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## INTERIM SUPPLEMENTARY PUBLIC SUMMARY REPORT

### EXTENSION SCOPE ASSESSMENT TO INCLUDE ONE SUPPLY BASE (FELDA PALOH)

**Kulim (Malaysia) Berhad**  
**Ladang Tereh Mill**  
**Johor, Malaysia**

*Report Author:*

**Senniah Appalasamy – August 2014**

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## SUMMARY

BSI has conducted the Extension of Scope Assessment for Kulim Ladang Tereh Mill to include FELDA Paloh Estate as a supply base in the Ladang Tereh Mill certification scope. This audit was conducted from 22<sup>nd</sup> – 24<sup>th</sup> July 2014. BSI concludes that Ladang Tereh Mill and FELDA Paloh operations comply with the requirements of RSPO Principles & Criteria: 2007 and Malaysia National Interpretation Working Group (MY-NI) Indicators and Guidance: November 2010 and RSPO Supply Chain Certification Standard: November 2011 and the requirements for Segregation Mechanism.

BSI recommends for the approval of extension of scope to include FELDA Paloh into Ladang Tereh Mill Certification scope as a producer of RSPO Certified Sustainable Palm Oil.

## ABBREVIATIONS USED

a.i.	Active Ingredient
ASEAN	Association of South East Asian Nations
BOD	Biological Oxygen Demand
CHRA	Chemical Health Risk Assessment
CPO	Crude Palm Oil
DID	Department of Drainage and Irrigation, Malaysia
DOE	Department of Environment, Malaysia
DOSH	Department of Safety and Health
EFB	Empty Fruit Bunches
EIA	Environment Impact Assessment
EMS	Environmental Management System
ERT	Endangered, Rare and Threatened species
FFB	Fresh Fruit Bunch
Ha	Hectare (s)
HCV	High Conservation Value
IPM	Integrated Pest Management
JCC	Joint Consultative Committee
kW	Kilo Watt
LTI	Lost Time Injury
MSDS	Material Safety Data Sheets
NCR	Non Conformance Report
NGO	Non Government Organisation
OER	Oil Extraction Rate
OSH	Occupational Safety & Health
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RSPO	Round Table on Sustainable Palm Oil
SOP	Standard Operating Procedure
SEIA	Social and Environment Impact Assessment
SIA	Social Impact Assessment
SOCSO	Social Security Organization
SW	Schedule Waste
USECHH	Use and Standards of Exposure of Chemicals Hazardous to Health

## 1.0 SCOPE OF ASSESSMENT

### 1.1 National Interpretation Used

The operations of Ladang Tereh Mill and FELDA Paloh as supply base of FFB were assessed against the MY NIWG: November 2010 of the RSPO Principles and Criteria: 2007.

### 1.2 Certification Scope

The scope of extension scope covers production of one (1) palm oil mill, Ladang Tereh Mill and one (1) additional supply base to include in the scope of certification.

### 1.3 Location and Maps

The Ladang Tereh Mill and FELDA Paloh are located in the State of Johor, Malaysia (**Figure 1**). An additional field map of the FELDA Paloh Estate is included in (**Figure 2**). The GPS location of the mill is shown in **Table 1**.

**Table 1: Mill and Estate GPS Location**

Mill	Easting	Northing
Tereh (Capacity: 60mt/hr)	103° 21' 5.0009"	2° 13' 3.0648"
FELDA Paloh Estate	103.36875°	02.24752°

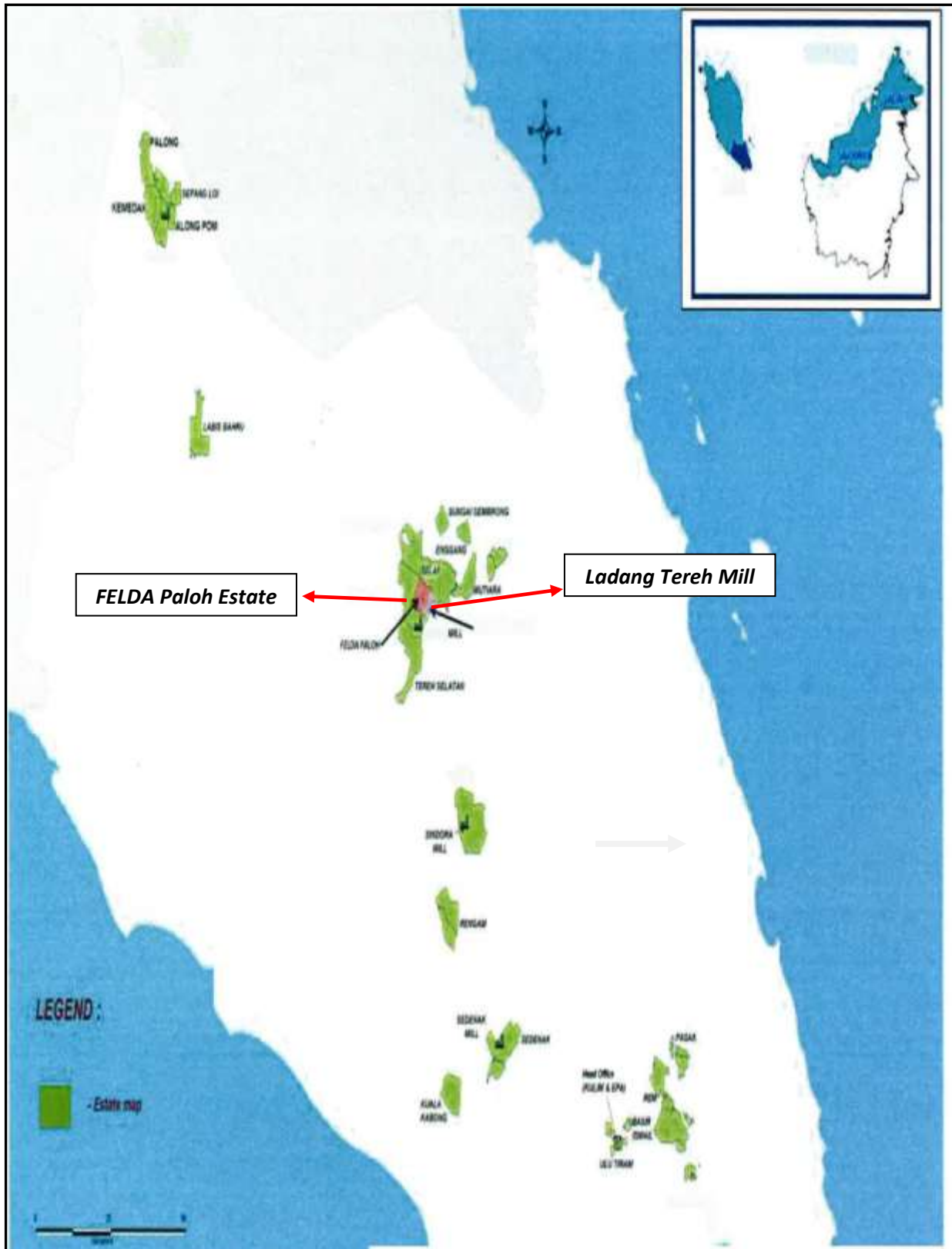


Figure 1. Location Map of Ladang Tereh Mill and FELDA Paloh in Johor, Peninsular Malaysia

