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PUBLIC SUMMARY REPORT
RECERTIFICATION ASSESSMENT

Kulim (Malaysia) Berhad

Tereh Mill and Supply Base

Johor Malaysia

Report Author

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SUMMARY

Kulim (Malaysia) Berhad (Kulim) owns and operates four (4) Mills and twenty (20) oil palm Estates. BSi Group Singapore Pte Ltd (BSi) has conducted the Recertification Assessment of Tereh Mill and supply base of seven (7) company owned Estates, two (2) "Outside" Estates, support services and infrastructure. It is to be noted that "Outside" Estate Felda Paloh obtained RSPO certification on 13/06/2012 (SIRIM QAS International Certificate N^o. RSPO 012) and the Annual Surveillance Assessment (ASA1) has recently been completed. BSi concludes that Tereh Mill and Supply Base meet compliance with the requirements of RSPO Principles & Criteria: 2007; MY-NI Indicators and Guidance : 2010; and RSPO Supply Chain Certification Standard : 2011, Module D – CPO Mills : Segregated.

BSi recommends the continuation of the approval of Kulim's Tereh Mill and Supply Base as a producer of RSPO Certified Sustainable Palm Oil.

ABBREVIATIONS USED

AMESU	All Malayan Estates Staff Union
BOD	Biological Oxygen Demand
CHRA	Chemical Health Risk Assessment
CDM	Clean Development Mechanism
CPO	Crude Palm Oil
CSPK	Certified Sustainable Palm Kernel
CSPO	Certified Sustainable Palm Oil
DOE	Department of Environment
DOSH	Department of Occupational Safety & Health
EFB	Empty Fruit Bunch
FFB	Fresh Fruit Bunch
HIRAC	Hazard Identification Risk Assessment Control
HCV	High Conservation Value
IPM	Integrated Pest Management
KSTS	Kulim Safety Training & Services
LTA	Lost Time Accident
MPOB	Malaysian Palm Oil Board
MSDS	Material Safety Data Sheet
NUPW	National Union of Plantation Workers
OER	Oil Extraction Rate
OSH	Occupational Safety and Health
PCD	Pollution Control Device
PK	Palm Kernel
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
QMS	Quality Management System
R&D	Research & Development
RSPO	Roundtable on Sustainable Palm Oil
SIA	Social Impact Assessment
SOP	Standard Operating Procedure
WHO	World Health Organisation

1.0 SCOPE OF RECERTIFICATION ASSESSMENT

1.1 Identity of Certification Unit

Kulim (Malaysia) Berhad operations consist of four (4) Palm Oil Mills and twenty (20) company owned Estates. The Kulim Mills and 19 of the Estates are located in Johor State and the other Estate is located in Pahang State, Malaysia (Figure 1). The Certification Unit of this Recertification Assessment is the Tereh Mill and Supply Base of seven (7) company owned Estates and two (2) "Outside" Estates. The GPS locations of the Mill and Estates are shown in Table 1.

Table 1: GPS Locations Mill and Estates

LOCATION	LONGITUDE	LATITUDE
Tereh Mill	103° 21' 5.0004"	2° 13' 3.0648"
Kulim Estates		
Tereh Selatan	103° 21' 8.3772"	2° 11' 38.3784"
Tereh Utara	103° 20' 36.0492"	2° 15' 5.2092"
Enggang	103° 25' 36.5808"	2° 16' 12.1044"
Mutiara	103° 28' 52.1328"	2° 17' 16.6164"
Selai	103° 23' 14.8164"	2° 6' 14.4156"
Sg Sembrong	103° 27' 49.4928"	2° 18' 54.8424"
Sg Tawing	103° 21' 10.656"	2° 17' 46.6944"
"Outside" Estates		
Wawasan	103.37920°	02.23753°
Felda Paloh	103.36875°	02.24752°

1.2 Production Volume

The production tonnages for CPO and PK for the 12 months prior to the Recertification Assessment (01/11/2012 – 31/10/2013) and projections for the next twelve months are listed in Table 2. CPO and PK production are projected to decrease slightly in 2013-14 due to replanting at some estates which will result in less FFB supplied to the Mill.

Table 2: Production Tonnages

Tereh Palm Oil Mill	CPO	PK
Estimate at Certification	31,287**	9,146**
ASA1 Actual 01/01/2009–31/12/2009	43,240**	12,509**
ASA2 Actual 23/01/2010–22/01/2011	44,461**	14,107**
ASA3 Actual 01/11/10– 31/10/11	66,978* 59,499**	18,060* 16,051**
ASA4 Actual 01/11/2011 –31/10/2012	50,985* 44,754**	13,553* 11,882**
Recertification Actual 01/11/12– 31/10/13	64,333* 63,124***	17,611* 17,280***
Projected 01/11/13 – 31/10/2014	62,986****	16,499****

* = Total Production Kulim Estates (certified) and "Outside" Estates (non-certified)

** = Certified Production (Kulim Estates)

*** = Certified Production (Kulim Estates + Felda Paloh Estate)

**** = Certified Production (Kulim Estates + Felda Paloh Estate + Wawasan Estate)

1.3 Certification Details

Since the Initial Certification, the Kulim Mills and Estates have been registered with RSPO under a single Certificate, the details of which are shown below:

Kulim RSPO Membership No: 1-0006-04-000-00

BSi RSPO Certificate No: 537873

Initial Certification Assessment: 14–24 July 2008

Date of Certification: 23/01/2009

ASA1: 12 – 21/01/ 2010 Certificate re-issued 31/03/2010

ASA2: 10 – 17/01/ 2011 Certificate re-issued 28/03/2011

ASA3: 31/10 – 05/11/2011 Certificate re-issued 14/02/2012

ASA4: 05 – 12/11/ 2012 Certificate re-issued 31/01/2013

BSi, on advice from the RSPO Secretariat, will issue a separate new Certificate for each Mill and Supply Base. Please refer to Appendix A for recertification Certificate details.

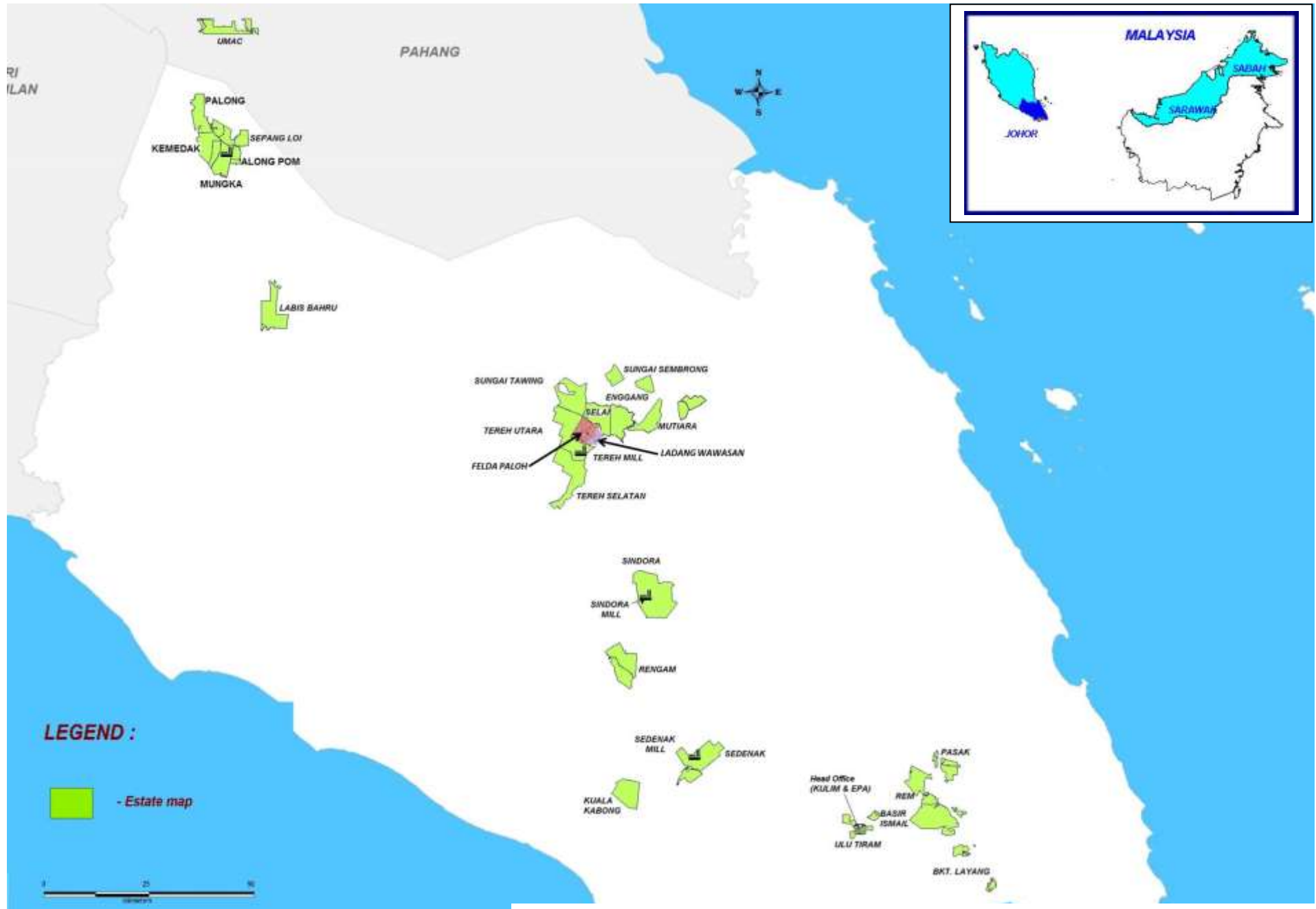


Figure 1: Kulim Mills and Estates Location Map (including "Outside" Estates Felda Paloh and Wawasan)

