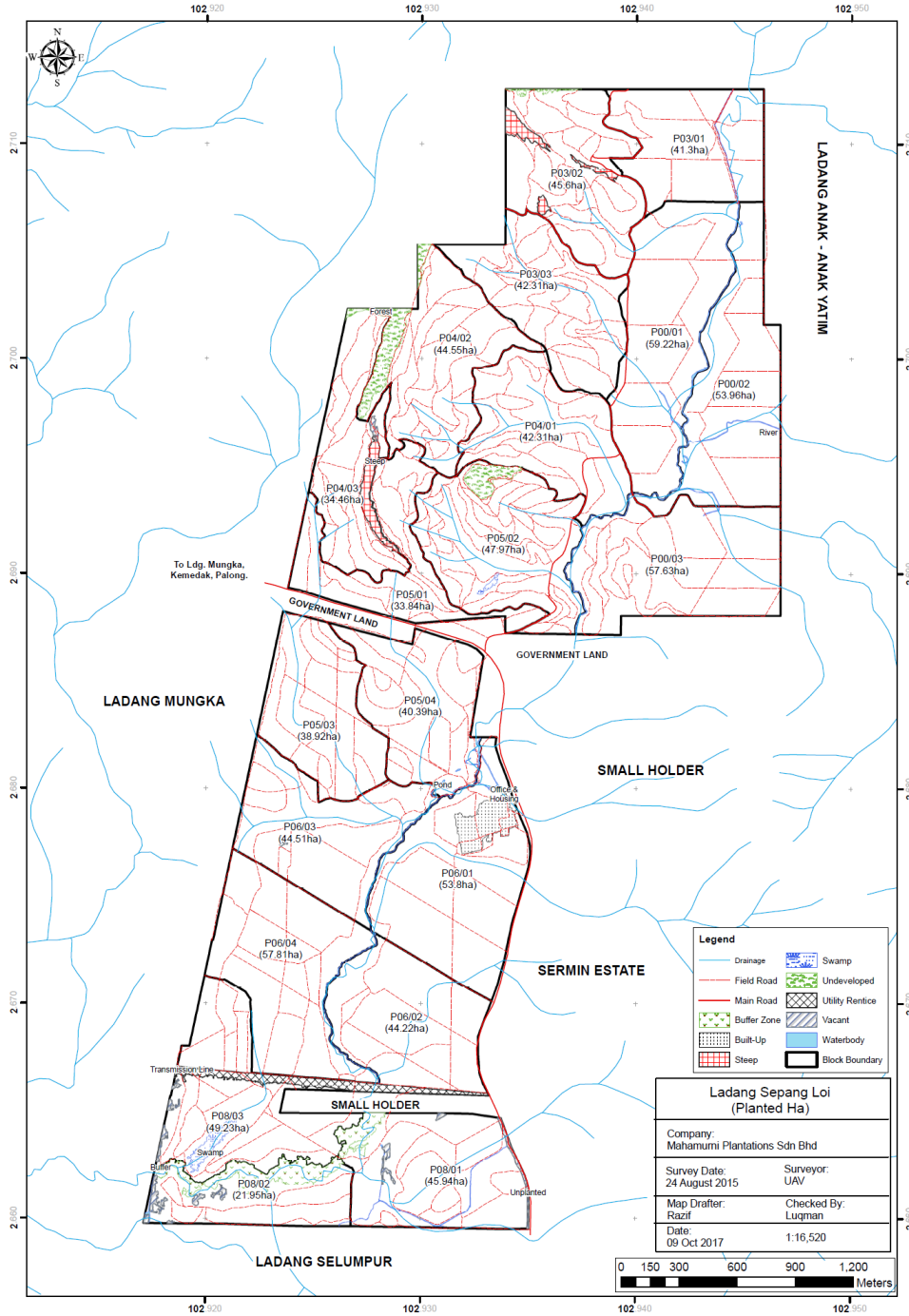
Palong Estate (Kemedak Division)