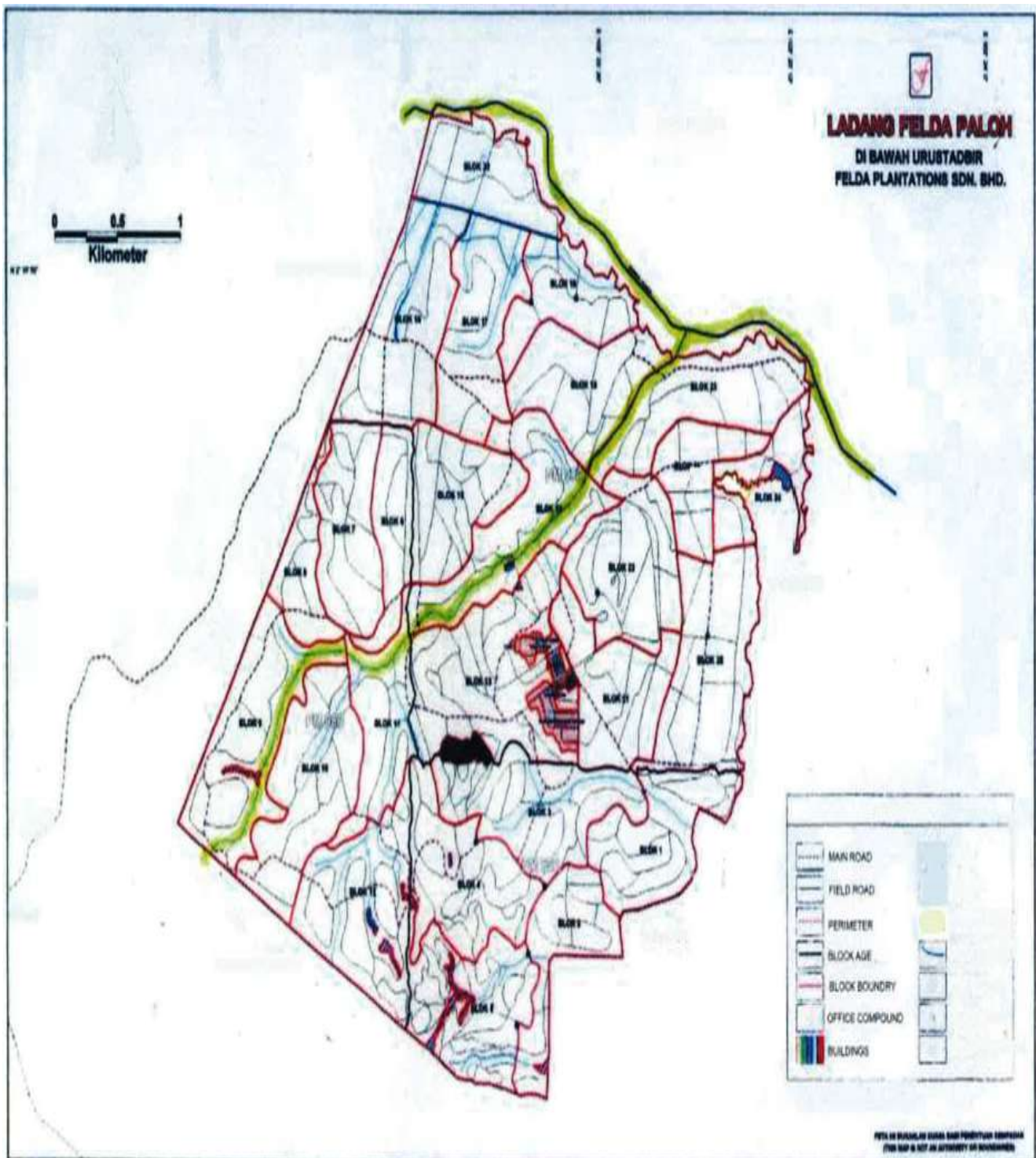


Figure 2. Field Map of the FELDA Paloh Estate

#### 1.4 Description of Supply Base

It is noted that Ladang Tereh Mill is processing FFB from Seven (7) Kulim owned estates and an outside estate (Wawasan Estate). FELDA Paloh estate was certified under group certification earlier by another certification body and sends certified FFB to Ladang Tereh Mill. However, the certification body has excluded the FELDA Paloh estate from the certification scope as it is managed by FELDA as an Estate since June 2014. Due to that, FELDA management has requested Kulim Berhad (Ladang Tereh Mill) to include Paloh estate into its certification scope as a certified supply base as Ladang Tereh Mill only process certified FFB. Therefore, this extension of scope assessment has been conducted.

The FFB production from the FELDA Paloh estate is listed in Table 2. Ladang Tereh Mill using Segregation module for its supply chain as only certified FFB is processed. As a temporary measure, FFB from FELDA Paloh is being diverted to other Kulim Berhad mills until FFB from FELDA Paloh is certified.

**Table 2: Projected FFB, CPO and PK Production for the period of 1/11/2013 – 31/10/2014**

FFB Supply Base	FFB (Tonnes)	CPO	OER	PK	KER
Felda Paloh	27,073	5,685	21.00	1,354	5.00

#### 1.5 Date of Plantings and Cycle

The palms in FELDA Paloh estate are all matured and in the first cycle. The age profile of the palms is shown in Table 3.

**Table 3: Age Profile of the Palms at Felda Paloh (ha)**

Estate	AGE (years)	% of PLANTED AREA
Felda Paloh	0-3	0%
	4-10	0%
	11-20	80.03%
	21+	19.97%

#### 1.6 Other Certification Held

Ladang Tereh Mill holds three other certifications as follows:

- i.) ISO 9001:2008 QMS (Cert. No: AR1804) valid till 14/10/2014
- ii.) MPOB Code of Good Milling Practice since 30/8/2012
- iii.) ISCC (Reg. No.: 2023) valid till 1/2/2015

#### 1.7 Organization Information/Contact Person

The contact details of the organisation as follows:

Contact Person:

Pn. Azmariah  
Head of Sustainability Department  
Ulu Tiram Estate  
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Malaysia.  
Phone: +6078611611  
Fax: +6078631084  
Email: [azmariah@kulim.com.my](mailto:azmariah@kulim.com.my)

#### 1.8 Area of Plantation

The hectare statement for the FELDA Paloh is shown in Table 4.

**Table 4: FELDA Paloh Hectare Statement**

Supply base	Mature (ha)	Immature (ha)
Felda Paloh	1,288.45	0

#### 1.9 Date Certificate Issued and Scope of Certificate

Scope of the Certificate is for the production of CPO and PK from Ladang Tereh Mill Certification Unit and the supply base.