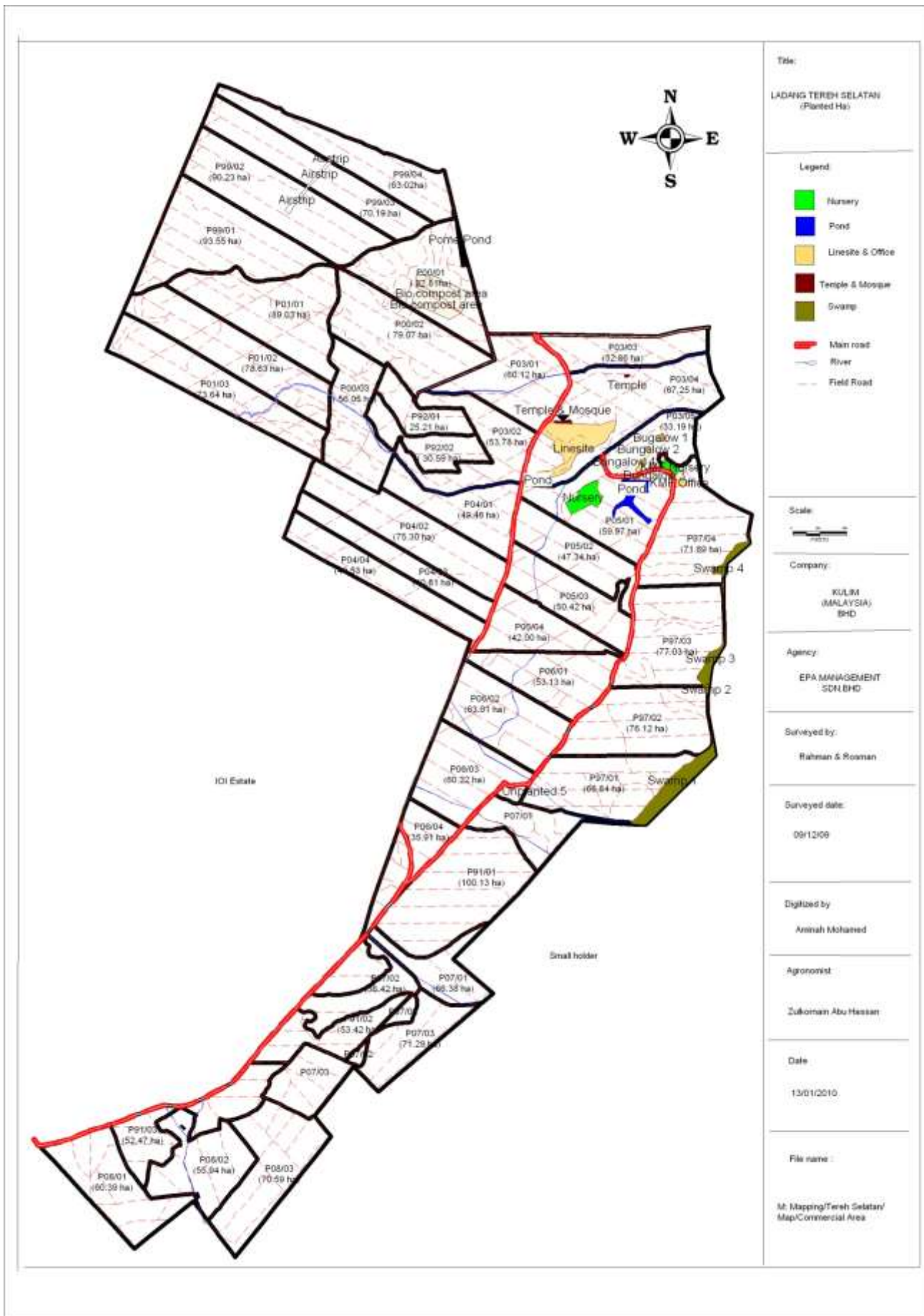


Figure 2: Tereh Selatan Estate Layout

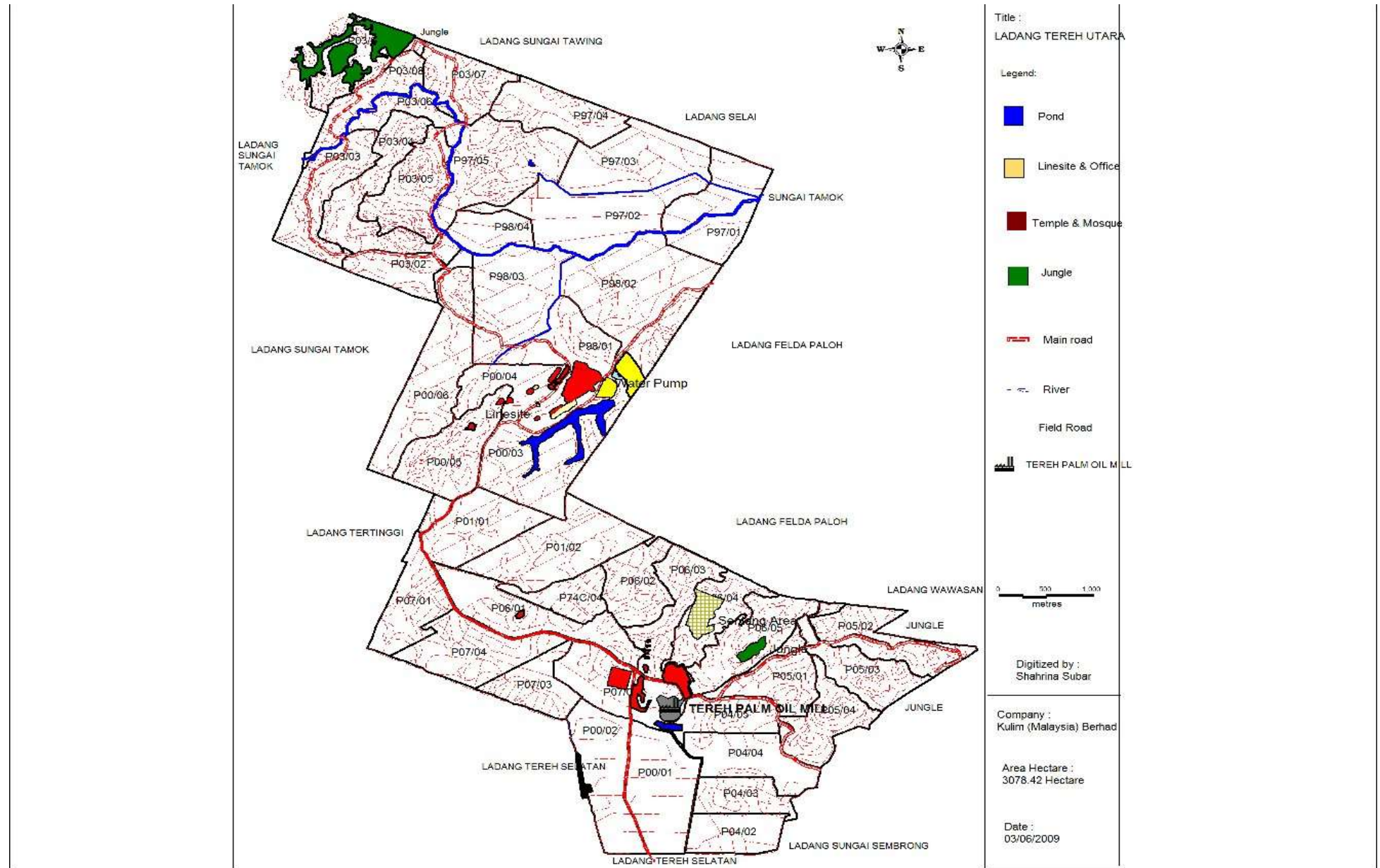


Figure 3: Tereh Utara Estate Layout

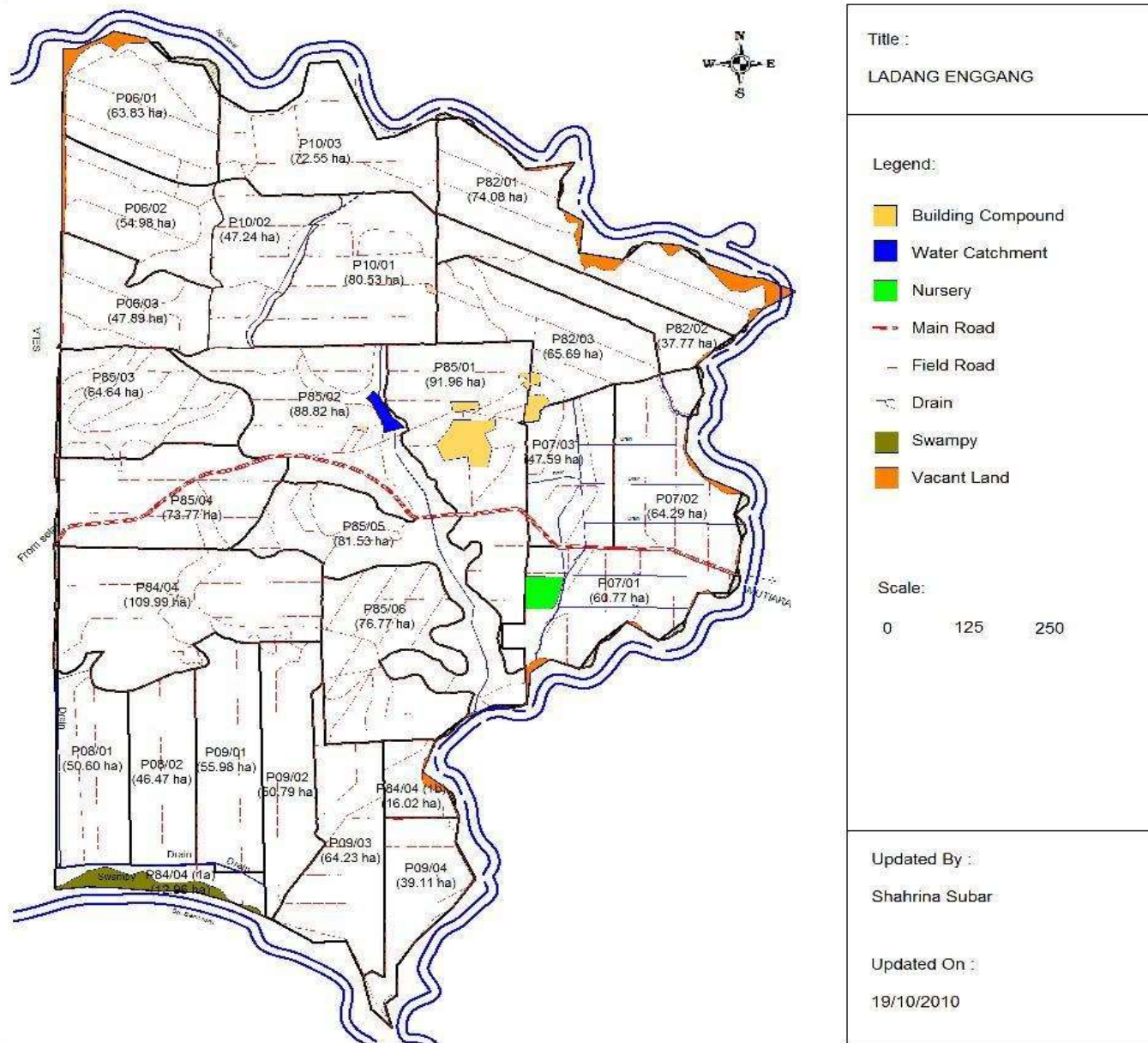


Figure 4: Enggang Estate Layout



Figure 5: Mutiara Estate Layout

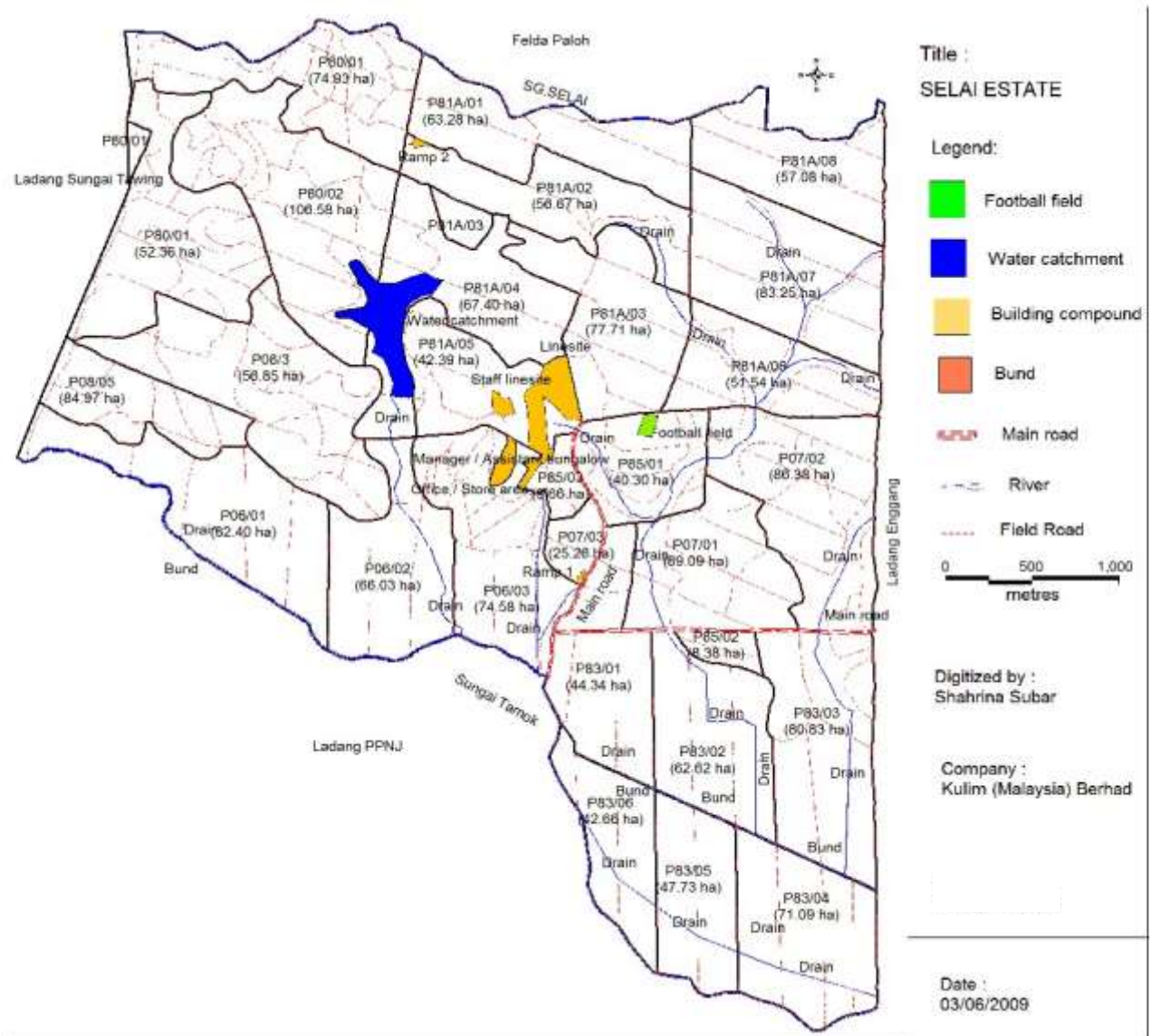


Figure 6: Selai Estate Layout

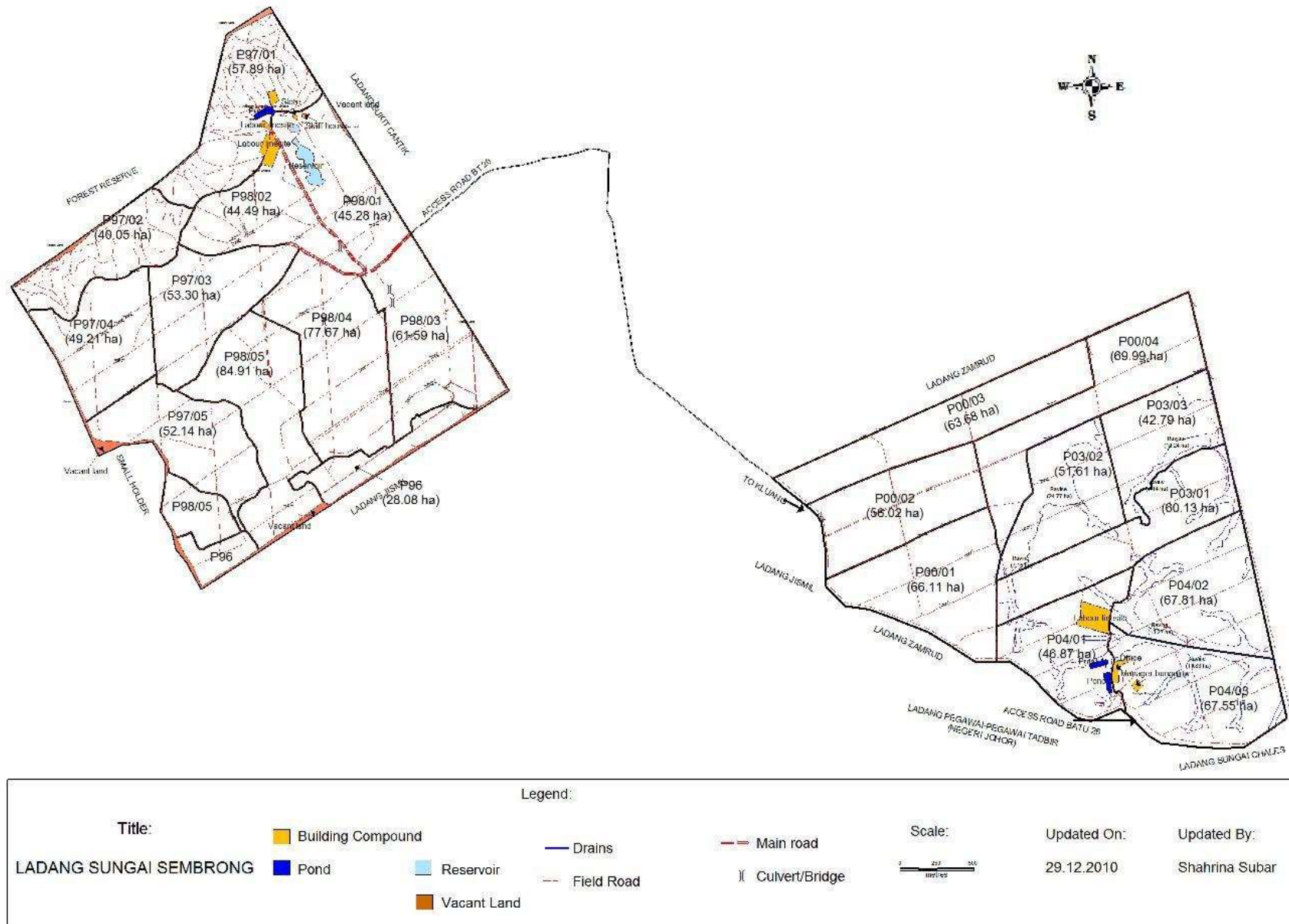


Figure 7: Sungai Sembrong Estate Layout

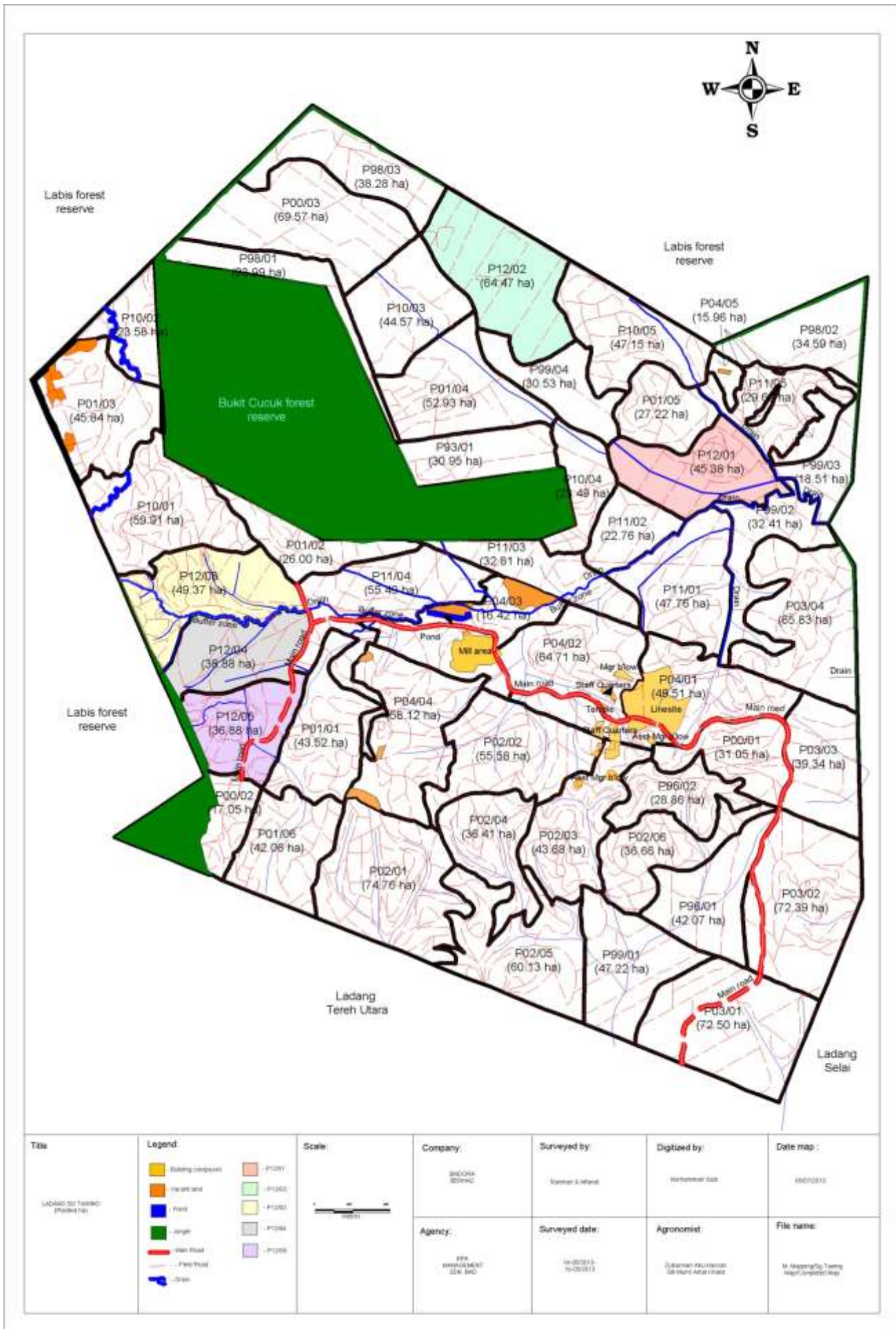


Figure 8: Sungai Tawing Estate Layout

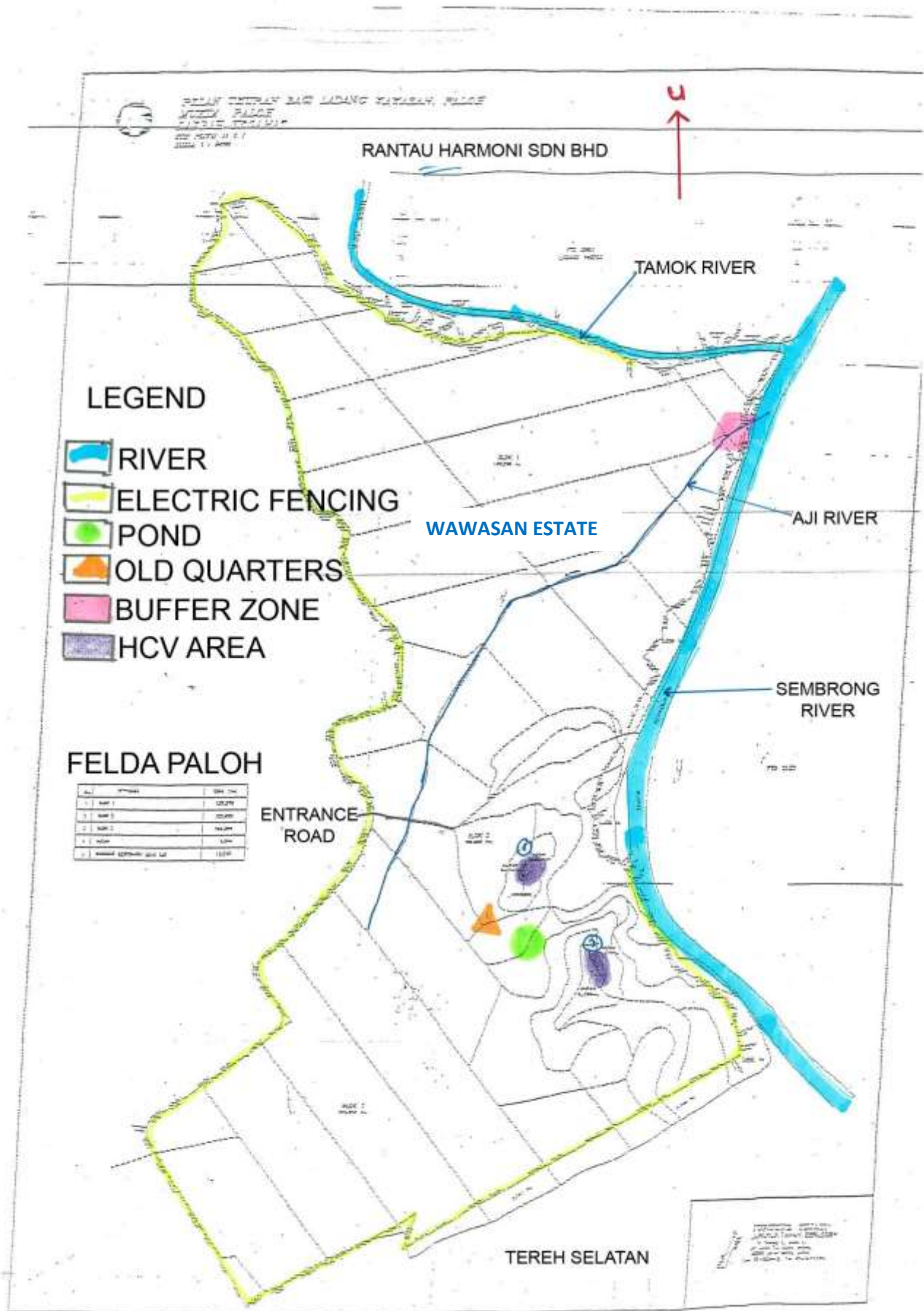


Figure 9: "Outside" Estate Wawasan Layout

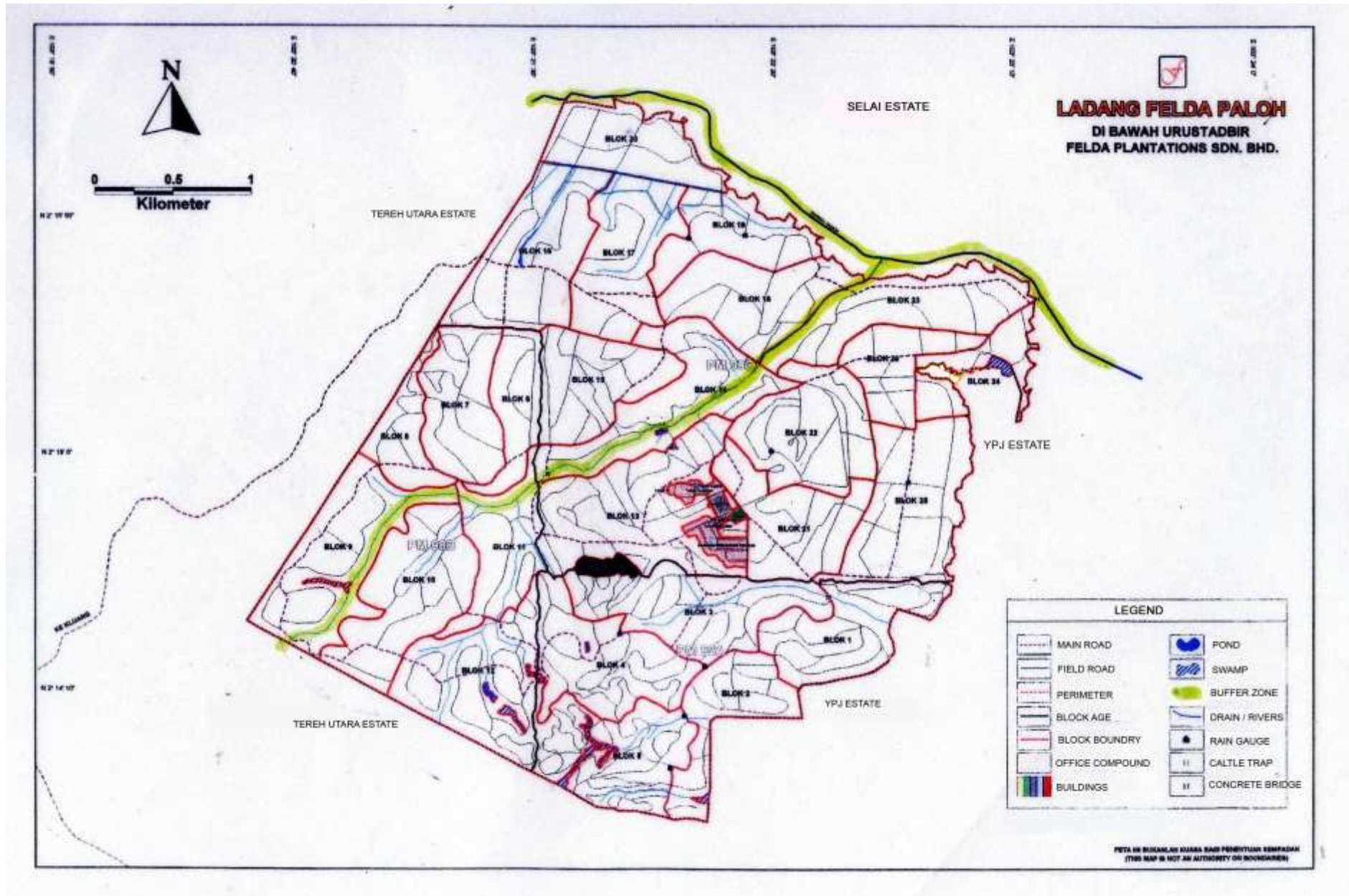


Figure 10: "Outside" Estate Felda Paloh Layout

1.4 Description of Supply Base

The supply base is seven (7) company owned Estates and two (2) “Outside” Estates with their FFB production listed in Table 3. The production from the “Outside” Estates is included in the Certificate.

Table 3: FFB Production (Tereh Mill Supply Base)

Source	Estimate at Certification 23/01/2009	Actual 01/11/12–31/10/13	Projected 01/11/13–31/10/14
Kulim Estates			
Tereh Utara	40,452	66,847	64,959
Tereh Selatan	31,313	61,759	57,650
Selai	31,810	17,963	17,199
Eggang	31,580	16,206	14,080
Mutiara	34,402	55,586	48,138
Sg Sembrong	56	27,273	28,198
Sg Tawing	–	33,142	35,700
Rengam		678	–
Sub Total	169,613	279,453*	265,924
“Outside” Estates			
Felda Paloh	36,963	31,151*	27,073
Ldg Wawasan		5,951	4,959
Sub Total	36,963	37,102	32,032
TOTAL	206,576	316,555	297,956*

* = Certified Production

Supply Chain

Kulim has used the mass balance mechanism to date because its four (4) mills were under a single RSPO Certificate. Going forward, BSi will issue a separate Certificate for the Tereh Mill which will process only RSPO certified FFB and will use the segregated mechanism for the supply chain. All deliveries of FFB to the Mill are issued with a weighbridge docket that records the name of the supplier, truck registration number, driver’s name and the tonnage. The weighbridge system is computerised and the delivery records are used as the basis for payment for FFB deliveries. A sample of weighbridge dockets was checked at the Mill against the Daily Transaction Summary of FFB deliveries from each supply source. This confirmed the details of the source and quantity of FFB were recorded accurately and could be verified by tracking. Kulim made sales of CSPO certificates on the GreenPalm trading platform and through eTrace. Inspection of documents confirmed that Kulim maintains all of the documentation required for supply chain verification (Refer to Appendix B).

At Tereh Mill, production from some Estates, such as Mutiara, is expected to decrease slightly due to replanting.

The development of oil palm at the company owned Estates commenced in 1947 and the palms are in their second and third cycles. The age profile of the palms is shown in Table 4a.

Table 4a: Age Profile of Palms

AGE (years)	% Planted Area	AGE (years)	% Planted Area
Kulim Estates			
Tereh Utara		Sungai Tawing	
21 +	0	21 +	1.48
11 – 20	67.65	11 – 20	58.14
4 – 10	32.35	4 – 10	19.40
0 – 3	0	0 – 3	20.98
Tereh Selatan		Sungai Sembrong	
21 +	10.29	21 +	0
11 – 20	50.89	11 – 20	84.65
4 – 10	38.82	4 – 10	15.35
0 – 3	0	0 – 3	0
Selai		Eggang	
21 +	8.19	21 +	11.98
11 – 20	0	11 – 20	0
4 – 10	60.57	4 – 10	51.40
0 – 3	31.24	0 – 3	36.62
Mutiara			
21 +	64.17		
11 – 20	26.81		
4 – 10	0		
0 – 3	9.02		
“Outside” Estates			
Felda Paloh		Wawasan	
21 +	19.97	21 +	0
11 – 20	80.03	11 – 20	61.11
4 – 10	0	4 – 10	22.10
0 – 3	0	0 – 3	16.79

The areas of mature and immature palms are detailed in Table 4b for each of the Estates. There were minor increases in the areas planted to palms as follows:

Tereh Utara 3 ha more than reported at ASA4, because of establishment of new nursery;

Selai 4 ha more than reported at ASA4, because of a new GPS Survey;

Eggang 3 ha more than reported at ASA4, because a vacant area was planted during the replanting of P11;

Sg Tawing 97 ha more than reported at ASA4, because a vacant area was planted during the replanting of P12.

Table 4b: Areas Planted

Location	Mature (ha)	Immature (ha)	Total Area
Kulim Estates			
Tereh Utara	2,857.15	0	2,857.15
Tereh Selatan	2,545.00	0	2,545.00
Selai	1,117.47	507.61	1,625.08
Eggang	1,044.32	603.27	1,647.59
Mutiara	2,103.36	208.50	2,311.86
Sungai Tawing	1,643.35	436.25	2,079.60
Sungai Sembrong	1,187.17	0	1,187.17
“Outside” Estates			
Felda Paloh	1,288.45	0	1,288.45
Wawasan	301.15	60.76	361.91
TOTAL	14,087.42	1,816.39	15,903.81

1.5 Progress against Time Bound Plan

Kulim holds an interest in New Britain Palm Oil Ltd that is RSPO Certified and managed as a separate autonomous entity. Kulim previously managed the Tunjuk Laut Mill and Supply Base but since October 2013 this has been leased to third party operator (Awan Timur Resources) and Kulim no longer manages the operations. BSi concludes that Kulim has completed all of the commitments of its Time Bound Plan that relate to company owned and managed Mills and Estates.