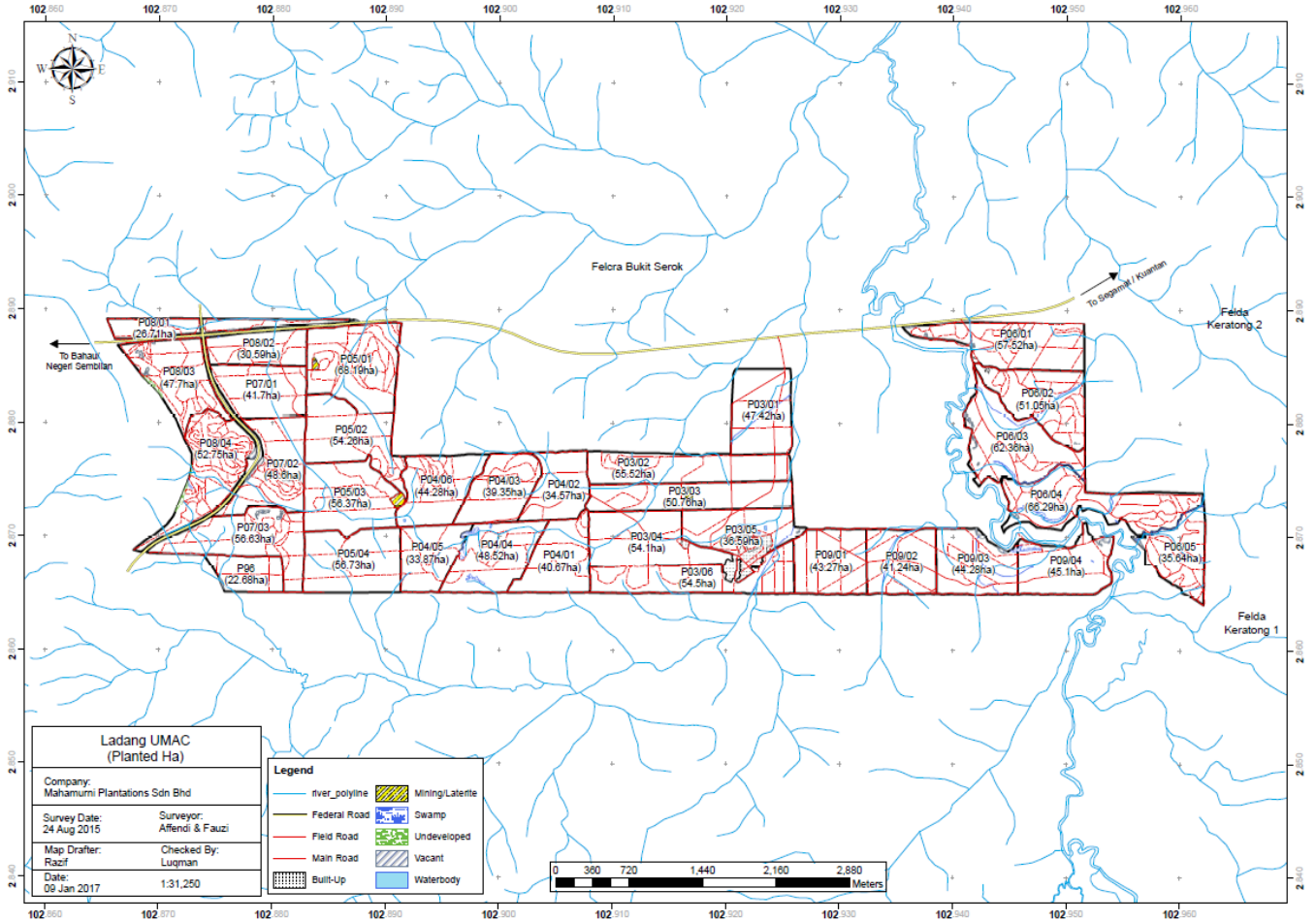
Mungka Estate (Main Division)