Date of Initial certificate issued: 23 January 2009

Date of Certificate Re-issued: 31 March 2014

#### 2.0 ASSESSMENT PROCESS

##### 2.1 Certification Body

BSI Group Singapore Pte Ltd  
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## **2.2 Qualifications of the Lead Assessor and Assessment Team**

### **Senniah Appalasaamy - Lead Assessor**

He holds degree in Resource Economics from Agriculture University, Malaysia. He has vast experience in Plantation crop management covering oil palm plantation, rubber, cocoa and pepper for more than 10 years. He is also experience in manufacturing sector as a quality controller and production management. He is involved in RSPO implementation and assessment since 2008 as a team member and subsequently as a lead auditor with RSPO approved certification body covering assessment with RSPO P&C, RSPO SCCS, RSPO NPP and RSPO Group Certification in Malaysia, Indonesia and Thailand. He has completed ISO 9001:2008, RSPO SCCS awareness training, RSPO Lead Auditor Training Course, RSPO SCCS Lead Auditor Training Course, RSPO – RED Lead Auditor Training Course, International Sustainable Carbon Certification (ISCC) Lead Auditor training and Sustainability Report Assurance (SRA) Assessor Training. Besides RSPO, he is also qualified as ISCC lead auditor and SRA Lead Assessor. He have experience in other standards i.e. Global Gap Option 1 and 2 (Fruit, vegetable and aquaculture) and GMP B+ as team member.

### **Muhammad Haris B. Abdullah – Team member**

He holds MBA from University Utara Malaysia and a degree in Business Administration (Hons) Majored in Human Resource Development from the Open University Malaysia. He has more than 3 years working experience in oil palm plantation and conducting social impact assessments of agriculture, agriculture best practices, and environmental impact assessment and workers welfare. He has completed RSPO (P&C and SCCS), ISO 14001 (Environmental Management System), ISO 18001 (OHSAS) and International Sustainable and Carbon Certification (ISCC) Lead Auditor Training Courses. He had assisted with conducting audits of oil palm plantation for more than 12 companies against the RSPO P&C in Indonesia and Malaysia for the past 4 years. During this assessment, he assessed on the aspect of Legal, Estate Best Practices, Environment, Social and community engagements, Stakeholders consultation, and workers welfare.

This report was reviewed by Mr. Haeruddin Tahir – BSI RSPO Lead Assessor.

## **2.3 Assessment Methodology, Programme, Site Visit**

The extension of scope assessment was conducted from 22 - 24 July 2014. The audit programme is included as Appendix B.

The approach to the audit was to include FELDA Paloh supply base into Ladang Tereh Mill RSPO Certification scope. Mill was audited together with the FELDA Paloh estate. A range of environmental and social factors were covered. These included consideration of topography,

palm age, proximity to areas with HCVs, declared conservation areas and local communities.

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

The assessment findings are detailed in **Section 3.2**.

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

## **2.4 Stakeholder Consultation and List of Stakeholders Contacted**

Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone to arrange meetings at a location convenient to them to discuss environmental and social performance.

Meetings were held with stakeholders by social auditor in the team 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 auditor explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions continued. The auditor recorded comments made by stakeholders and verified with the management before incorporating into the assessment findings.

Employee interviews with male and female workers and staff were held in private at the workplace in the mill and the estate. 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 meetings were held with the local community leader and head of village. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix C.

## **3.0 ASSESSMENT FINDINGS**

### **3.1 Summary of Findings**

As outlined in Section 2.3, objective evidence was obtained separately for each of the RSPO Indicators for Ladang Tereh Mill and FELDA Paloh. The results for each indicator from each of these operational areas have been compiled to provide an assessment of overall conformance of the operations within each Criterion. A

statement is provided for each of the Indicators to support the finding of the assessment team.

During this assessment, four (4) Nonconformity against Major Compliance Indicators and one (1) Nonconformity against Minor Compliance Indicators were identified together with two (2) Observations/Opportunities for improvement were identified. Details of the Nonconformities and Observations/Opportunities for improvement are given in Section 3.2.

Ladang Tereh Mill and Felda Paloh operating units have prepared a Corrective Action Plan for addressing the identified major and minor nonconformities that was reviewed and accepted by BSi audit team. The Major nonconformity was closed upon reviewing and accepting the close out evidences. The minor nonconformity raised will be followed up during the next surveillance. Details are in section 3.2.

BSi audit team concludes that Ladang Tereh Mill and Felda Paloh certification unit's operations comply with the requirements of RSPO Principles & Criteria: 2007 and MY-NIWG Indicators and Guidance: November 2010 and RSPO Supply Chain Certification Standard: November 2011 and the requirements for Segregation Mechanism.

BSi recommends that Felda Paloh supply base to be included in the Tereh POM certification scope as producer of RSPO Certified Sustainable Palm Oil.

#### **PRINCIPLE 1: Commitment to Transparency**

FELDA Paloh and Ladang Tereh Mill have effective system for receiving and responding to the request of information to the internal and external stakeholders. It kept the record of request and responses. Information request file contains details of information requested and response. It is noted that the mill and estate maintain up to date policies, procedures and management plans as publicly available information to the stakeholders upon request.

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

The Mill and Estate have maintained records on file of requests for information received from Government Departments such as DOSH and other interested parties, together with the response. For example, Kulim (Malaysia) Berhad has requested the FELDA Paloh to be RSPO certified in order to receive their FFB on 11 June 2014 and responded by the Felda management accordingly on the 15 June 2014.

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

Inspection of document confirmed that Ladang Tereh Mill and Felda Paloh estate keep copy of management documents such as land titles/user right, health and safety plan, plan and impact assessment relating to environmental and social impacts, pollution prevention plan, details of complaints and grievances, negotiation procedures and continues improvement plan and this documents are publicly available.

#### **PRINCIPLE 2: Compliance with Applicable Laws and Regulations**

Inspection of records during document audit showed the Ladang Tereh Mill and Felda Paloh complied with all of their respective permit conditions and legal requirements. On-site Internal compliance officers and administration officers ensure permits are renewed promptly. This confirmed that the internal control and checks were effective for monitoring compliance. Both operation units hold a land titles. Land boundaries have been confirmed by survey and boundary markers are clearly demarcated and were confirmed during the field visit.

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

The Ladang Tereh Mill and Felda Paloh maintain copies of applicable Permits and Licences. Register of legal and other requirements were revised on January 2014. Compliance with legal requirements is also demonstrated by internal and external audit report findings and review of documents and records on site during this assessment.