Kulim has recently purchased a property in Indonesia and plans to develop the land for oil palm. No work has commenced, however Kulim is in the process of initiating the assessment of HCV of the land.

1.6 Progress of Associated Smallholders/ Outgrowers towards RSPO Compliance

Kulim has consulted FFB suppliers and advised them it aims to achieve RSPO Certification for all Tereh Mill supply base. Kulim has been working with Wawasan Estate to implement the RSPO P&C and an Initial Certification Assessment was carried out during this Recertification Assessment visit.

1.7 Other Certifications Held

Tereh Mill operates a Quality Management System to the ISO 9001:2008 standard (Certificate No AR1804), current to 14 October 2014.

1.8 Organisational Information / Contact Person

Kulim (Malaysia) Berhad	Contact Person:
Ulu Tiram Estate	Mr Sallehuddin Mohd Noh
KB 705	Senior Manager
Johor Bahru	Phone: +6078611611
Johor 80990	Fax: +6078631084
MALAYSIA	Email: sallehuddin@kulim.com.my

2.0 ASSESSMENT PROCESS

2.1 Assessment Team Members

Charlie Ross – Lead Assessor RSPO
B.App.Sc. M.Sc (Env.Studies)

Topics assessed: Legal, Environment, Agricultural Practices, OHS, Social, Supply Chain

Isman Yusoff – Assessor RSPO

BSc.Electrical Engineering; Exec.M Business Admin
Topics assessed: Legal, Environment, Agricultural Practices, OHS

Nabila Seth Niven – Social Assessor RSPO

BBA (Hons) Business Studies
Topics assessed: Social, OHS

Robyn Ross – Social Assessor RSPO

SA8000
Topics assessed: Legal, Social, Women and Families

Dian Ekowati – Facilitator

Graduate Degree (Master Level), Rural Sociology and Gender; Bachelor Degree, Community Empowerment

CVs for Mr Yusoff, Ms Seth Niven and Ms Ekowati, new team members, are included at Appendix C.

2.2 Assessment Programme

The Recertification Assessment was carried out 04, 05, 06 and 10 December 2013. The Assessment Programme is included as Appendix D.

The Programme included assessments of the Mill, Tereh Selatan and Enggang Estates and the “Outside” Estate Wawasan against all of the RPSO Principles & Criteria: 2007; MY-NI Indicators and Guidance : 2010, and the RSPO Supply Chain Certification Standard : November 2011, Module D – CPO Mills : Segregated. The Estates were selected for assessment on the basis of environmental aspects and time since previous site visits.

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

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

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

2.3 Stakeholder Consultation

Internal and external stakeholders were consulted to obtain their views on Kulim’s environmental and social performance and any issues of concern that they may have. Notification of the Recertification Assessment was posted on the RSPO, BSi and Kulim websites. External stakeholders were contacted by email and telephone to arrange meetings where practical and to seek their views on the environmental and social performance of Tereh Mill and Supply Base. External stakeholders were interviewed at their premises where practical or they were invited to the Mill or the Estate. Internal stakeholders were interviewed in groups in the workplace or at their housing. Company officers were not present at any of the meetings. A list of stakeholders contacted is included at Appendix E.

3.0 ASSESSMENT FINDINGS

3.1 Summary of Findings

During this Recertification Assessment, Nonconformities were assigned to Major Compliance Indicators 2.1.1 (CR12) and 4.7.1c (CR13) and to Minor Compliance Indicator 5.3.2 (CR14). Four (4) Observations/Opportunities for improvement were identified. Refer Section 3.2 Page 23 for details. Kulim prepared a Corrective Action Plan for

addressing the identified Nonconformities, which BSI reviewed and accepted.

Nonconformities assigned and Observations/Opportunities for Improvement identified during the Assessment of “Outside” Estate Wawasan are detailed in Section 3.3 Page 25. The assessment findings of Wawasan Estate are reported separately in Appendix G.

Review of the nonconformity assigned at Tereh during previous assessments (CR04 ASA1) found corrective actions were being effectively and consistently implemented and the nonconformity remains closed. The six (6) Observations/Opportunities for Improvement identified during ASA4 also were followed up to check the effectiveness of corrective actions. Refer Section 3.4 Page 27 for details.

PRINCIPLE 1: Commitment to Transparency

Kulim has maintained up to date policies, procedures and management plans for provision of information to the public on request. The requests for information are received at Head Office and are then forwarded to the Estates and Mills for provision of site specific information. A number of requests, mainly from NUPW and MPOB were received at the Estates and the Mill and responses were prepared locally in a timely manner.

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

Kulim has issued “Communication and Consultation Management Guidelines” that define the responsibilities and actions required for receiving, recording and responding to enquiries and requests from internal and external stakeholders.