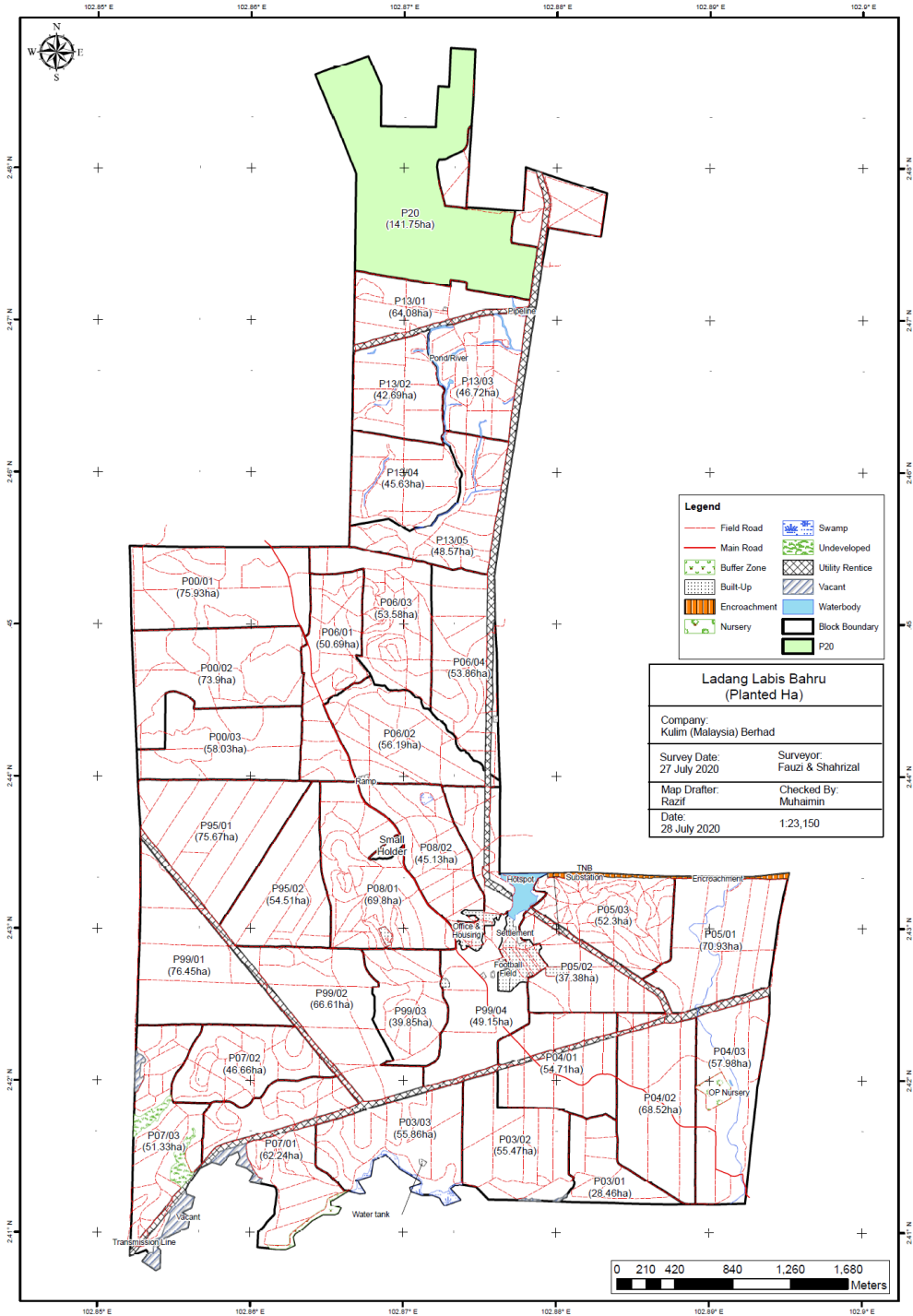
Mungka Estate (Sepang Loi Division)



UMAC Estate



Labis Bahru Estate



Appendix E: List of Smallholder Registered and/or sampled

Not applicable

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