*However, as an area for improvement, an observation was raised at Felda Paloh, minimum wages order 2012 was implemented since January 2013, it is to be considered the regulation included in the "Senarai Undang-undang".*

Sample of permits inspected reveal that all valid. E.g: Felda Paloh estate MPOB license No.: 560025002000 valid till 31 March 2015 and Diesel Storage Permit: BPGK.JH (KLU) 1980 SK valid till 21 February 2015. Genset permit from Suruhanjaya Tenaga (Electricity Commission) No.: 00114324 valid till 16/2/2015. As for Ladang Tereh Mill, MPOB license No.: 500048604000 valid till 31 March 2015, DOE license No.: 002107 and Diesel Storage Permit: (62)BPGK.JH (KLU) 730 SK valid till 8 June 2015. The most recent visit by DOSH on the 23/6/14 did not find any issues related to safety and health regulations.

However, there were some lapses in the compliance at both Ladang Tereh Mill and FELDA Paloh estate where nonconformity has raised as below:



**NC Ref: 1081728M1: Major nonconformity against indicator 2.1.1: Evidence of compliance with legal requirements.** At Ladang Tereh Mill, Visit to the schedule waste store on 23/7/2014 found that schedule waste (SW 306 – Spent Hydraulic oil) has been stored more than 180 days. Record review shows that the last disposal of SW 306 was on 23/9/2013. At Felda Paloh Estate, records reveal that highly toxic pesticide was applied on 8/4/14 and 30/4/14. However Form I, II and III which required by the Pesticide Regulation 1996 was not available. Refer section 3.2 for details.

Ladang Tereh Mill boiler dust emission latest test by PAC Testing & Consulting Sdn. Bhd dated 16 January 2014 (Report No.: PAC-AE-140110). The monitoring was conducted to analyse the emission of one boiler stack 1 during normal operating load. The dust particulates concentration was at 0.06 g/Nm<sup>3</sup> at 12% CO<sub>2</sub> which is comply with the Environmental Act (Clean Air) Regulation 1978 standards.

The FELDA Compliance Unit provides legal updates on all applicable legislation throughout Felda operation and Kulim head office provide updates for its subsidiaries. For example, legal updates on changes to labour laws and worker pay and conditions such as the minimum wage order and compliance was found during this assessment.

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

All land under Felda is Government owned (according to Land (Group Settlement Areas) Act 1960 (Act 530). As for Paloh, Felda fully “owned” the land through 99 years lease.

Felda Paloh holds copies of Land Titles (“Suratan Hakmilik Sementara”). Sample checked: No. H.S. (D) 42852, No. H.S. (D) 42849 and No. H.S. (D) 42853. The oil palm operations are consistent with the land title term for oil palm purposes. Inspection of a sample of the boundary stones at FELDA Paloh estate confirmed that steel pipes have been installed beside the concrete boundary stones and were continuously maintained visibly.

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

This clause is not applicable as Felda Paloh did not acquire land from landowners, but leased it directly from the government. Interviews with the local confirmed that no customary land had been used. Available data shows no claim against Felda in relation to customary land. Felda does not restrict access with regards to travel through the estates along established roads.

### **PRINCIPLE 3: Commitment to Long Term Economic and Financial Viability**

FELDA Paloh has continued its commitment to long term sustainability and improvements through a capital expenditure programme. Felda Paloh has made progress towards achieving its performance production targets for the current financial year. Upgrading of staff and workers housing for the workers is also budgeted for the 2015 Financial Year.

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

The Felda Paloh Estate and Ladang Tereh Mill have an Annual Operational Budget for 2014 financial year and Capex Budget that are projected for the next five years. The budgets include performance objectives and targets related to production, efficiency and quality covering cost of production yield per hectare, OER, KER etc.

The Mill achieved average OER of 20.93% as at May 2014 and compared to the projection for 2014 of 21.98%. The mill is expected to improve on the process and aiming for higher OER. This will be followed up during the next surveillance.

Felda Paloh has a Replanting Programme that is projected until 2019 and was revised in January 2014 for the current financial year. The replanting will take place in Financial Year 2016.

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

Felda Paloh estate operates in accordance with the FELDA management systems and standard operating procedures. The practices consistently monitored by plantation advisor and recommendations for improvements are given to maintain the sustainable practices. The establishment of beneficial plants and the implementation of IPM as a preventive measure to overcome pest attacks have continued with the aim of reducing the use of chemicals.

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

Felda have general Standard Operating Procedure (SOP) “Felada Manual Procedure of Quality, Safety, Health, and Environmental (QOHSE)” applicable for the Estate and other operational work areas such as stores and workshops. These SOPs are in Bahasa Malaysia and easily understood by employees. Specific SOPs for the estates covers best agriculture field practices i.e. nursery, new planting, replanting, manuring, field maintenance, harvesting, FFB collection and transport etc.

Estate field standards are documented for all stages and management is by SOP's (Manual available are, "Manual Ladang Sawit Lestari 2007") which is readily available in all areas. The implementation of SOPs is checked during daily inspection by staff as well as by internal audits. Latest internal audit was done on 11 July 2014. Mill operators record operating parameters hourly on log sheets and the Mill Engineer and Shift Supervisor check these each shift and on a daily basis. Mill GM visited Ladang Tereh Mill on 19 May 2014. The Plantation Advisor recently visited Felda Paloh on 25 Jun 2014 to monitor the estate operation. The Estate also hold copies of previous internal audit reports that include the Manager's response to issues raised and corrective action to be taken.

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

Felda Agricultural Services Sdn. Bhd (FAS) conduct annual field inspection of the palms and leaf sampling to monitor palm nutrient status. Latest visit was carried out in April 2014 and the information is used for the annual fertiliser recommendation for the 2015 Financial Year. Recent agronomist visit to Felda Paloh was on 3 December 2013 prior to the fertilizer recommendation for 2014 was made. The Soil Sampling survey is completed as part of a Five year rolling plan which just recommended for the period 2011/2015 whereby 20% of estate soil is sampled each year.

All palm by-products including fronds, EFB, and expeller are recycled. EFB is applied at the rate of 45mt/ha on selected area close to the mill. POME is applied to nearby field using furrow system. Ladang Tereh Mill's DOE permit allows discharge to land application with BOD limit of 5000ppm. Latest effluent analysis report from UTCL Laboratory dated 26 June 2014 (Report No.: E/1406/0778-0780) show that the BOD is 36 which is lower than the permitted limit. The decanter cake is recycled as organic fertilizer. These are used as nutrients and are applied to improve organic matter and to supplement inorganic fertiliser. Fronds are also used to prevent erosion following pruning and after harvesting of FFB.

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

Field inspection showed groundcover with soft grass and soft weeds. There is no significant erosion risk was noted during the field visit. There are no peat soils or soil categorised as problematic or fragile soil at FELDA Paloh estate.

Estate has implemented annual road maintenance programme. Example of programme checked at Felda Paloh estate shows the map indicating road repairs and maintenance for the whole estate roads includes grading, compacting and stone application to strengthen the road surface.

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

Felda Paloh estate has prepared map showing riparian buffer zones and demarcated the areas prior to replanting. The riparian buffer zones inspected and found in general to be maintained in good condition and within the limits as prescribed by the Government.

There is an Integrated Water Management Plan which has been implemented. The plan takes into account the efficient use of resources, ensure amongst other that the use of water did not impact on other users, avoid contamination of ground and surface water, and appropriate treatment of mill effluent.