The Mill and Estates have implemented the “Communication and Consultation Management guidelines” as evidenced by the maintenance of filing systems for recording written requests for assistance and information. Inspection of a sample of records found that requests for information were received only from Government Departments, NUPW and the MPOB. The sample of records indicated requests for the Estates and Mills to provide information, such as for MPOB surveys, were replied to in a timely manner. For example, the Mill received a request from MPOB 29 August 2013 to complete a Survey on eCosts, to which the Mill Manager replied with the completed survey on 17 September 2013. (1.1.1)

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.

Kulim holds copies of each of the 7 management documents that are required to be publicly available. Kulim policy is to make these available upon request.

In addition, Kulim has continued to use as a point of reference the “Sustainability Handbook” June 2007 that details the company’s environmental and social policies and grievance procedure. Copies of the handbook are available on request.

Kulim policy is to make documents and copies of the Sustainability Handbook publicly available on request, except those relating to commercial confidentiality.

Details of Land Titles are held in file “Grant Title” on SPO Server. Hard copy is held by EPA Property Department. (1.2.1)

The Health and Safety Plan is documented in the “Improvement Plan for 2013” issued January 2013 (1.2.2)

Environmental and Social Aspects and Impacts are recorded on a Register for the Tereh Operating unit, which is revised annually and was updated January 2013. Copies are held at the Mill and each Estate. (1.2.3)

Pollution Prevention Plans are included in the Environment Improvement Plan, which was updated in January 2013 and included performance targets. (1.2.4)

Kulim’s Sustainability Handbook details the dispute resolution process to be followed and the recording of information. (1.2.5)

Kulim follows the Land Acquisition Act 1960 (ACT 486), which details the acquisition, the assessment of compensation to be made on account of the acquisition and any other matters incidental thereto. (1.2.6)

Kulim maintains an Improvement Plan that is reviewed by top management and updated in January each year. (1.2.7)

PRINCIPLE 2: There is compliance with all applicable laws and regulations

Kulim has maintained the systems for documentation, checking and assessment of legal compliance with applicable laws and regulations such as the Factories & Machinery Act 1967, the OSH Act 1994, the Environmental Quality (Clean Air Regulation) 1978 and the Employment Act 1955. Inspection of records showed that the Tereh Mill and the Estates visited have maintained legal compliance with statutory requirements, except at the Estates for permits relating to air compressors, diesel gensets and water treatment plants, for which a Nonconformity was assigned. Each of the Estates visited has maintained boundary stones so that they are clearly marked and visible. Interview of local community representatives indicated there were no land tenure disputes with the Kulim estates.

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

The Mill Visiting Engineer makes checks for legal compliance, for example during the visit to Tereh Mill on 22nd October 2013 he reported that all statutory requirements were being met. A sample of statutory licenses was checked and found to be current, for example, the Mill MPOB licence No 500048604000 was current to 31 May 2014.

Review of internal and external audit and consultant reports showed that the Mill and the Estates visited had maintained legal compliance with applicable laws and regulations, with the exceptions noted below for the assignment of a Nonconformity. For example, Tereh Mill boiler emissions were tested on 18 July 2013 by PAC Testing & Consulting Sdn Bhd and confirmed the level of dust particulate was in compliance with Regulation 25 of the Malaysian Environmental Quality (Clean Air) Regulations, 1978. The sulphuric acid and oxides of nitrogen measured for the stack

were within the Regulations, Standard C limits of 0.2 gSO₃/Nm³ and 2.0 g Nox/Nm³, respectively. Ambient air quality at areas within and surrounding the Mill were tested by PAC Testing & Consulting Sdn Bhd on 18 and 19 July 2013 and the Total Suspended Particulates, sulphur dioxide and nitrogen oxide monitored were within the Malaysian recommended Environmental Air Quality Guideline limits of 260 µg/m³, 0.04 ppm and 0.17 ppm respectively. Review of monthly reports to DOE of boiler opacity indicated compliance with the Malaysian recommended Environmental Air Quality Guideline. A DOE Officer visited Tereh Mill on 15 January and 22 October 2013 and collected effluent samples. The DOE Officer did not identify any issues requiring corrective action.

Mill effluent is treated in effluent ponds and used for composting with EFB and the balance is recycled to the palms by land application in furrows. The BOD of treated mill effluent complied with licence limits of 5,000 mg/L throughout the year (Figure 11) and the maximum BOD was 102 mg/L Mill in February.

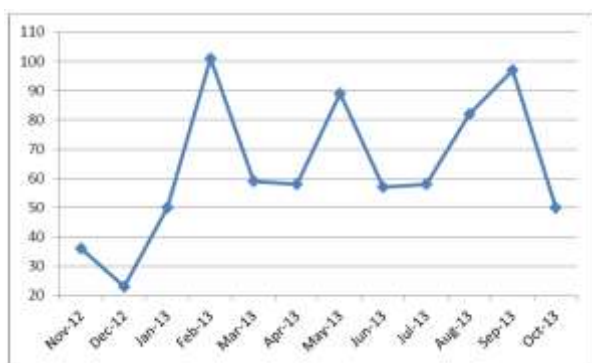


Figure 11: BOD (mg/L) of Treated Mill Effluent

Kulim has continued the capital expenditure program for upgrading as well as construction of new houses at the locations where houses have only two bedrooms. The recently constructed 30 houses at Tereh Mill are now occupied and another 10 houses are budgeted for construction in 2014. Water supplied to housing from the government reticulated supply and from Kulim operated water treatment plants showed compliance with the Malaysian Drinking Water Quality Standard. The Mills and Estates carry out daily checks of pH and residual free chlorine. In addition, samples are sent to the Kulim Central Laboratory monthly or to an external consultant.

Inspection of pay records found that the Mill and the Estates complied with the Employment Act 1955 and the Department of Labour monthly overtime limit. Tereh Mill received a letter from Department of Labour dated 21 December 2011 advising "continuous approval for extension of overtime hours (self-regulation)" provided workers are in agreement. The letter also stated there was no necessity to reapply for approval.

A DOSH officer visited Tereh Mill on 06 November 2013 and identified two issues with the vertical sterilisers requiring rectification. The Mill has completed the rectification and the follow-up DOSH inspection is scheduled for 05 December 2013. (2.1.1)

CR12 – A Nonconformity was assigned because the DOSH Inspector had notified Enggang Estate to apply for a Certificate of Fitness for the air compressor; the Estate followed up on 21 November 2013, but at the time of the

Recertification assessment visit this had not been issued. Tereh Selatan Estate also did not hold a Certificate of Fitness for the workshop air compressor. At Enggang and Tereh Selatan Estates, there was no evidence that DOE approval had been given for the Gen Sets supplying the Estate Office, housing and other facilities. At Enggang and Tereh Selatan Estates, application had been made for renewal of the SPAN license for the water treatment plant, but at the time of the site visit, the license renewal had not been received, despite follow-up by Kulim Property Department. – refer Section 3.2 Page 23.

Kulim maintains a Register of Legal Requirements for the Mills and Estates that was updated in 2013 to include the Wildlife conservation Act 2010. In addition, each operation has a List of Licenses showing the expiry dates. Kulim Legal Department has provided the Mill and Estates with copies of the applicable acts and regulations that is supplemented with a summary of requirements. (2.1.2)

Kulim has implemented a system of regular visits by the Mill Visiting Engineer and the Plantation Inspector, respectively who audit legal compliance during site visits, as noted for Indicator 2.1.1 above. (2.1.3)

Kulim Legal Counsel carries out annual reviews of the legal requirements and updates these when necessary and communicates the changes to the mills and estates. (2.1.4)

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

Kulim operations are on either "Freehold Land" or "State Leases". Details of Land Titles and summary of lease history are held in file "Grant Title" on the SPO Server. Kulim Property Department holds a hard copy of land titles (2.2.1)

Only oil palm is grown on the land, which is consistent with the land titles and lease conditions (2.2.2)

Kulim has completed the program of surveying the boundaries of all of its properties and installing boundary stones. Each of the Estates visited held a copy of a map showing the locations of boundary stones. Inspections of a sample of boundary stones (for example Stone Number 23 at Tereh Selatan) confirmed boundary stones are clearly marked with poles painted red and white and maintained. The maintenance program consists of quarterly weeding and annual painting of the boundary marker poles. (2.2.3)

There are currently no Land disputes at any of the Kulim Estates. (2.2.4)

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.

The Tereh Mill and Estates operations are on either "Freehold Land" or "State Leases". The land is not encumbered by Customary Rights. (2.3.1)

The right to use the land is not disputed. Where previous disputes have occurred, Kulim Head Office holds detailed maps prepared by an independent surveyor. (2.3.2)

There is no customary land or negotiated agreements for any of the Kulim land. (2.3.3)

PRINCIPLE 3: Commitment to Long Term Economic and Financial Viability

Kulim has implemented a management system for monitoring and reporting of performance against production targets for achieving long-term economic and financial viability. The FFB Yields of the Estates have improved, although the Mill OER has remained static. Reports were available showing the details of production and costs. Kulim has continued its commitment to sustainability by funding capital expenditure for improvements at the Mill and Estates.

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

The Tereh Mill and the Estates have an annual operating budget for the calendar year 2014 and five-year projections (2013 – 2018) for production. The budgets include performance targets for production and quality and each of the operating units reports monthly results to senior management. The average annual FFB yield for the Estates (Figure 12) has increased between 2012 and 2013 due to improved seasonal conditions following the below average rainfall in the first half of 2012. (3.1.1)

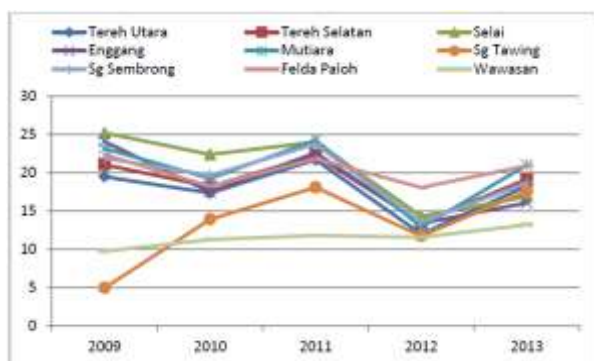


Figure 12: Average Annual FFB Yield 2009 – 2013

The average annual OER (Figure 13) has decreased slightly from 20.6% in 2012 to 20.4% in 2013. This was explained as being due to well above average rainfall resulting in forced ripening of the crop and increased moisture content of the FFB.

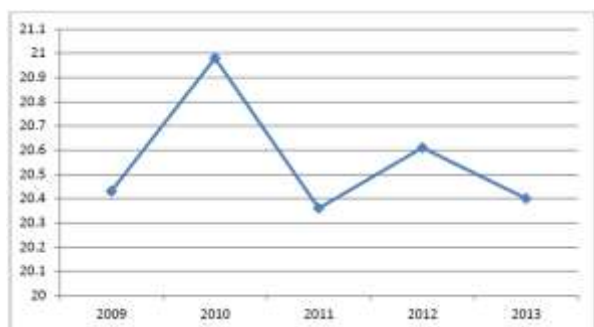


Figure 13: Average Annual Mill OER (%) 2009-2013

Each of the Estates has a ten-year replanting plan that details the schedule and areas to be replanted. (3.1.2)

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

Kulim has well established management systems for monitoring and control of best practice implementation at its Mills and Estates. This includes the programme of regular internal audits by Mill Visiting Engineer and Plantation Inspectors and Agronomists for maintaining and improving production.

The boundaries of stream buffer zones have been demarcated and inspection showed that herbicides had not been applied to these areas. The use of pesticides is closely controlled and Kulim has implemented IPM principles.

The Mill and Estates have continued to give high priority to training and enforcing safe work practices.

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

Tereh Mill SOPs are controlled documents under the ISO 9001 Quality Management System. The Mill reviewed the SOPs in May 2010. Copies of the SOPs were available at each workstation in the Mill, for example “Power House” Ref LTM/SOP/5.1, Issue No 2, 01 June 2010. In 2013, Kulim reviewed the SOPs for the Mill and Estates operations and has uploaded these to the Kulim Portal.

Tereh Mill has maintained certification of their Quality Management System to the ISO 9001:2008 standard (Certificate No AR1804, current to 14 October 2014).

Implementation of SOPs at the Mills was checked by internal audits and the external ISO9001 audit. Interview of a sample of mill operators indicated understanding of the SOP applicable to their workstation. (4.1.1)

The Mill and Estates maintain records of the monitoring carried out internally by the Mill Visiting Engineer and the Plantation Inspector. The Visiting Engineer made four visits to Tereh Mill in 2013. Inspection of a sample of records indicated the Mill and the Estates have responded to issues raised by the Visiting Engineer and the Plantation Inspector. (4.1.2)

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

The Kulim Agronomists maintained the programme of foliar and soil sampling for assessment of palm nutrition and making recommendations for the annual fertiliser plan, specific to each Estate. For example, the Agronomist visited Tereh Selatan Estate in April 2013 and carried out inspection of the palms and foliar sampling. (4.2.1)

Tereh Selatan soil sampling was carried out in April 2013 and analysed by UTCL Laboratory, with the results received by the Estate. (4.2.2)

Kulim has implemented composting of EFB at a plant near the Tereh Mill and the bio-compost is applied to the palms to replace part of the inorganic nitrogenous fertiliser requirement. Kulim R&D Department has an annual programme of monitoring areas on which EFB and POME are applied. (4.2.3)

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

Kulim has overlain a topographic map on the soil map to identify areas of potential erosion risk at each Estate. (4.3.1)

Kulim has identified steep areas for setting aside as conservation areas when replanting is due. Inspection of field conditions at each of the Estates visited showed well established and maintained groundcover vegetation. Kulim has implemented roto-slashing of harvesting paths at flat and gently sloping areas, in preference to use of herbicide. On sloping areas and terraces, stacking of pruned fronds along the contour for protection against soil erosion was relatively consistent. (4.3.2)

Each of the Kulim Estates has an annual budget and a programme for road maintenance. Inspection of each of the Estates visited showed the roads to be accessible indicating that road maintenance was being carried out in accordance with the annual programme for roadside pruning, road repair, drain upkeep, culvert maintenance, road gravelling and grading. (4.3.3)

There are no peat soils at any of the Tereh Mill supply base estates and this indicator is not applicable. (4.3.4)

There are no sandy, low organic matter or acid sulphate soils at any of the Kulim estates. (4.3.5)

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

The Estates have demarcated buffer zones for reinstatement at future replanting by painting “blue and white” rings around the trunks of palms to show the boundaries. At locations where replanting is due, the Estates have ceased the application of chemicals to palms within the demarcated buffer zones. (4.4.1)

Inspection of the Estates visited and information provided by Kulim indicated there was no construction of bunds or dams across waterways. (4.4.2)

Inspections of Tereh Mill and the Estates visited showed that point source pollutants were well controlled through maintenance of pollution control devices. Records were available to show that the PCDs had been inspected and cleaned weekly. The Mill and Estates carry out monthly monitoring of water quality upstream and downstream of the operations. Review of records for water samples taken by Tereh Mill indicated no significant difference in concentrations of, for example, BOD, total nitrogen, TSS pH and dissolved trace metals between upstream and downstream locations. (4.4.3)

The Mill and the Estates measure daily rainfall and the information is used for assessment of crop projections and for management of the composting site. (4.4.4)

The Mill monitors and reports water usage monthly to Kulim head office. The water usage increased slightly from 1.19 to 1.22 t/tFFB between 2012 and 2013 (Figure 14). The Mill has investigated the cause of the high usage and found this to be due to a faulty water meter. The Mill has installed a new water meter, which should reduce water consumption. In September 2013 the Mill changed the operation in the Kernel Plant from two hydrocyclones in series to using only a single unit. (4.4.5)

Inspection of the Mill and Estates visited showed that Kulim has taken appropriate precautions to prevent drainage into protected areas. (4.4.6)

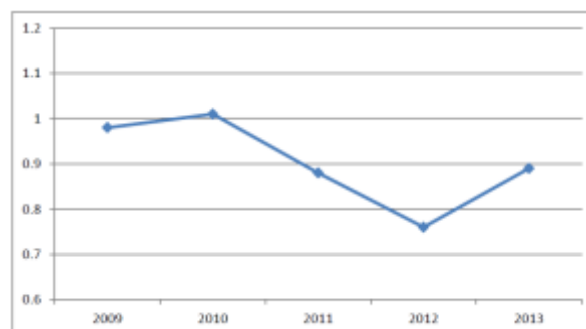


Figure 14: Annual Mill Water Usage (t/tFFB) 2009-2013

The water management plan for Tereh Mill describes the recent changes to reduce water usage. The implementation of the changes described under Indicator 4.4.5 above is an example of water management plan application. The Estates have implemented rainwater tanks to provide water for general use and for washing vehicles and equipment. (4.4.7)

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

Kulim’s Agricultural Manual—Section J provides detailed information on Integrated Pest Management including the IPM strategies for a range of palm pests. The IPM Program consists of monitoring of pest numbers and use of biological controls wherever possible. When additional treatment using chemicals is necessary, then this is carried out in a controlled manner. For example, field conditions are inspected for weeds prior to spraying in order to identify the appropriate chemical and spray technique. (4.5.1)

The main palm pest is rats and damage is monitored in the field as well as for the FFB delivered to the Mills. The occurrence of fresh rat damage is used as a trigger for assessment of the need for treatment. Census data are available on a block basis in the form of a map on the “Treatment and Census File”.