Rainfall data is used as guidance for the water management. Past three years rainfall record shows that average of 90 days rain is observed. Rainfall for the year 2014 as at June was 820.50mm with 35 rainy days.

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

There is an Integrated Pest Management Programme (IPM) for specific pests as documented in FELDA Sustainable Oil Palm Management Manual (Operasi Ladang Sawit Lestari). There is a measurement of the amount of each pesticide used and type for each specific pest. At the present time there are no outbreaks of Leaf Eating Caterpillars. Beneficial plants have been established along the main access roads, including *Tunera subulata* and *Antigonon leptopus*.

However, there were some lapses in the monitoring of pesticide usage at FELDA Paloh estate where nonconformity was raised as below:

**NC Ref: 1081728N1: Minor nonconformity against indicator 4.5.4: Monitoring of pesticide usage units per hectare or per ton crop e.g. total quantity of active ingredient (a.i.) used/ tonne of oil.** At Felda Paloh Estate, the monitoring of pesticide usage is being carried out by recording the quantity (litres/gram) used. The active ingredients per hectare (ai/ha) was not calculated as per the RSPO P&C requirement. Refer section 3.2 for details.

At FELDA Paloh estate, barn owl boxes are being placed at rate of 1 box for 20 ha to control rat damage.

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

There is a formal justification for agro chemical use and this is documented within the IPM, which attempts to ensure that the most effective and least harmful chemicals are always first choice. Inspection of the Pesticide Stores confirmed only pesticides registered by the Pesticides Board were held. All chemicals were labelled in Bahasa Malaysia.

FELDA has developed Pictorial Work Instructions with text in Bahasa Malaysia for chemical mixing and spraying. Storage of chemicals is in specially locked areas with restricted access. Inspection at estate confirmed the stores are secured, signed and are well maintained with good separation of chemicals, spill containment, provision of PPE, and water available for washing. MSDS in Bahasa Malaysia are available for all chemical used.

Estate and Mill have a programme of conducting annual medical surveillance of all pesticide operators as per CHRA.

However, there were some lapses in the medical surveillance at FELDA Paloh estate where nonconformity has raised as below:

**NC Ref: 1081728M2: Major nonconformity against indicator 4.6.5: Annual medical surveillance as per CHRA for plantation pesticide operators.** At Felda Paloh Estate, document review found that there is no latest medical surveillance for two pesticide applicators (X0589369 and B1222982). The last medical surveillance was conducted on 27/11/2010. The two applicators are continued to apply pesticide on October 2012, December 2013 and May 2014. Refer section 3.2 for details.

There were no female sprayers were employed during the assessment. Records of pesticide and other agrochemicals are kept in daily activity book. This record includes area treated, amount applied per ha, application round, and number of applicators and hours worked. These records are available for the past 5 years.

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

FELDA Paloh Estate has maintained Health and Safety Policy that is displayed prominently on notice boards in English and Bahasa Malaysia. The OSH Manual dated August 2010 has been revised on December 2013. This manual is used as guidance documents to address all aspects of safety and health at work.

FELDA Paloh HIRAC was reviewed and was last updated June 2014 by using 'Hazard Identification Form' (Form No.: RSPO – P4/C.4.7/4.7.1).

However, there were some lapses in the HIRARC review and emergency equipment at FELDA Paloh estate where nonconformity has raised as below:

**NC Ref: 1081728M3: Major nonconformity against indicator 4.7.1: Evidence of documented Occupational Safety Health (OSH) plan which is in compliance with OSH Act 1994 and Factory and Machinery Act 1967 (Act139).** b. All operations have been risk assessed and documented. i. First Aid equipment should be available at worksites. At Felda Paloh Estate,

b.) The following operation was not included in the HIRARC – Risk at the landfill area, buffalo assisted FFB evacuation, working at height at the water treatment plant, walking at night, mixing of pure agrochemical at worksite and driving motorcycle.

i.) There is no emergency shower at the Water Treatment Plant despite the water treatment operator is mixing water treatment chemical at the work site. Refer section 3.2 for details.

Revised training plan for the safe working and work instruction for the 2014 includes all the work station at estate. The estate has prepared a Training Matrix that lists the OSH core competency training for Staff and Workers. The Estate also holds training records, including details of the topic, trainer, and list of attendees.

The FELDA Paloh estate maintained up to date accident records in term of "Daftar Kemalangan, Kejadian Berbahaya, Keracunan Pekerjaan dan Penyakit Pekerjaan" using JKPP 6 and 8. The JKPP 8 for has been compiled by Wilayah Johor central office before send to DOSH.

All the workers are covered by the accident insurances where for Malaysian is covered by SOCSO or Perkeso (Pertubuhan Keselamatan Sosial); while for foreign workers are covered under Etiqa Takaful Berhad Insurance by Master Policy TDFW-PC975852-BRTZHQT valid till 19 July 2015. Inspections of the estate visited indicated that safe work practices were being implemented and proper PPE's are in use by the workers.

Both operating units conduct quarterly Safety Committee Meetings with the most recent held on 29 April 2014 attended by 9 persons and 2 people absent with approval. The OSH Committees discussed accident reports, workplace inspections and issues raised by representatives. The topics discussed are communicated to workers at muster briefing and by the OSH Committee representatives.

FELDA Paloh operating unit review the Emergency Response Plan. Emergency Rescue Team training was conducted on the 18 March 2014. An OSH Training was also conducted on the same day.

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

FELDA Paloh Estate has prepared an annual training plan for 2014 that details the training to be carried out for each work station on February 2014. Training need assessment has been done on 10/12/2013 by using form FPI/L4/QOSHE-5.1A Pind.0 to plan training for 2014.

Estate has maintained records of training for workers and staff. For example, chemical handling and spraying training was conducted on 10 July 2014 (as per SOP Sek. 28) for 15 workers, PPE training on 20 June 2014 for 22 workers, Fertilizer application training 4 July 2014 for 11 workers, IPM training for 7 workers on 2 July 2014 and etc.

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

Felda Paloh and Ladang Tereh Mill ensure that environmental improvements are implemented consistently towards the reduction of waste, such as efficient use of natural resources such as water. Riparian buffer are being reinstated during replanting and the company continued to make employees aware of the need to protect biodiversity areas. Inspection at estate fields shows the riparian area has been demarcated. Scheduled wastes were well controlled.

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

Ladang Tereh Mill and Felda Paloh estate have carried out the annual review of environmental impacts in term of Environmental Impact Assessment management Action Plans and Continuous Improvement Plans. The last review was conducted in July 2014.

However, there review does not include all the activities within the estate operation and therefore nonconformity was raised as below:

**NC Ref: 1081728M4: Major nonconformity against indicator 5.1.1: Documented aspects and impacts risk assessment that is periodically reviewed and updated.** At Felda Paloh, during the document audit, it was found that the aspects and impacts risk assessment was last reviewed and updated on July 2014 using form (No. Borang: RSPO-P5/C.5.1/5.1.1). However, the assessment did not include some of the operations within the estate such as water treatment operation and Genset for electricity generation. Refer section 3.2 for details.

The Environmental Plans are in place and indicate the controls used to ensure any impacts are controlled and reduced and where possible eliminated and better practices put in place. It also help the organisation with a system to control and reduce negative impacts and promote positive impacts such as buffer zones, waste management plans, spill control plans and emergency plans.

**Criterion 5.2: The status of rare, threatened or endangered species and high conservation value habitats if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and their conservation taken into account in management plans and operations.**

Felda Paloh HCV assessments have been prepared internally by FELDA Agricultural Services Sdn. Bhd. There were no HCV has been identified within the estate. The report format includes location and general description together with the methodology used for the identification.

The Felda Paloh Estate promotes awareness of buffer zones to workers and via the prominent use of signboards.

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

Scheduled waste stores and stored materials well managed with appropriate label, segregation and the inventory is up-to-date. Authorised and licensed schedule waste collector engaged to dispose the schedule waste. Felda Paloh's used chemical containers were sent to approve recycler (AGR Smart Plastic Sdn. Bhd) with latest disposal on 16/7/2014. As for Ladang Tereh Mill, schedule waste has been disposed through Kualiti Alam Sdn. Bhd. Latest disposal was on 21/3/14 (E-Consignment Note: 930033) for SW 409 and SW 410.

However, SW306 (Spent Hydraulic Oil) has been stored more than 180 days. A Major non-conformity has been raised against indicator 2.1.1. Refer section 3.2 for details.

Domestic wastes are collected and disposed at designated landfill twice a week. Visit to the landfill area found it was well maintained with labelling and proper earth bund to avoid runoff.

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

The Ladang Tereh Mill reports total renewable energy use monthly to Head Office. The use of steam turbine for electricity generation has been optimised in order to reduce the dependence on diesel fossil fuel.

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

Felda Paloh and Ladang Tereh Mill operating units avoid using fire for waste disposal as per company policy on zero burning. Replanting programme includes palm felling, chipping and windrowing. The solid waste was reutilized as boiler fuel (Palm Oil Waste). Inspections of estate housing confirmed no prove of fire use for waste disposal.

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

Ladang Tereh Mill and Felda Paloh estate Pollution Prevention Plan was documented in the Environmental Impacts Identification and Improvement Plan, reviewed for the year 2014. Pollutants and emissions are identified and plans to reduce were developed as per the national regulations and guidance. Inspection confirmed the mill and estate have implemented appropriate controls for preventing pollution from point source emissions to air and discharges of wastewater.

Smoke emission quality test at the Ladang Tereh Mill was done every 6 month in accordance to the Environmental Quality Regulation. The test was conducted by the external consultant approved by Department of Environment. The latest test result shows that all parameters were complied with the standard requirements. No peat land within the Felda Paloh estate.

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

Aspects of plantation and mill management related to social issues identified through Social Impact Assessment. Annual review is conducted through stakeholder meetings and communication with stakeholders. It is noted that the mill and Felda Paloh maintain good relationship with internal and external stakeholders such as employees, contractors, surrounding communities and regulatory bodies. Improvement on social obligation includes improvement of the housing and facilities for the employees and contribution to the surrounding community development.

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

Social Impacts are identified in part via the grievance process for employees, contractors and other parties for negative impacts and through social interaction for positive impacts. Survey has been conducted on June 2014 to get feedbacks. For Ladang Tereh Mill, Sustainability Department executives conduct annual survey to get feedback from stakeholders.

Both management units have prepared a social action plan with timetable and responsibility including the status of the action taken.

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

Communications with internal and external stakeholders are carried out through survey and informal gatherings at worshipping places. Stakeholder list is available and updated. This list includes local community leaders, representatives, suppliers, contractors and etc. Interview with stakeholders confirm that there are regular informal meetings were conducted. At Ladang Tereh Mill, last stakeholder meeting was conducted on 29/11/2013 attended by 19 people.

*However as an area for improvement, an observation was raised at Felda Paloh, it is to be considered the Government departments such as MPOB, SPAN, DOE and etc included in the stakeholder list. Refer section 3.2 for details.*

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

At FELDA Paloh estate, complain procedure is available. However, no formal complaints were noted. Most of the communication records shows request for assistance such as request for permission to use community hall. These records are written and maintained by the operating unit.

***Criterion 6.4: Any negotiations concerning compensation for loss of legal or customary rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.***

No any kind of disputes noted during this assessment. Stakeholder interview and meeting did not highlight any disputes as well.

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

At Felda paloh, pay and conditions are documented in accordance to agreement between Felda Palm Industries Sdn Bhd and Kesatuan Pekerja-Pekerja Felda Palm Industries Sdn Bhd (Semenanjung) Collective Agreement 2010 for the period of 01 January 2013 until 31 December 2015. The Collective Agreement is revised every two years. Agreement book is distributed to all workers. For foreign workers, every worker has to signed up "Surat Perjanjian Kontrak Pekerjaan, between Felda and Foreign Workers" prior to employment.

Housing is provided for free to the workers. Free medical treatment for workers are available at government Clinic and company panel clinics which is located in Renggam. Felda Paloh provides dedicated van for transport to clinic and Government schools. Electricity and water are provided free. Latest drinking water analysis at Felda Paloh was done by UTCL Laboratory (Report No.: W/1406/0419-0421) dated 4/6/2014 found all the

parameters are within the limit. As for Ladang Tereh Mill, latest drinking water analysis was done on 14/4/2014 by Decagon Lab & Analytical Sdn. Bhd (Report No.: LW/302(1)14.

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

At Ladang Tereh Mill, Labour Union has been formed. Members are elected from representatives of every department. Regular meetings are held whenever there is a need. Last meeting was held on 13/11/2013 attended by 10 workers representatives and 3 management representatives. As for Felda Paloh estate, majority of the workers are foreigners and no workers union. However, workers are allowed to meet the management whenever they have grievances. Latest Staff union meeting was done on 12/5/2014 together for the whole Felda group.

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

The minimum working age is 18 under the Malaysian Labour Ordinance 1969. At time of hire age is checked by examination of ID card for local persons. Check of Passports of foreign workers is carried out prior to hire. Children and under-age workers were not observed at any of the Mill or Estate operational areas during the field visit.

**Criterion 6.8: Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation or age is prohibited.**

Inspection of pay record and contract of local workers and foreign workers together with interviews at the Mill and Estate did not identify any issues related to discrimination.

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

Felda Paloh has prepared policy on Code of Conduct of their workers since 2007, including sexual harassment. Interview of female Staff and Workers confirmed their knowledge of the Policy and as advised there were no outstanding issues. As for Ladang Tereh Mill, Specific Grievance Policy for Gender has been established and implemented.