Kulim continued the programme for establishment of beneficial plants (*Turnera subulata* and *Cassia cobanensis*) along roadsides through the Estates for control of leaf eating insects. Barn owls have been introduced at each Estate for control of rats and annual census indicated reasonable occupancy at some Estates such as Tereh Selatan (65%). (4.5.2)

The Estates maintain records for each oil palm block of the quantity of pesticides applied. The usage of pesticides is specific to the field conditions at each Estate, which often vary considerably due to environmental factors, such as replanting and the age of palms. (4.5.3)

An example of monitoring of pesticide usage is provided for Enggang Estate (Figure 15), which has remained relatively unchanged since 2011, following an earlier period of higher usage in 2009. (4.5.4)

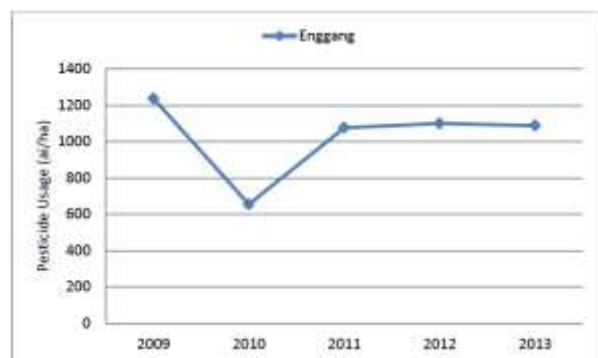


Figure 15: Pesticide Usage at Enggang Estate

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

The Kulim Agricultural Manual – Section H – provides justification of the use of chemicals in relation to particular field conditions, such as for controlling individual species of weeds. Table H01 of the Manual provides guidance on pesticide application rates. Copies of the Manual were available at the estates visited. (4.6.1)

Inspection of the pesticide stores and stock inventories showed that only pesticides registered under the Pesticides Act 1974 were held. The CHRA (refer Indicator 4.6.5) was appropriate for the types of pesticides being used, including paraquat. A small quantity of paraquat was held at each of the estates visited and this was secured in a separate locked store. (4.6.2)

Inspection of the pesticide stores at the estates visited confirmed pesticides were stored safely in accordance with the manufacturer's instructions. All pesticide storage areas had spill containment, adequate convective ventilation, clear labelling, physical separation by type of chemical, and safety instructions. (4.6.3)

Kulim Head Office has supplied each of the Estates with copies of MSDS in Bahasa Malaysia. Information on the safe handling of pesticides is displayed at the pesticides store and mixing area, in the form of pictorial work instructions. (4.6.4)

Each of the Estates visited held a copy of the results of the medical surveillance carried out in accordance with CHRA requirements. For example, Tereh Selatan Estate arranged for 55 workers, including 31 pesticide operators, to undergo CHRA medical surveillance by Healthcare Group BP Diagnostic Centre, Kluang on 23 February 2013. (4.6.5) **Observation 01 – At Enggang Estate, the CHRA medical report recommended 6 sprayers be retested after 1 month. Records showed that two of the sprayers had returned to their country of origin, but the remaining 4 had not been retested. The pesticides storekeeper was not included in the CHRA medical check – refer Section 3.2 Page 24.**

Interview of female pesticide operators and the Health Assistant and inspection of Clinic records confirmed no work with pesticides for confirmed pregnant and breast-feeding women. (4.6.6)

Kulim uses WHO Type 1A and Type 1B chemicals only on the basis of pest census data when a threshold level is exceeded. Tereh Selatan Estate has not had an outbreak of bagworm requiring treatment since 2010 and Enggang Estate for more than 5 years. Kulim uses paraquat dichloride for control of volunteer oil palms and for weeds in immature palms, and the data show that usage decreased by an average of 9% at Tereh Selatan and Enggang Estates, compared with 2012. Kulim Plantation Department advised that they have kept up to date with research and investigations, but to date there is no suitable economic alternative to the contact herbicide paraquat dichloride. (4.6.7)

Kulim has not carried out aerial application of pesticides at any of its estates. (4.6.8)

Tereh Mill CPO has not been tested for pesticide residues during the previous 12 months. (4.6.9)

The daily issues of pesticides are recorded on the Bin Card for each pesticide. At the end of each month, these quantities are transferred onto a monthly summary including active ingredient and records of monthly usage are available since 2007. (4.6.10)

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

Kulim has implemented an OSH Management Plan for improvement of safety of employees that was updated in January 2013 for the calendar year. (4.7.1 a)

Tereh Mill reviewed the Safety Risk Assessment (HIRAC) for the main tasks in the Mill in August 2013, but did not revise any of the risks as there had not been any significant change to the operations. (4.7.1 b)

An Awareness and Training Programme has been prepared for 2013 and a cross check with training records indicated, for example, training for sprayers was conducted at Enggang Estate on 15 November 2013 and at Tereh Selatan Estate on 30/11/2013. (4.7.1 c i) **Observation 02 – At Enggang Estate documentation was available confirming the training programme for Year 2013 was being implemented, but the attendance list was not attached to some of the training records for verification that all operators had been trained – refer Section 3.2 Page 24.**

MSDS for chemicals and fertilisers are available in both Bahasa Malaysia and the English language. (4.7.1 c ii)

CR13 – A Nonconformity was assigned because at Enggang Estate, clean water and soap had not been taken into the field for washing hands. A supply of clean water is essential for pesticide operators to wash their hands before eating their food. No signage had been placed to warn of the Circle Spraying activities at P85 Block 1 – refer Section 3.2 Page 24.

The Mill carries out safety briefings each month at assembly. Inspections of the Mills and the Estates visited indicated that safe work practices were being implemented. Workers were observed to be wearing appropriate PPE for the specific task being carried out and the PPE was worn correctly and consistently across most of the sites visited. At each work station visited safety signs were clearly posted to warn of potential hazards. Records were available of PPE issued to individual workers and contractors, including signatures to confirm receipt. The Estates carry out PPE inspection each Wednesday morning muster and

replacements are issued when PPE is damaged or worn. (4.7.1 d)

At each Mill and Estate there is a designated OSH Coordinator who is responsible for organising safety training, meetings and investigation and reporting of accidents and incidents. (4.7.1 e)

Records were available confirming that quarterly OSH meetings had been held at the Mill and the Estates. For example, the most recent meeting for the Mill was held 10 October 2013 with 10 Management, 1 Mandore and 7 worker representatives in attendance. The meeting minutes included details of discussion on safety for each work task, review of safety performance and discussion of workplace health and safety issues. At Tereh Selatan Estate 4 meetings have been carried out during Year 2013 (27/02/2013, 20/05/2013, 26/08/2013 & 19/11/2013). (4.7.1 f)

The Emergency Response Plans at the Mill and Estates had been reviewed and updated where necessary in 2013, such as for changed phone numbers, and workers had been trained in emergency evacuation. For example, the Mill Plan is filed in "OSHA" File and records included a detailed procedure with Emergency Exit Route Plan and up-to-date name and contact numbers.

Kulim has prepared an Emergency Response Master Plan that is reviewed every three years and is next due for review in 2014. Interviews of Mills and Estates staff and workers confirmed understanding of emergency response. (4.7.1 g)

First Aid Training is carried out by the Health Assistant, for example 21 Mill Staff and Workers underwent training on 28 June 2013, at Enggang Estate for 3 Field Supervisors on 12 November 2013 and at Tereh Selatan Estate on 28 November 2013 for 8 persons (4.7.1 h)

First Aid Kits are installed at various work stations at the Mills and Estates and inspection confirmed these had been inspected appropriately stocked. For example, kits are available at the Mill in the Supervisors Office, the Laboratory, the Workshop, the Guard Post & the Office. (4.7.1 i)

All accidents are investigated and reported to Head Office. The LTA Index (number of lost days per 200,000 man hours worked) is updated monthly for each Mill and Estate. Tereh Mill reported one minor accident in 2013 that was work related and resulted one day of lost time. Accident statistics are reported monthly to head office and yearly to DOSH, with the report for 2012 calendar year issued on 08 January 2013. The long term trend of the LTA index (Figure 16) shows consistently low values for Tereh Mill, but variable for the Estates. (4.7.2)

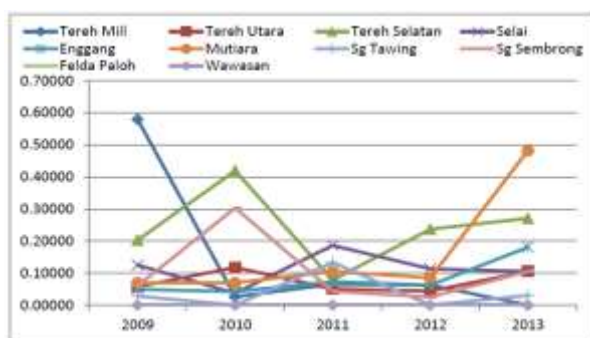


Figure 16: LTA Index 2009-2013

Mill and Estates Staff and local workers are covered by Social Security Organisation Insurance (SOCSO) with relevant amounts deducted from their monthly salary. Foreign workers have Worker Compensation Cover by Berjaya Somp Insurance Berhad current 01/01/2013 to 31/12/2013. For example, review of records confirmed 36 foreign Mill workers are covered under Policy Number 13DJB/WWSCZ14360, Enggang Estate Foreign workers are covered under Policy No 13DJB/WWCZ14420 and Tereh Selatan Foreign workers under Policy No 13DJB/WWCZ14461. (4.7.3)

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

Kulim has prepared an Annual Training Plan 2013 that lists the internal and external training courses scheduled for the Mills and Estates during the year. In addition each Mill and Estate has a schedule of "on-the-job" training for the main tasks. The Mill and each of the Estates visited maintained records for individual staff and workers of training, including induction of new workers. For example, inspection of Mill training records cross referenced to the Training Programme found that the specified Tractor Driver training was carried out 21 September 2013 for 3 drivers. (4.8.1)

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

The Mills and Estates reviewed and updated the Environmental aspect and impact registers and Improvement Plans that continued to focus on reducing the impact of pollutants. The Estates Improvement Plans included expansion of biological controls, such as barn owls and beneficial plants in the IPM Programme. Kulim has continued to engage with the Wildlife Conservation Society, Johor Branch, who completed field surveys of birds and bats and prepared a report on the study.

Inspections confirmed that conservation set-asides and riparian buffer strips that were re-established during replanting, were being protected from disturbance.

Solid wastes are separated at source and recyclables are stored for sale to a recycler. The majority of the Kulim Estates continued to consign empty pesticide containers to a government licensed recycler. Non-recyclables are disposed in small landfills in accordance with Local Government sanitary landfill regulations.

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

Kulim Sustainability Team worked with representatives from the Mill and each Estate at the Training Centre in August 2013 to review the Environmental Aspects and Impacts Register. This involved conducting a re-assessment for each of the significant risks. (5.1.1)

Tereh Mill prepared the environmental improvement plan for the 2013 year in December 2012. A major improvement during 2013 was the construction of roofs over the ash storage bunkers at both mill boilers. This has eliminated entrainment of ash in rainfall runoff and discharge to the

monsoon drain. A roof also was constructed over the fibre storage and the apron concreted to keep the stored material clean and dry. Each of the Estates visited has prepared an Improvement Plan that was based on the impact risk assessment results. (5.1.2)

Criterion 5.2: The status of rare, threatened or endangered species (ERTs) and high conservation value habitats, if any, that exists 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.

Subsequent to the assessment of HCV at the Estates in 2007, Kulim continued to engage with the Wildlife Conservation Society, Johor Branch, who have completed the survey of birds and bats at the in the Tereh Region at Mutiara, Selai and Tereh Utara Estates. (5.2.1)

The HCV Management Plan developed following the 2007 biodiversity assessment has been implemented, and field inspection confirmed the continued protection of areas set aside for conservation. (5.2.2)

At the entrances to the Estates, the signs warning of the protection of conservation set-asides have been maintained. Kulim continued to support the Kulim Wildlife Defenders Program through a range of activities involving school children around Kulim Estates as well as the Estate communities and Estate workers on awareness for the prevention of human-wildlife conflict. Interview of staff indicated awareness of the actions to be taken in the event of encroachment of wildlife into the Estate. (5.2.3)

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

The Tereh Mill and Estates have identified all sources of wastes and pollutants and documented these in the Environmental Aspects and Impacts Register, which is reviewed annually and updated as necessary. (5.3.1)

Inspections confirmed the Mill solid wastes were consistently controlled in accordance with the Waste Management Plan. EFB was shredded in a hammer Mill then composted with treated Mill effluent. Boiler ash and fly ash were stored in bunkers protected by roofs to prevent material from entering the stormwater drain system. Recyclables, such as scrap metal, were stored in a designated area for sale to a recycler. Non-recyclables and domestic refuse were disposed in a small landfill located within the Estates. **CR14 – Nonconformity was assigned because inspection of the Tereh Mill furrow system for land application found several of the bunds had been damaged by cattle, resulting in “low-spots” in the furrow bund wall. Although treated effluent was not being added to the system at the time of the inspection, following recent heavy rain, rainfall runoff was overflowing from the system from the “low-spots” of the bunds. This indicates the operational plan (pre-start checks) is ineffective for identifying any problems with the furrows to prevent overflow – refer Section 3.2 Page 23.**

Scheduled wastes, such as spent lubricating oil and used chemical containers, are stored in secure purpose-built stores. Inspection of the scheduled waste stores and associated records confirmed the monthly stocktakes were

kept up to date and the scheduled wastes were well controlled and were collected by DOE Licensed contractors.

Kulim has arranged an annual contract (expiry October 2014) with Kualiti Alam for collection and disposal of scheduled waste. Records are maintained of scheduled waste consignments and stocktake of stored materials, in accordance with DOE requirements, for example Tereh Mill Consignment Notes 865531 – 865535 dated 29 November 2013.

Medical wastes are stored securely at each Clinic prior to transfer to Sindora Clinic for collection by Pantai Medivest. Chain of Custody records were available for management of medical wastes from each Mill and Estate clinic visited, for example, inspection of the Mill Clinic records showed the most recent transfer to Sindora Clinic was 17 October 2013. Records indicated the previous collection by Pantai Medivest was August 2013 S.N^o P471018. At Enggang Estate records showed the most recent transfer was dated 15 October 2013 and at Tereh Selatan Estate on 21 October 2013.

Inspection of the small landfills at Enggang and Tereh Selatan Estates showed that wastes were being disposed in accordance with regulatory requirements for municipal landfills. (5.3.2)

Inspection of the replanted area at Tereh Selatan Estate showed the felled palms had been chipped and the waste retained for organic matter. EFB was shredded in a hammer Mill then composted with treated Mill effluent. Boiler ash and fly ash were stored in bunkers to prevent material from entering the stormwater drain system. (5.3.3)

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

Tereh Mill maintains records of renewable energy usage (Figure 16), which is reported monthly to head office. The use of the steam turbine for electricity generation has been optimised in order to reduce the dependence on diesel fossil fuel. During the 2013 year, there was a slight increase in the usage of electricity generated by the steam turbine, due to the larger quantity of FFB processed. (5.4.1)

Tereh Mill also maintains records of non-renewable energy usage. Figure 17 indicates a decrease in use of diesel for generating electricity in 2013 due to the extended processing hours when the steam turbine provided power. (5.4.2)

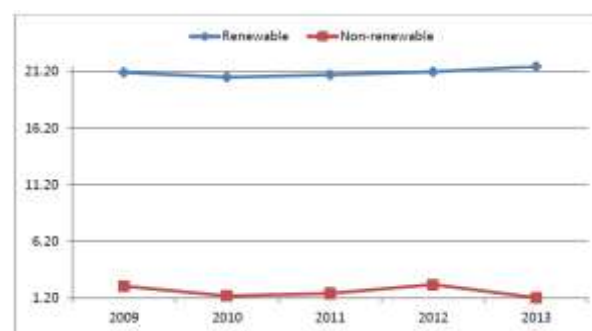


Figure 17: Mill Energy Usage (kWh/tFFB) 2009-2013

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

Inspections of replanting areas at Tereh Selatan Estate showed that the old stands of palms had been felled, chipped and retained in windrows as mulch and there was no evidence of open burning. (5.5.1 and 5.5.2)

The use of fire for waste disposal was not found at any Mill or Estate location inspected. (5.5.3)

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

Tereh Mill and the Estates have documented the improvements to reduce pollution from the company's activities in the Environmental Aspects and Impacts Register. (5.6.1)

The Environmental Aspects and Impacts Register is reviewed annually and improvements identified to reduce the risks to the environment. For example during 2013, Tereh Mill constructed roofs over the ash bunkers and the fibre storage areas to prevent material from being discharged to the monsoon drain. Kulim has implemented significant improvements to reduce pollution from point sources through, for example, more consistent operational control.