Latest Gender committee (KKD - "Kelab Keluarga Dayabudi") meeting was conducted on the 25 June 2014 attended by 16 members at Felda Paloh. As for Ladang Tereh Mill, latest meeting (WOW – Women On Word) was done on 9/6/2014 attended by 12 members. Social activities and committee fund raising are the issues discussed. No sexual harassment issues were reported.

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

FELDA Paloh has standard terms and conditions of contracts bound into the contractor contract agreement. In addition, during induction, details of the contract were explained. Interviews with contractors confirmed they understand contract terms and conditions. Sample FFB transporter contract (5300000425) and payment records for the month of June 2014 found it as per the contract.

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

Infrastructure in the area is well developed. Government services are available at approximately 2 – 5km. Ladang Tereh Mill and Felda Paloh estate operating units have continued to make donations to local schools and mosques, which are considered an appropriate form of assistance.

**Principle 7: Responsible Development of New Plantings**

Felda Paloh operating unit has not carried out any new oil palm developments and there are no plans for expansion of plantings. Principle 7 is therefore not applicable to this assessment.

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

Felda Paloh operating unit committed to continuously improve the efficiency of its performance as a grower of palm oil. Pollution prevention plan has been reviewed to mitigate all the negative impacts for environment.

**Criterion 8.1: Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.**

Recycling efforts are carried out wherever possible. FELDA Paloh has an approved additional budget for upgrading staff and workers houses. Pollution prevention and waste management has been well monitored.

### 3.2 Detailed Identified Nonconformities and Observations / Opportunity for improvements

#### Nonconformities

There were four (4) Non-Conformities was assigned to Major non-conformance against indicators 2.1.1, 4.6.5, and 4.7.1, and 5.1.1. A Non-Conformity was assigned to minor non-conformance against indicator 4.5.4. The management has submitted corrective action plans for all the nonconformities. Corrective action plans with respect to the major nonconformities raised during this assessment have been reviewed and found to be effectively implemented and the NC was closed. The Audit Team has reviewed and accepted the Corrective Action Plan. Implementation of corrective actions and closing out the minor nonconformity will be followed up during the next annual surveillance assessment.

#### MAJOR NONCONFORMITIES

**NC Ref: 1081728M1: Major nonconformity against indicator 2.1.1: Evidence of compliance with legal requirements.** At Ladang Tereh Mill, Visit to the schedule waste store on 23/7/2014 found that schedule waste (SW 306 – Spent Hydraulic oil) has been stored more than 180 days. Record review shows that the last disposal of SW 306 was on 23/9/2013. At Felda Paloh Estate, records reveal that highly toxic pesticide was applied on 8/4/14 and 30/4/14. However Form I, II and III which required by the Pesticide Regulation 1996 was not available.

**Detail of close out evidence and implementation:** The operating unit has submitted corrective action plans which BSI Audit team conducted review and accepted the corrective action plan the evidence of implementation was received on 19/8/2014. BSI audit team conducted document assessment on the evidence submitted. The implementation evidence was accepted on 22/8/2014. The corrective action plan and evidence as follows:

- 1.) The Mill has engaged DOE-licensed Schedule Waste (SW) collector (Kualiti Alam Sdn. Bhd) to collect the Schedule waste. The SW 306 has been collected by the contractor on 6/8/2014 (E-Consignment Note No.: 1009878). The mill Management also provides training for the Person in Charge of the schedule waste management as preventive action.
- 2.) FELDA Paloh estate has filled Forms I, II and III on 6/8/2014 as required by the Pesticide Regulation 1996. The management also trained the person in charge on the regulatory requirements related to pesticide usage on 11/8/2014.

The corrective action plans were appropriately implemented. The major nonconformity was closed on 22/8/2014.

**NC Ref: 1081728M2: Major nonconformity against indicator 4.6.5: Annual medical surveillance as per CHRA for plantation pesticide operators.** At Felda Paloh Estate, document review found that there is no latest medical surveillance for two pesticide applicators (X0589369 and B1222982). The last medical surveillance was conducted on 27/11/2010. The two applicators are continued to apply pesticide on October 2012, December 2013 and May 2014.

**Detail of close out evidence and implementation:** The operating unit has submitted corrective action plans which BSI Audit team conducted review and accepted the corrective action plan the evidence of implementation was received on 19/8/2014. BSI audit team conducted document assessment on the evidence submitted. The implementation evidence was accepted on 22/8/2014. FELDA Paloh estate management analyzed the root cause and found that the management did not include the two agrochemical handlers in the medical surveillance required list. The list has been updated immediately by including both employees. The management sent the agrochemical mixers for medical checkup. They were sent to "Klinik Rengam" on the 5 August 2014 and checked by OHD Doctor. Medical check-up results were received on 19 August 2014 found both are fit to continue work. Updated list and medical result evidence was submitted to the audit team. Audit team conducted document assessment and reviewed the corrective action and implementation. The evidence of implementation was accepted. The Major NC was closed on 22 August 2014.

**NC Ref: 1081728M3: Major nonconformity against indicator 4.7.1: Evidence of documented Occupational Safety Health (OSH) plan which is in compliance with OSH Act 1994 and Factory and Machinery Act 1967 (Act139). b. All operations have been risk assessed and documented. i. First Aid equipment should be available at worksites.** At Felda Paloh Estate,  
 b.) The following operation was not included in the HIRARC – Risk at the landfill area, buffalo assisted FFB evacuation, working at height at the water treatment plant, walking at night, mixing of pure agrochemical at worksite and driving motorcycle.  
 i.) There is no emergency shower at the Water Treatment Plant despite the water treatment operator is mixing water treatment chemical at the work site.

**Detail of close out evidence and implementation:** The operating unit has submitted corrective action plans which BSI Audit team conducted review and accepted the corrective action plan the evidence of implementation was received on 19/8/2014. BSI audit team conducted document assessment on the evidence submitted. The implementation evidence was accepted on 22/8/2014. FELDA Paloh estate management analyzed the root cause and found that the management did not include all the activities within the estate operation in the HIRARC and did not realize that there were no emergency shower at the at the water treatment plant. The HIRARC has been reviewed

immediately by including all the activities including Risk at the landfill area, buffalo assisted FFB evacuation, working at height at the water treatment plant, walking at night, mixing of pure agrochemical at worksite and driving motorcycle. A new emergency shower has been fixed at the plant. Updated HIRARC list and photo evidence of the newly installed emergency shower was submitted to the audit team. Audit team conducted document assessment and reviewed the corrective action and implementation. The evidence of implementation was accepted. The Major NC was closed on 22 August 2014.

**NC Ref: 1081728M4: Major nonconformity against indicator 5.1.1: Documented aspects and impacts risk assessment that is periodically reviewed and updated.**

At Felda Paloh, during the document audit, it was found that the aspects and impacts risk assessment was last reviewed and updated on July 2014 using form (No. Borang: RSPO-P5/C.5.1/5.1.1). However, the assessment did not include some of the operations within the estate such as water treatment operation and Genset for electricity generation.

**Detail of close out evidence and implementation:** The operating unit has submitted corrective action plans which BSI Audit team conducted review and accepted the corrective action plan the evidence of implementation was received on 19/8/2014. BSI audit team conducted document assessment on the evidence submitted. The implementation evidence was accepted on 22/8/2014. FELDA Paloh estate management analyzed the root cause and found that the management did not include all the activities within the estate operation in the Aspect Impact Risk Assessment. The EIA risk assessment has been reviewed immediately by including all the activities including water treatment operation and Genset for electricity generation. Updated EIA list was submitted to the audit team. Audit team conducted document assessment and reviewed the corrective action and implementation. The evidence of implementation was accepted. The Major NC was closed on 22 August 2014.

**MINOR NONCONFORMITY**

**NC Ref: 1081728N1: Minor nonconformity against indicator 4.5.4: Monitoring of pesticide usage units per hectare or per ton crop e.g. total quantity of active ingredient (a.i.) used/ tonne of oil.** At Felda Paloh Estate, the monitoring of pesticide usage is being carried out by recording the quantity (litres/gram) used. The active ingredients per hectare (ai/ha) was not calculated as per the RSPO P&C requirement.

The close out evidence for the Minor Nonconformity will be assessed during the subsequent surveillance assessment. The progress with the observations/opportunities for improvement will also be checked at the subsequent surveillance assessment visit.

**OBSERVATIONS**

**Observation 1 (2.1.4):** At Felda Paloh, minimum wages order 2012 was implemented since January 2013, it is to be considered the regulation included in the "Senarai Undang-undang".

**Observation 2 (6.2.3):** At Felda Paloh, it is to be considered the Government departments such as MPOB, SPAN, DOE and etc included in the stakeholder list.

**3.3 Issues Raised By Stakeholders and Findings with Respect To Each Issue**

During this assessment, stakeholders were contacted through phone calls as well as private meeting conducted without the present of management team. The majority of stakeholders had positive comments about FELDA Paloh estate. The detail of stakeholders comment is provided in each criterion as part of this summary report.

**Village representative:** Confirmed that good relationship is maintained with the management and villagers. No any disputes were highlighted.

**Workers representative:** No any unresolved disputes were highlighted.

**Contractor and Suppliers:** No issues on contract and payment. They also highlighted that the management is serious about safety at the work place.

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

**4.1 Date of Closing Nonconformities (Major and Minor)**

NC Ref.	CLASS	ISSUED	STATUS
1081728M1	Major	24/07/2014	Closed on 22/8/2014
1081728M2	Major	24/07/2014	Closed on 22/8/2014
1081728M3	Major	24/07/2014	Closed on 22/8/2014
1081728M4	Major	24/07/2014	Closed on 22/8/2014
1081728N1	Minor	24/07/2014	"open"



**4.2 Acknowledgement of Internal Responsibility and  
Formal Sign-Off of Assessment Findings**

Please sign below to acknowledge receipt of the assessment visit described in this report and confirm the acceptance of the assessment report contents including assessment findings.

Signed for on behalf of  
Ladang Teroh Mill



En. Zulkifly Zakariah  
Vice President - Plantation Operation  
Kulim (Malaysia) Berhad

Signed for on behalf of  
BSI Group Singapore Pte Ltd



Mr. A. Senniah  
Lead Auditor

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## ***Appendix A: Ladang Tereh Mill Certificate Details***

**Kulim (Malaysia) Berhad**

**Ladang Tereh Mill**

**Ulu Tiram Estate, Johor, Malaysia**

**www.kulim.com.my**

Recertification Certificate Number: **SPO 613086**

Certificate Re-issue Date: **31 March 2014**

Applicable Standards: RSPO Certification System June 2007 (revised March 2011) including Annex 4: Procedures for Annual Surveillance; RSPO P&C MY-NIWG 2010; and relevant element of Supply Chain requirements for CPO Mills; SCCS Standard Nov 2011 Module – Segregation.

<b>Ladang Tereh Mill and Supply Base</b>	
Location	Kluang, Johor, Malaysia.
Address	Ladang Tereh Mill, KB 538, 86009 Kluang, Johor, Malaysia.
GPS	E 103° 21' 5.0009", N 2° 13' 3.0648"
CPO Tonnage	62,986
PK Tonnage	16,499
FFB Tonnages	
	Tereh Utara 64,959
	Tereh Selatan 57,650
	Selai 17,199
	Eggang 14,080
	Mutiara 48,138
	Sg. Sembrong 28,198
	Sg. Tawing 35,700
	Wawasan 4,959
	<b>FELDA Paloh 27,073</b>
	<b><i>Grand Total</i> 297,956</b>

**Appendix B: Extension of Scope Audit Programme 22 – 24 July 2014**

Date	Time	Subjects	Senniah	Muhd Haris
Monday	AM	Audit Team travel to Site	√	√
21/07/2014	PM	Meeting External Stakeholders		
Tuesday 22/07/2014  Felda Paloh	08.30 – 09.00	Opening Meeting:	√	√
		Presentation by the Felda Paloh and Tereh mill managers.		
		Presentation by Audit team leader.		
		Confirmation of assessment scope and finalize Audit plan. (Including on-site stakeholder's consultation).		
	09.00 – 12.00	Field visit, boundary inspection, fertiliser application, field spraying, harvesting, workers interview, buffer zone, HCV area, Office, workshop, worker housing, clinic, Landfill, Chemical store and mixing, etc.	√	-
	09.00 – 12.00	Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	-	√
12.00 – 13.00	Lunch	√	√	
13.00 – 16.30	Document review (General Documentation e.g. Legal, Manual and Procedure, HCV identification, SEIA documents, Health and Safety, Time bound plan verification, review pay documents etc).	√	√	
16.30	Closing briefing.	√	√	
Wednesday 23/07/2014  Tereh Mill	08.30 – 12.00	Mill Inspection: FFB receiving, warehouse, workshop, wastes management, Effluent Ponds, OSH, Environment issues, POME application, water treatment, staff, workers and contractor interview, housing and facility inspection.	√	-
	12.00 – 13.00	Lunch	√	√
	13.00 – 16.30	Document review (General Documentation e.g. Legal, Manual and Procedure, HCV identification, SEIA documents, Health and Safety, Training records, review pay documents etc).	√	-
	16.30	Closing briefing.	√	√
Thursday 24/07/2014	8.30 – 10.30	Verifying outstanding issues. Audit team discussion and preparation for closing meeting.	√	√
Felda Paloh	10.30 – 12.00	Closing meeting	√	√

### ***Appendix C: List of Stakeholders Contacted***

<b><u>Internal Stakeholders</u></b>	<b><u>External Stakeholders</u></b>
Managers and Assistants Male Mill Staff/Workers Female Mill Staff/Workers Foreign Worker Male and Female Estate workers Male and Female Estate Staff Joint Consultative Committee Gender Committee Secretary	Head of the Village Mosque Committee
Contractor Supplier	
<b><u>Government Departments</u></b>	
School Headmaster Labour Department Government Clinic	