Kulim is presently constructing a project at Sedenak Mill for biogas capture, with the aim of reducing greenhouse emissions and co-generation of electricity. If this is successful at Sedenak Mill, then Kulim in future may consider implementation at Tereh Mill. (5.6.2)

There is no peat soil at Tereh Mill supply base Estates. (5.6.3)

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

Kulim Sustainability Team, in consultation with the Mill and Estates, has reviewed and updated the SIA and Social Action Plan for the 2013 year.

Kulim continues to make significant improvements for staff and workers, such as the programme for constructing new 3-bedroom houses at the Mill and Estates. The Government infrastructure is well developed near the Mill and Estates and staff and workers have ready access to government and commercial facilities and services.

Local community representatives indicated there was good communication with the company and the good relationship was maintained. Interviews of workers and their families indicated they are treated fairly and there were no issues related to discrimination.

The Gender Committees continued to operate successfully for the communication of issues among female staff and workers.

Kulim continued to maintain a good relationship with suppliers, contractors and the two "outside estates" who supply FFB to the mill and who confirmed that dealings were fair and transparent.

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.

The Kulim Sustainability Team visited the Mill and Estates in October 2013 and met with stakeholders, including workers and their families, local community representatives, contractors and suppliers, for review of the social issues. Following the review, the Mill and Estates prepared site-specific Social Improvement plans consistent with the local situation for the 2013 year. (6.1.1)

Interviews of internal and external stakeholders during the Recertification Assessment confirmed that they had been consulted during the annual review of social issues. (6.1.2)

Inspection of records at locations visited found, for example, the Mill Plan was updated October 2013 with only three issues therein – relating to use of PPE and damage to the linesite road. Review of previous years Plan found all items raised had been addressed. Inspection of records indicated no issues had been raised at either Enggang or Tereh Selatan Estates during the SIA review. (6.1.3)

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.

Kulim "Communication and Consultation Management Guidelines" that were prepared in 2008 continue to be used by the Managers of the Mill and the Estates. The Guidelines provide local managers with flexibility to use the form of communication that is appropriate for a range of situations that includes workers, community leaders, civil society and government. (6.2.1)

The Mill and Estates Managers are the main point of contact for internal and external stakeholders. Interviews of stakeholders confirmed that Kulim has an open approach to communication with staff, workers and local communities. (6.2.2)

Inspection of records showed that the Mill and Estates maintained their lists of stakeholders up to date, for example, the Mill List was updated November 2013, Enggang Estate January 2013 and Tereh Selatan Estate November 2013. Inspection of records at all locations also indicated that written communications were replied to promptly with the correspondence kept on file. (6.2.3)

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.

The Mill responds to customer complaints by means of the ISO 9001 QMS procedures while the Estates apply the Kulim Communication Guidance. (6.3.1)

The Mills and Estates maintain "Inquiry Registers" for receiving and responding to requests and complaints from employees and external stakeholders. Review of the registers found there was no unresolved grievance. (6.3.2 and 6.3.3).

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

All Kulim operations are on land that is either freehold or on state leases and customary rights are not applicable. (6.4.1, 6.4.2 and 6.4.3)

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.

There is a collective Labour Agreement for both workers (NUPW) and staff (AMESU) and pay and conditions are documented and are above the industry minimum standard. (6.5.1)

Interviews of staff and workers confirmed they had been provided with a copy of their employment contract and understood their pay rates and deductions and received all entitlements outlined therein. (6.5.2)

The majority of the workforce is made up of single male foreign workers. Interviews of local and foreign workers indicated satisfaction with the standard of housing and facilities. Inspection of Mill housing found the 15x2 Units under construction during ASA4 are now completed and occupied. A budget has been approved for construction of a further 5x2 units but tender has not yet been awarded. Budget has also been approved for a new canteen but construction has not yet commenced. Each location visited held a “Housing Repairs Register” and inspection of Registers at all locations visited showed repairs are carried out in a very timely manner with no outstanding entries. Electricity and water are provided 24/7 and schools are located nearby. Residents at all company housing have access to facilities established by the company, such as health clinic, sports field, community hall, crèche, and places of worship. Kulim provides free bus transport and one uniform each year for the primary school children of staff and local workers. (6.5.3) **Observation 03 – At Enggang and Tereh Selatan Estates, treated water for the domestic supply is tested regularly for physico-chemical properties and daily for residual free chlorine. An improvement would be to carry out bacterial testing periodically to assess the effectiveness of chlorine disinfection of the treated water supply – refer Section 3.2 Page 24.**

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

Interviews of staff and workers and Officials from the NUPW Kluang Office confirmed Kulim supports freedom of association. At the Mill and Estates there is a local committee made up of union representatives elected by members. Records are kept of meetings between company representatives and the local union committee members, for example Tereh Selatan Estate held a meeting on 02/12/2013. (6.6.1 and 6.6.2)

Observation 04 – Although records were available at Tereh Mill and Tereh Selatan Estate for Minutes of Meetings with Union Representatives, there were no Minutes of Meetings available at Enggang Estate – refer Section 3.2 Page 24.

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

programmes. Children are not exposed to hazardous working conditions.

Inspection of a sample of personnel files at the Mill and Estates confirmed recruits’ ages were checked against their Malaysian Identity Card, or in the case of foreign workers, their passport. Under-age persons were not observed at any of the work locations inspected during the Recertification Assessment. (6.7.1)

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

The Kulim Sustainability Handbook includes a Policy on Equal Opportunities. The Kulim Handbook and Policies are publicly available and the policies are displayed prominently on notice boards at the Mill and the Estates. (6.8.1)

Inspection of a sample of pay records and interviews of staff and workers at the Mill and Estates did not identify any issues related to discrimination. The NUPW Union Officials stated they had never received any complaint related to discrimination in Kulim’s treatment of employees. (6.8.2)

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

A Policy on Sexual Harassment and Prevention of Violence against Women is displayed prominently on notice boards at the Mill and Estate Offices. Interviews of internal and external stakeholders confirmed awareness and understanding of the Policy. (6.9.1)

Gender Committees continue to operate at each of the locations visited. Interviews and inspection of Meeting Minutes indicated grievances were rare and the gatherings continued to be used for arranging social activities and events. (6.9.2)

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

Kulim Finance Department arranges contracts for the purchase of goods and services, including those with FFB suppliers. Kulim pays in accordance with the MBOB formula plus a premium for FFB quality. The Mill displays the current FFB price on a notice at the Weighbridge and records are available of past prices paid for FFB. Interviews of the managers of the adjacent Felda Estate and Wawasan Estate confirmed Kulim deals fairly with them and they do not experience any delays in receiving payment. Kulim makes two (2) progress payments during the month for FFB deliveries and the final payment during the first week of the new month. Interviews of contractors and suppliers indicated that contracts are legal and binding and they understand the Terms and Conditions therein. All stated they enjoy a good relationship with the company (6.10.1 – 6.10.4)

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

The public infrastructure is well developed near the Mill and Estates visited and government services are readily accessible. Kulim contributes to the cost of maintaining the main road access to the Tereh Mill and the supply base Estates. Kulim has continued to make appropriate

contributions to local communities in the form of donations and assistance to schools and places of worship and donations for religious festivals.

PRINCIPLE 7 is not applicable as there has been no new development at any Kulim Estate.

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

Kulim Estates have continued the programme of establishing beneficial plants and the deployment of barn owls, with the aim of reducing the use of pesticides. The use of WHO Type 1A and Type 1B pesticides has been kept to a minimum and such pesticides are used only when pest census numbers exceed a pre-determined threshold. Kulim kept the use of paraquat dichloride to a minimum as there is still no economically viable replacement. (8.1.1)

Kulim Sustainability Team has worked with the Mill and the Estates to review and update the environmental aspects and impacts risk registers and to develop improvement plans. The company is continuing with the replanting program to reduce the age profile of the palms. The Mill has been working with the Estates and outside suppliers to improve FFB quality and the OER which is an important indicator of processing efficiency. (8.1.2)

The Mill has optimised the use of steam turbines for generating electricity, which has reduced the dependence on the usage of non-renewable diesel fuel. Although water usage increased at Tereh Mill, improvements have recently been implemented. The Mill recycles all the empty bunches and mill effluent to the oil palm estates either via composting or direct field application. (8.1.3)

Although there is no biogas project yet planned for Tereh Mill, Kulim continues to invest in capital improvements such as the biogas capture project at Sedenak Mill for reducing Green House Gas emissions from effluent treatment. (8.1.4)

The Mill and Estates made significant progress on improvements at housing areas, involving the construction of new houses at Tereh. The company continued to support local schools and places of worship with donations which are considered appropriate for the socio-economic setting. (8.1.5 and 8.1.6)

3.2 Identified Nonconformities and Noteworthy Positive and Negative Observations (ASA4)

During this Recertification Assessment Nonconformities were assigned to Major Compliance Indicators 2.1.1 and 4.7.1 and to Minor Compliance Indicator 5.3.2. The Assessment Team also identified four (4) Observations/Opportunities for Improvement.

CR12 – Major Compliance Indicator 2.1.1 – Evidence of compliance with legal requirements.

A Nonconformity was assigned because the DOSH Inspector had notified Enggang Estate to apply for a Certificate of Fitness for the air compressor, but the Estate followed up on 21 November 2013, at the time of the Recertification assessment visit this had not been obtained. Tereh Selatan Estate also did not hold a Certificate of Fitness for the workshop air compressor. At Enggang and Tereh Selatan

Estates, there was no evidence that DOE approval had been given for the Gen Sets supplying the Estate Office, housing and other facilities. At Enggang and Tereh Selatan Estates, application had been made for renewal of the SPAN license for the water treatment plant, but at the time of the site visit, the license renewal had not been received, despite follow-up by Kulim Property Department.

Corrective Actions:

Kulim Safety Training & Services (KSTS) to obtain the Certificate of Fitness for Enggang Estate's air compressor before 312 January 2014. KSTS has already liaised with DOSH Inspector Negeri Johor to undertake the inspection of air compressor at all Kulim Estates and Mills once a year for the issuance of the Certificate of Fitness.

A census of all gensets used at Kulim estate and mill will be conducted by Kulim Sustainability Department to determine the actual number of gensets used and specification of the equipment so that necessary application of licenses can be made to DOE or relevant Government Department.

KSTS will submit an annual inspection schedule program and monthly progress report on the inspection conducted by DOSH Inspector to Sustainability Department before the end of June every year.

Kulim Property Department will continue to follow up with SPAN for the license renewal for water treatment plant for Enggang and Tereh Selatan Estate to ensure that the licenses are issued accordingly.

Objective Evidence Provided:

An acknowledgement signed by En Hairozie bin Asri, Statutory Section Head of Jabatan Kesihatan dan Keselamatan Pekerjaan (DOSM) Negeri Johor dated 5/02/2014 and payment voucher ref JH/BIL/14/91 from the same agency dated 5/02/2014 was provided as objective evidence that Kulim has made application through KSTS to obtain renewal of the "Certificate of Fitness" for the air compressor at Enggang Estate. As for the air compressor at Tereh Selatan workshop, the Estate Manager advised that his estate has the license (expiry 22 August 2014) for the air compressor which was shown to the auditors and verified during the audit. Refer Appendix F Document 1a

An acknowledgement signed by Pn Siti Hasyimah binti Sahari, an authorized officer from DOE Negeri Johor dated 4/02/2014 was provided as objective evidence that Kulim has made the application through its KSTS (Kulim Safety and Training Services Sdn Bhd) to obtain licenses for Tereh Selatan and Enggang Estates gensets. Refer Appendix F Document 1b

A letter from SPAN signed by Annie Chua Soh Ping, the Director for Tariff and Licenses, Social and Economic Monitoring Department, Suruhanjaya Perkhidmatan Air Negara (SPAN) Malaysia dated 30/01/2014 was provided as objective evidence, acknowledging Kulim's application for Water Treatment Plant licenses for Tereh Selatan and Enggang Estates. Refer Appendix F Document 1c

BSi considers the Objective Evidence provided is appropriate and the Nonconformity was closed 06/02/2014. Follow up will be carried out during the 2014 Surveillance Assessment to ensure the Certificate/Licence Renewals have been received at each location.

CR13 – Major Compliance Indicator 4.7.1 c ii – All precautions attached to products should be properly observed and applied to the workers.

A Nonconformity was assigned because at Enggang Estate, clean water and soap had not been taken into the field for washing hands. A supply of clean water is essential for pesticide operators to wash their hands before eating their food. No signage had been placed to warn of the Circle Spraying activities at P85 Block 1.

Corrective Actions:

Based on Kulim's SOP for Safety in Workplace (Rule 2.2.5), workers are discouraged from eating, drinking and smoking while performing their spraying work. The Field Supervisor in Enggang Estate has been instructed to ensure that adequate clean water and hand wash (soap) are being made available at all times and placed at the trailer used to transport the workers to the field.

KSTS has been asked to provide a standard signage board for the Estate to use to warn of the circle spraying activities carried-out by the estate workers.

Objective Evidence Provided:

Enggang Estate conducted training on 10/12/2013 for sprayers (numbering 10 sprayers in total) about the importance of observing the strict guidelines for spraying and safe handling of pesticides. Instruction and reminder to bring clean water and soap have also been adhered to as per photos attached. The Estate also has prepared signage that will be used to warn of circle spraying activities. (Appendix F Document 2)

BSi considers the Objective Evidence provided is appropriate and the Nonconformity was closed 25/01/2014. Implementation of corrective actions will be checked during the 2014 Surveillance Assessment visit.

CR14 – Minor Compliance Indicator 5.3.2 – Having identified wastes and pollutants, an operational plan should be developed and implemented, to avoid or reduce pollution

A Nonconformity was assigned because inspection of the Tereh Mill furrow system for land application found several of the bunds had been damaged by cattle, resulting in "low-spots" in the furrow bund wall. Although treated effluent was not being added to the system at the time of the inspection, following recent heavy rain, rainfall runoff was overflowing from the system from the "low-spots" of the bunds. This indicates the operational plan (pre-start checks) is ineffective for identifying any problems with the furrows to prevent overflow.

Corrective Actions:

Tereh Mill took immediate corrective action by repairing the furrows and the work instruction was amended to include the new procedure for furrow operation.

The Mill and Estate will ensure that no cattle are left grazing within the land application area by sending a letter to remind Kulim Livestock Sdn Bhd no cattle are permitted to enter the blocks that have land application furrows. Regular inspection will be conducted by the Estate Manager or Assistant Manager to ensure compliance.

Refresher training for furrow operator will be conducted highlighting the responsibility of the furrow operator during

the daily and emergency operation, especially during the rainy season.

Long term Corrective action:

1. Pre-start checklist for furrow operation is developed and monitored by the mill.
2. ERP on furrow rupture training will be conducted at least once a year and a record of training should be maintained.
3. Mill to carry out weekly inspection on the furrow condition and record of inspections should be kept.

Kulim Engineering Department and Estate Operation Department, as well as Kulim Sustainability Department will prepare an additional guideline to keep the last furrow empty for any contingency, especially during rainy season.

Objective Evidence Provided:

Tereh Mill has issued a new Work Instruction on furrow operation procedure (LTM/SOP/5.13) dated 10/12/2013. (Appendix F Document 3a)

An Inspection Register has been created for recording of periodic monitoring of the furrow operation that includes a pre-start checklist before and after pumping. (Appendix F Document 3b)

An additional furrow has been constructed as a contingency for any event of overflow (Appendix F Document 3c).

Kulim Sustainability Department on behalf of Tereh Mill has issued a letter to Kulim Livestock Sdn Bhd to keep their cattle from entering restricted areas, which includes the field with the furrow system. (Appendix F Document 3d)

BSi considers the Objective Evidence provided is appropriate and the Nonconformity was closed 25/01/2014. Implementation of corrective actions will be checked during the 2014 Surveillance Assessment visit.

Observations/Opportunities for Improvement

- 01 (4.6.5)** At Enggang Estate, the CHRA medical report recommended 6 sprayers be retested after 1 month. Records showed that two of the sprayers had returned to their country of origin, but the remaining 4 had not been retested. The pesticides storekeeper was not included in the CHRA medical check.
- 02 (4.7.1)** At Enggang Estate documentation was available confirming the training programme for Year 2013 was being implemented, but the attendance list was not attached to some of the training records for verification that all operators had been trained.
- 03 (6.5.3)** At Enggang and Tereh Selatan Estates, treated water for the domestic supply is tested regularly for physico-chemical properties and daily for residual free chlorine. An improvement would be to carry out bacterial testing periodically to assess the effectiveness of chlorine disinfection of the treated water supply.
- 04 (6.6.1)** Although records were available at Tereh Mill and Tereh Selatan Estate for Minutes of Meetings with Union Representatives, there were no Minutes or Meetings available at Enggang Estate.

Progress with the four (4) Observations/Opportunities for Improvement will be followed up during the 2014 Surveillance Assessment visit.

Noteworthy Positive Observations

- The Company has continued to invest capital for improving Mill performance and throughput.
- The Company has continued with the replanting programme to reduce the overall age profile.
- The Mill and Estates continue to maintain a good safety record with regard to work related LTAs.
- Improvements in FFB yield, which is a strong indicator of efficient production.
- Kulim continues to maintain a very good relationship with both internal and external stakeholders.
- Gender Committees continued to be extremely active at all locations visited, with a good level of support from Management. This has resulted in creating a social network for female staff and worker engagement.
- Kulim has continued to engage with the Wildlife Conservation Society, Johor Branch.

3.3 Assessment Findings “Outside” Estate Wawasan

An Initial Assessment of the outside supplier Wawasan Estate was carried out during this Recertification Assessment. Nonconformities were assigned to Major Compliance Indicators 1.2.1, 2.1.1, 4.6.3, 4.6.5, 4.7.1, 4.7.3, 4.8.1 and to Minor Compliance Indicators 5.3.2 and 6.5.2. The Assessors also identified 2 Observations/Opportunities for improvement. The Nonconformities identified related mainly to lack of documentation. Dependent upon closure of the Nonconformities assigned to Major Compliance Indicators within 60 days, BSI recommends the inclusion of Wawasan Estate production in the Kulim Certificate.

The detailed findings of the Assessment are included at Appendix G and the Nonconformities assigned and Observations identified are outlined as follows:

CR01 - Major Compliance Indicator 1.2.1 – Management documents relating to environmental, social and legal issues that are relevant to compliance with RSPO Criteria.

The Estate is yet to prepare the following Management Documents:

- Health and Safety Policy
- Equal Opportunities Policy
- Sexual Harassment and Violence Policy
- Plans and Impact Assessments relating to Environmental and Social Impacts
- Pollution Prevention Plans
- Details of Complaints and Grievances
- Negotiation Procedures
- Continuous Improvement Plan

Corrective Actions:

The policies below will be issued by Wawasan Estate

- Health and Safety Policy
- Equal Opportunities Policy
- Sexual Harassment and Violence Policy

Kulim Sustainability Department will conduct the assessment and will develop the improvement program for:

- Plans and Impact Assessments relating to Environmental and Social Impacts
- Pollution Prevention Plan
- Continuous Improvement Plan

Wawasan Estate will develop a standard format to record any complaints and grievances. All details of complaints and grievances received will be recorded and kept updated. Training and awareness of the grievance and complaint procedures will be conducted and record will be kept for future references.

Objective Evidence Provided:

Copies of Health and Safety Policy, Equal Opportunities Policy, Sexual Harassment and Violence Policy provided were reviewed and considered acceptable. (Copies of all Documents provided are held on file by BSI Lead Auditor)

BSi considers the Objective Evidence provided is appropriate and the Nonconformity was closed 29/01/2014. Implementation of corrective actions will be checked during the 2014 Surveillance Assessment visit.

CR02 – Major Compliance Indicator 2.1.1 – Evidence of compliance with legal requirements.

A Nonconformity was assigned because deductions were being made from foreign workers pay without their prior knowledge (RM50 for Permit and RM25 for Buffalo Guard).

Corrective Actions:

Wawasan Estate will ensure that the contractor abides with all applicable laws and regulations especially on the workers rights. The Estate will ensure that the deductions (RM 50 for permit and RM 25 for Buffalo Guard) will cease and deductions already made will be refunded to the workers. Records of refunds will be kept for future reference.

The Estate will closely monitor the pay and conditions stated in the workers contract agreement and MAPA/NUPW agreement to ensure compliance.

Objective Evidence Provided:

Record of refund to workers for the RM25 “Buffalo Guard” was provided with signature of receipt included. The deduction of RM50 for permit will continue as per approval permit obtained from Jabatan Tenaga Pekerja Johor Bahru dated 25/03/2013 (PTKJB/10101/57385 PMT). (Copies of all Documents provided are held on file by BSI Lead Auditor)

BSi considers the Objective Evidence provided is appropriate and the Nonconformity was closed 29/01/2014. Implementation of corrective actions will be checked during the 2014 Surveillance Assessment visit.

CR03 – Major Compliance Indicator 4.6.3 – Pesticides shall be stored in accordance to the Occupational Safety and Health Act 1994 (Act 514) and Regulations and Orders and Pesticides Act 1974 (Act 149) and Regulations.

A Nonconformity was assigned, because there is no secure storage for the balance of the issued pesticide (20 L of glyphosate and 500 g of Ally) and spray equipment at the Estate.

Corrective Actions:

Wawasan Estate Contractors will submit a Plan for construction of secure chemical and scheduled waste storage.

Objective Evidence Provided:

A secure storage facility has been constructed with photographic evidence provided. (Copies of all Documents provided are held on file by BSI Lead Auditor)

BSi considers the Objective Evidence provided is appropriate and the Nonconformity was closed 29/01/2014. Implementation of corrective actions will be checked during the 2014 Surveillance Assessment visit.

CR04 – Major Compliance Indicator 4.6.5 – Annual medical surveillance as per CHRA for plantation pesticide operators.

A Nonconformity was assigned because Annual CHRA Medical Surveillance has not been carried out for all operators who handle pesticides.

Corrective Actions:

CHRA medical surveillance for all pesticide operators will be arranged by Kulim Safety Training & Services. Record of CHRA reports are to be kept for future references.

Objective Evidence Provided:

CHRA medical surveillance for all pesticide operators was carried out 3 January 2014 by Medini Occupational Health Services, Johor Bahru. Review of the Report confirmed all operators were fit to work with pesticides. (Copies of all Documents provided are held on file by BSI Lead Auditor)

BSi considers the Objective Evidence provided is appropriate and the Nonconformity was closed 29/01/2014. Implementation of corrective actions will be checked during the 2014 Surveillance Assessment visit.

CR05 – Major Compliance 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).

A Nonconformity was assigned for the following reasons:

- 4.7.1 a) A Policy is yet to be prepared, however it is one of the actions identified in the SIA
- 4.7.1 g) There is no procedure in case of accident
- 4.7.1 h) First Aid Training has been conducted but not by a qualified person.

Corrective Actions:

- a) The Estate will prepare a Safety and Health Policy
- g) ERP procedures for accident will be developed by Kulim Sustainability Department, with the assistance of KSTS. Training of ERP procedures will be conducted. ERP team will be established in the estate. List of emergency contacts will be made available.
- h) Kulim Sustainability Department will engage Kulim Safety Training & Services to facilitate Wawasan Estate to conduct first aid training by a qualified person.

Objective Evidence Provided:

A Safety and Health Policy has been prepared and copy provided to BSI as evidence. An Emergency Response Procedure has been prepared that includes emergency contact details and an evacuation route. ERP Training was

carried out 27 December 2013 with 19 participants. Record was provided of First Aid Training carried out 3 January 2014 for 19 participants. (Copies of all Documents provided are held on file by BSI Lead Auditor)

BSi considers the Objective Evidence provided is appropriate and the Nonconformity was closed 29/01/2014. Implementation of corrective actions will be checked during the 2014 Surveillance Assessment visit.

CR06 – Major Compliance Indicator 4.7.3 – Workers should be covered by accident insurance.

A Nonconformity was assigned because the Contractor has not taken out insurance cover for any worker.

Corrective Actions:

The Estate will ensure that all contractor workers are covered by accident insurance. Record of workers accident insurance will be held and renewed accordingly.

Objective Evidence Provided:

Copies of Foreign Workers Compensation Policies were provided for 17 workers, such as 9 workers covered under MAA Takaful Berhad; 4 workers covered under Slip Pengesahan Skim Pampasan Pekerja Asing (SPPA) and 4 workers covered under Kurnia Insurans with all Policies current. (Copies of all Documents provided are held on file by BSI Lead Auditor)

BSi considers the Objective Evidence provided is appropriate and the Nonconformity was closed 29/01/2014. Implementation of corrective actions will be checked during the 2014 Surveillance Assessment visit.

CR07 – Major Compliance Indicator 4.8.1 – A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training for employees are kept.

A Nonconformity was assigned because at the time of the Assessment a Training Programme had not yet been prepared.

Corrective Actions:

An annual Training Program will be made available. All records of training conducted and participants will be kept and updated. The training program will be submitted to Kulim Sustainability Department for review and approval.

Objective Evidence Provided:

A Training Program has been provided that covers all areas of the operation. (Copies of all Documents provided are held on file by BSI Lead Auditor)

BSi considers the Objective Evidence provided is appropriate and the Nonconformity was closed 29/01/2014. Implementation of corrective actions will be checked during the 2014 Surveillance Assessment visit.

CR08 – Minor Compliance Indicator 5.3.2 – Having identified wastes and pollutants, an operational plan should be developed and implemented, to avoid or reduce pollution.

A Nonconformity was assigned because an Operational Plan has not yet been created for management of empty pesticide containers.

Corrective Actions:

Kulim Sustainability Department will assist the Estate to develop a procedure for waste management. This will include the management of empty pesticide containers. Records of all waste generated and disposal will be maintained.

Objective Evidence Provided:

A Waste and Pollutants Management Plan was prepared 18/12/2013 with assistance from Kulim. (Copies of all Documents provided are held on file by BSI Lead Auditor)

BSi considers the Objective Evidence provided is appropriate and the Nonconformity was closed 29/01/2014. Implementation of corrective actions will be checked during the 2014 Surveillance Assessment visit.

CR09 – Minor Compliance Indicator 6.5.2 – Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc) are available in the languages understood by the workers or explained carefully to them by a Plantation Management official in the operating unit.

A Nonconformity was assigned for the following reasons:

- Workers do not have a Work Contract and are not aware of any Terms and Conditions.
- Harvesters are not paid individually for bunches they harvest.
- Harvesters do not receive overtime rate for hours worked additional to normal work day.
- Worker's day off is "Friday" but they always work half day Friday at their choice but do not get paid a penalty rate. They understand workers at FELDA Paloh are paid double if they work Sundays.
- Harvesters do not get paid if they are sick and cannot work.
- If Harvester has to stop work because of rain they only receive payment for bunches they harvest before it starts raining. However, sprayers (daily rate) advised if they stop work due to rain and leave the field they still receive full day pay.
- Workers do not receive an annual leave payment or "lump sum payment".
- Workers are not aware of a "lump sum payment" at the end of their contract.

Corrective Actions:

Contract agreement between workers and contractors to be made available by 31/01/2014. Pay and conditions should be calculated as per MAPA/NUPW agreement. Workers will be briefed about the terms and conditions stated in the contract. Records of briefing conducted will be maintained for future reference.

Objective Evidence Provided:

Contract Agreement between workers and contractors has been prepared and a signed copy made available on 23/12/2013. Record was also provided for the 17 workers who attended the "briefing about the contract" on 23/12/2013. (Copies of all Documents provided are held on file by BSI Lead Auditor)

BSi considers the Objective Evidence provided is appropriate and the Nonconformity was closed 29/01/2014. Implementation of corrective actions will be checked during the 2014 Surveillance Assessment visit.

Observations/Opportunities for Improvement

OBS01 4.7.2 It was stated there have been no accidents however a file has not been prepared to record any future accidents.

OBS02 5.1.2 The Environmental Improvement Plan needs expanding to include the actions from the environmental risk assessment and work required to meet RSPO compliance.

Progress with the above two Observations will be followed up during the 2014 Surveillance Assessment visit.

3.4 Status of Nonconformities (Major and Minor) Previously Identified

Corrective Actions implemented for the Nonconformity identified at Tereh Mill and Estates during previous Assessments (CR04) remain in place and the nonconformity remains closed.

Review of Progress with Observations/ Opportunities for Improvement Identified at Tereh Mill and Supply Base during Kulim ASA4

01 (2.1.1) Domestic water supply tests carried out by Kulim Central Laboratory indicated an anomaly with the measurement of sodium at Tereh Mill, Sungai Tawing and Selai Estates. The results indicated the concentration of sodium in treated water exceeded that of the raw water, but the cations and anions were out of balance by a significant amount. Kulim Central Laboratory does not provide technical guidance to the Mills and Estates on recommended action to adjust water treatment.

Recertification Findings: *Review of water quality test data from 2013 sampling showed consistency between the sodium concentration in raw water and treated water and the cations and anions were balanced.*

02 (2.1.1) Inspection of pay records at Sindora, Tereh and Palong Mills showed a small number of workers exceeded the approved overtime hours during the peak crop period.

Recertification Findings: *Inspection of a sample of pay records found overtime hours were in compliance.*

04 (4.3.2) At Sg Tawing Estate, over-grazing by cattle has resulted in areas of bare soil, for example at P00 Block 1, and is at risk of erosion.

Recertification Findings: *Sg Tawing Estate was inaccessible due to flooding and this Observation will be followed up during the next Surveillance Assessment Visit.*

07 (4.6.1) At Sg Tawing, the accuracy of pesticide measurement could be improved by posting a Work Instruction at the mixing area and the use of laboratory grade plastic measuring cylinders.

Recertification Findings: Sg Tawing Estate was inaccessible due to flooding and this Observation will be followed up during the next Surveillance Assessment Visit.

09 (5.3.2) At Sindora and Tereh Mills there is an opportunity to improve the facilities for temporary storage of processing wastes, (boiler ash, excess fibre and nut shell) to prevent spillage into the adjacent monsoon drain. Examples of good practices are available, such as at Sedenak and Palong where a bunker with a roof has been constructed for temporary storage of boiler ash.

Recertification Findings: Inspections confirmed both Mills had improved the bunker storage areas and had constructed barriers and roofs over the bunkers to protect the stored materials from rain and minimise the risk of wastes entering the monsoon drains.

The Assessment Team concluded Kulim had implemented appropriate and effective improvements for the Observations identified during ASA4.

3.5 Issues Raised by Stakeholders and Findings with Respect to each issue

The one issue raised by stakeholders during ASA4 was followed up during this Recertification Assessment and found to have been actioned appropriately by the company.

Issues Raised by Stakeholders during Recertification

The majority of stakeholders had only positive comments about Kulim. External stakeholders contacted did not raise any issues of concern relating to the Kulim operations. Issues raised by Internal stakeholders are detailed below:

The Health Assistant advised that his female assistant resigned in July 2013 and requested management to engage a replacement. He is still managing the Clinic alone and is finding it very difficult when he has female patients to treat.

Company Response: Management will meet with the Health Assistant to discuss and recruit a suitable replacement.

During inspection of facilities at Tereh Selatan Estate it was observed there were no separate shower/locker facilities for the four women sprayers. This was also raised by the women during interview.

Company Response: A separate shower facility for females was constructed.

At Tereh Selatan Estate review of the CHRA medical surveillance report found 1 worker was declared unfit as he is infected by Hepatitis B Virus therefore could potentially pass the disease to others and further investigation was recommended. The Assistant Manager advised that the worker has been transferred to other duties however there were no records to indicate further investigation has been conducted.

Company Response: The worker was retested 5th December 2013 and results showed negative for Hepatitis B Virus.

The Assessment Team considered the above responses appropriate and will follow up during the 2014 Surveillance Assessment visit.

4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

4.1 Date of Next Surveillance Visit

The next Assessment will be scheduled within 12 months of Kulim's Certificate being re-issued.

4.2 Date of Closing Nonconformities (Major and Minor)

Table 5: Status of Nonconformities

CAR	CLASS	ISSUED	CLOSED
CR01 4.4.6 Sindora Mill	Minor	24/07/2008	21/01/2010
CR02 5.6.3 Kuala Kabong	Minor	24/07/2008	21/01/2010
CR03 6.5.2 Sedenak & Sindora Mills	Minor	27/07/2008	21/01/2010
CR04 5.3.2 Tereh Mill	Minor	21/01/2010	10/01/2011
CR05 5.3.3 Sindora Estate	Minor	21/01/2010	13/01/2011
CR06 5.3.2 Sindora Mill	Minor	13/01/2011	05/11/2011
CR07 4.4.6 Sindora Mill	Minor	12/11/2012	"closed" 03/12/2013
CR08 4.3.2	SEDENAK MILL AND SUPPLY BASE		
CR09 4.7.1	SEDENAK MILL AND SUPPLY BASE		
CR10 2.1.1	SINDORA MILL AND SUPPLY BASE		
CR11 5.3.2	SINDORA MILL AND SUPPLY BASE		
CR12 2.1.1	Major	10/12/2013	"Closed" 06/02/2014
CR13 4.7.1	Major	10/12/2013	"Closed" 25/01/2014
CR14 5.3.2	Minor	10/12/2013	"Closed" 25/01/2014
CR15 2.1.1	PALONG MILL AND SUPPLY BASE		

Table 6: Status of Nonconformities – Wawasan Estate

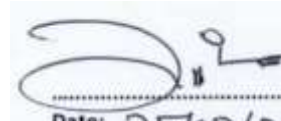
CAR	CLASS	ISSUED	CLOSED
CR01 1.2.1	Major	10/12/2013	Closed 29/01/2014
CR02 2.1.1	Major	10/12/2013	Closed 29/01/2014
CR03 4.6.3	Major	10/12/2013	Closed 29/01/2014
CR04 4.6.5	Major	10/12/2013	Closed 29/01/2014
CR05 4.7.1	Major	10/12/2013	Closed 29/01/2014
CR06 4.7.3	Major	10/12/2013	Closed 29/01/2014
CR07 4.8.6	Major	10/12/2013	Closed 29/01/2014
CR08 5.3.2	Minor	10/12/2013	Closed 29/01/2014
CR09 6.5.2	Minor	10/12/2013	Closed 29/01/2014

Implementation of Corrective Actions for all Nonconformities assigned at Wawasan Estate will be followed up during the 2014 Surveillance Visit.

4.3 Sign-off of Recertification Assessment Findings


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

Signed for on behalf of
Kulim (Malaysia) Berhad
 Zulkifly Bin Zakariah
 Vice President - Plantation Operations



.....
 Date: 25/02/2014

Signed for on behalf of
BSi Group Singapore Pte Ltd
 Charlie Ross
 Lead Auditor



.....
 Date: 25/02/2014

Appendix “A”

BSI/RSPO Certificate Details

Kulim (Malaysia) Berhad
 Ulu Tiram Estate
 KB 705
 Johor Bahru
 Johor 80990 Malaysia

Current Certificate Number : SPO 537873
 Certificate Issue Date: 23/01/2009
 Recertification Certificate Number: (will be assigned upon RSPO Approval)
 Certificate Re-issue Date: (will be issued upon RSPO Approval)

Website: www.kulim.com.my

Standards: RSPO Principles & Criteria : 2007; Malaysia National Interpretation & Guidance : 2010; RSPO SCCS 2011
 Module D – CPO Mills : Segregated

TEREH PALM OIL MILL AND SUPPLY BASE	
Location	Kluang, Johor
Address	Ladang Tereh Mill, KB 538, 86009 Kluang, Johor
GPS	E 103° 21' 5.0004" N 2° 13' 3.0648"
CPO Tonnage Total Production (mt)	62,986
PK Tonnage Total Production (mt)	16,499
Company owned Estates FFB Tonnage (mt)	Tereh Utara (64,959); Tereh Selatan (57,650); Selai (17,199); Enggang (14,080); Mutiara (48,138); Sg Sembrong (28,198); Sg Tawing (35,700)
"Outside" Estates FFB Tonnage (mt)	Felda Paloh (27,073); Wawasan (4,959)
CPO Tonnage Claimed* (mt)	62,986
PK Tonnage Claimed* (mt)	16,499

* The tonnage claimed is the total FFB production sourced from Company owned Estates and "Outside" Estates.

Appendix “B”

Supply Chain Assessment

APPENDIX B – SUPPLY CHAIN ASSESSMENT REPORT – RSPO SCCS 2011 Module D – CPO Mills : Segregated**KULIM (MALAYSIA) BERHAD – TEREH MILL AND SUPPLY BASE****Certified Mill Production – 01 November 2012 – 31 October 2013**

MILL	CAPACITY	CSPO	CSPK
Sedenak	75 t/hr	35,915	10,016
Sindora	45 t/hr	29,590	9,113
Tereh	60 t/hr	63,124	17,280
Palong	40 t/hr	24,855	6,572
TOTAL		153,484	42,981

Total Sales* of Kulim Certified Mill Products – 01 November 2012 – 31 October 2013

CSPO	CSPK
136,942	19,529

* Since the Initial RSPO Certification, Kulim has operated under a single RSPO Certificate and the sales of Certified Mill Products were not recorded against individual mills.

Total Sales* of Kulim Certified Mill Products – 01 November 2012 – 31 October 2013

Months	GreenPalm Trade Certificates		RSPO (eTrace)		ISCC Certificates	
	CSPO	CSPK	CSPO	CSPK	CSPO	CSPK
Nov - 12	18,996	-	70	-	-	-
Dec - 12	13,120	7,529	70	-	-	-
Jan - 13	-	-	-	-	-	-
Feb - 13	-	1,000	1,060	-	-	-
Mar - 13	-	-	80	-	5,400	-
Apr - 13	4,011	-	-	-	1,580	-
May - 13	40,000	-	130	-	6,300	-
Jun - 13	10,000	2,000	-	-	6,460	-
July - 13	-	-	100	-	210	-
Aug - 13	-	-	600	-	-	-
Sep - 13	-	600	845	-	800	-
Oct - 13	27,000	8,400	110	-	-	-
Nov - 13	-	-	-	-	-	-
Dec - 13	-	-	-	-	-	-
TOTAL	113,127	19,529	3,065	0	20,750	0

* Since the Initial RSPO Certification, Kulim has operated under a single RSPO Certificate and the sales of Certified Mill Products were not recorded against individual mills.

TEREH MILL SUPPLY BASE**Certified FFB Received Monthly - 01 November 2012 – 31 October 2013**

Month	Tereh Utara	Tereh Selatan	Selai	Enggang	Mutiara	Sungai Sembrong	Sungai Tawang	Rengam	Felda Paloh	Total FFB/Month
Nov-12	7,619.32	6,444.34	1,673.79	1,408.94	5,549.58	2,624.45	4,050.38	0.00	2,644.59	32,015.39
Dec	6,982.53	6,524.95	1,474.34	1,209.99	5,826.37	2,430.05	3,606.05	0.00	2,928.58	30,982.86
Jan-13	5,601.44	4,760.73	1,289.67	1,149.17	4,402.52	2,442.82	2,355.33	0.00	2,691.90	24,693.58
Feb	3,864.31	3,671.40	1,049.91	1,110.18	3,740.71	1,938.70	2,032.81	0.00	2,554.15	19,962.17
Mar	3,906.96	3,607.43	1,058.15	1,110.23	4,370.08	2,043.21	1,813.61	0.00	2,710.00	20,619.67
Apr	4,004.31	3,709.85	1,331.31	1,349.73	4,169.84	1,907.81	1,981.76	0.00	2,723.51	21,178.12
May	4,141.43	4,070.69	1,371.22	1,267.49	4,184.54	1,938.98	2,071.65	0.00	2,401.99	21,447.99
Jun	4,992.67	4,734.31	1,419.93	1,382.50	4,058.48	2,137.39	2,447.06	0.00	2,252.03	23,424.37
Jul	6,044.66	5,854.89	1,826.08	1,534.86	4,429.75	2,352.72	2,977.92	0.00	2,451.96	27,472.84
Aug	6,031.79	5,641.35	1,749.86	1,433.70	4,451.54	2,168.38	2,818.03	677.94	2,373.83	27,346.42
Sep	6,840.98	6,484.20	1,775.35	1,616.18	5,122.69	2,600.68	3,335.06	0.00	2,646.84	30,421.98
Oct	6,816.86	6,255.22	1,942.97	1,632.67	5,279.90	2,687.38	3,652.21	0.00	2,771.67	31,038.88
TOTAL	66,847.26	61,759.36	17,962.58	16,205.64	55,586.00	27,272.57	33,141.87	677.94	31,151.05	310,604.27

Certified Company Details

Kulim (Malaysia) Berhad
 Ulu Tiram Estate
 KB 705
 Johor Bahru
 Johor 80990
 MALAYSIA

Contact Person:

Mr Sallehuddin Mohd Noh
 Senior Manager
 Phone: +6078611611
 Fax: +6078631084
 Email: sallehuddin@kulim.com.my

RSPO Membership No: 1-0006-04-000-00

Certification Body Details

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

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

Summary

Supply Chain assessment was made for the production from Tereh Mill that is owned and operated by Kulim (Malaysia) Berhad. The assessment included site visits to the Mill and Tereh Selatan and Enggang Estates, "Outside" Estate Wawasan, Kulim Marketing Department, review of records and interviews of staff. Since Initial RSPO Certification, Kulim has operated under a single RSPO Certificate for the four (4) Mills: Sedenak, Sindora, Tereh and Palong. Kulim sold: 113,127 Green Palm Certificates equivalent to 113,127 tonnes of CSPO; 19,529 Green Palm Certificates equivalent to 19,529 tonnes of CSPK; and 23,815 tonnes of CSPO through the eTrace sales system during the period 01 November 2012 – 31 October 2013. Kulim's sales of CSPO and CSPK were within the quantities stated on the RSPO Certificate. The assessor concluded Kulim has implemented an appropriate management system for controlling the purchase of certified FFB, processing of same and for tracking sales. Kulim maintains adequate records for confirming compliance with the RSPO supply Chain traceability requirements as applicable to all Kulim Mills.

Kulim has applied to BSi for assessment of the Tereh Mill and supply base against the RSPO Supply Chain Certification Standard : November 2011, Module D – CPO Mills : Segregation. The assessor concluded Kulim has implemented an appropriate management system for controlling the purchase of certified FFB, processing of same and tracking sales. Kulim maintains adequate records for confirming compliance with the RSPO supply Chain traceability requirements as applicable to Tereh Mill and supply base.

Conclusion

The Kulim management system and records meet the requirements of the RSPO Supply Chain Certification Standard : November 2011, Module D – CPO Mills : Segregation. Kulim Marketing Department manages all sales of CPO and PK on behalf of the Kulim Mills. The system is computerised and Kulim Marketing Department transfers information to the Mills for including the RSPO Supply Chain information for the despatch note and the sales invoice. Inspection of documents confirmed that Kulim maintains all of the applicable documentation required for verification of implementation of the RSPO Supply Chain Certification Standard : November 2011, Module D – CPO Mills : Segregation.

Certificate Details

Background to the Report

(a) Report authors

Assessor

Mr Charlie Ross, BSi RSPO Lead Auditor

CB Management Representative

Mr Aryo Gustomo, BSi RSPO Scheme Manager

(b) Previous assessments 2012 – *Mass Balance*

(c) On-Site Visits

Visit Itinerary

Wednesday 04 December 2013 – Tereh Mill – Opening Meeting held at Mill Meeting Room; Weighbridge Station; examined weighbridge records; daily Transaction Report of FFB deliveries, CPO Despatch Book; Kernel Despatch Book; Despatch Advice Book; CPO Bulk Tank and PK Silo records; Copy of CPO Contracts; Copy of Kernel Contracts; Weighbridge Dockets. Closing Meeting Monday 12 November.

People consulted: Kamaroulzaman Bin Tith (Manager); Mohd Taufiq Bin Khalil (Snr Asst Engr); Burhannudin Bin Anuar (Asst Engineer); Weighbridge Operator.

Tuesday 10 December 2013 – EPA Head Office (Marketing Department): Examined sales recorded in the eTrace system and related supply chain documents.

People consulted: Mohd Radzi Mohamed (Marketing Manager)

Scope

The scope of the assessment covered Tereh Palm Oil Mill and the supply base of: Kulim owned Tereh Selatan, Enggang, Tereh Utara, Selai, Sungai Tawing, Sungai Sembrong and Mutiara Estates, and “Outside Estates” Felda Paloh Estate and Wawasan Estate. The Kulim owned Estates and Felda Paloh Estate are RSPO Certified and BSi has carried out an Initial Certification Assessment of Wawasan Estate. The Supply Chain mechanism to be used going forward is Segregated. The Kulim operations were assessed against the RSPO Supply Chain Certification Standard : November 2011, Module D – CPO Mills : Segregated.

Description of Operation’s Management System

Kulim has previously used the mass balance mechanism for Tereh Mill supply chain because it processed non-certified crop from “outside suppliers” during the period 01/11/2012 – 31/10/2013. All consignments of FFB despatched from the Estates to the Mill are accompanied by a Consignment Note with a unique consecutive number and includes details of: Field Number Harvested; block Number; No of Bunches; Date Harvested; Estimated Tonnage; Vehicle Registration Number; Driver’s Name and Bin Number.

All deliveries of FFB received at the Mill are issued with a Weighbridge Docket that records the Name of the supplier, Truck Registration No, Driver’s Name and the Tonnage. The weighbridge system is computerised and delivery records are used as the basis for payment for FFB deliveries. A sample of weighbridge dockets was checked at the Mill against the summaries of FFB deliveries from, for example, Tereh Selatan and Enggang Estates. This confirmed the details of the source and quantity of FFB were recorded accurately and could be verified by tracking. The source of the FFB can be traced back to the Estate and the oil palm block from which it was harvested.

The Mill sends a Daily Production Report to Kulim Head Office that records the quantity of FFB received from the Estates and outside suppliers; the tonnage of FFB processed; the tonnages of CPO and PK produced; despatch tonnages; and the quantities of materials held in stock at CPO Tanks and PK Silos. The Mill and Estates also report the above quantities monthly to Kulim Head Office.

Kulim Marketing Department notifies the Mill and Kulim’s Contract Transporter of individual contracts from customers and provides a copy of the contract. When the Contract Tanker arrives at the Mill the driver provides a copy of the Collection Order. The Mill then checks the Collection Order for match with the Marketing Department Contract details. The Mill then inspects the tanker for cleanliness and safety before weighing at the weighbridge. The mill starts filling the tanker and samples the product and tests the quality immediately before continuing to fill the tanker. The tanker is then filled with the Collection Order quantity, weighed then Kulim Security attach seals to each tanker manhole and valve and records the seal numbers on the Weighbridge Ticket and the CPO Despatch Book. The Weighbridge Operator fills in details of the despatch in the MPOB Despatch Book and gives the tanker driver a copy of the Weighbridge Ticket and the MPOB Despatch Ticket. The weighbridge Operator then informs Marketing Department of the tanker despatch and quantity.

Checks of a sample of records at the Mill confirmed the sales of CPO and PK matched the despatch quantities during the preceding 12 months (01 November 2012 – 31 October 2013). Inspection of documents confirmed that Kulim maintains the documentation required for supply chain verification (RSPO Supply Chain Certification Standard : November 2011, Module D – CPO Mills : Segregation).

Certified Volume Purchased and Claimed

The following certified FFB material was received from Kulim Estates and Felda Paloh Estate during the 01/11/2012 – 31/10/2013 year and processed at Tereh Mill: 310,604.27 t/FFB.

Main Report Details

1. Documented procedures

- 1.1 The facility shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:
- Complete and up to date procedures covering the implementation of all the elements in these requirements. *Complies – Procedures are controlled documents under the ISO 9001 Quality Management System, are current and include all elements of the Supply Chain for controlling the receipt, sale and dispatch of palm products.*
 - The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the facilities procedures for the implementation of this standard. *Complies – The Marketing Manager has overall responsibility for the Supply Chain traceability activities – planning and executing sales of CSPO & CSPK. aspects of FFB receipts, processing and shipping of palm products. Interview of the Marketing Manager confirmed his knowledge of the RSPO Supply Chain requirements and he was able to demonstrate use of eTrace to track sales and shipments of products.*
- 1.2 The facility shall have documented procedures for receiving and processing certified and non-certified FFB. *Complies – the Mills Weighbridge SOP covers the receiving of FFB and recording details of the Supplier and Transporter. All deliveries of FFB are subject to verification of documentation and quality checks. For example, Document No: LTM/SOP/5.2/ REV No:2; Issue No:2 /Procedure 6.1 Reception of FFB/ 10 December 2012 Document No: LTM/SOP/5.2/ REV No:2; Issue No:2 /Procedure 6.2 Despatch of CPO/ 10 December 2012 Document No: LTM/SOP/5.2/ REV No:2; Issue No:2 /Procedure 6.3 Despatch of PK/ 10 December 2012 Document No: LTM/SOP/5.2/ REV No:2; Issue No:2 /Procedure 6.6 Weighbridge Maintenance/ 10 December 2012*

2. Purchasing and goods in

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

3 Record keeping

- 3.1 The facility shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these requirements. *Complies – Inspection of records at the Mills confirmed these were updated daily.*
- 3.2 Retention times for all records and reports shall be at least five (5) years. *Complies – Records are archived and stored for 3 years, in accordance with ISO 9001 QMS, but 5 years relating to RSPO.*
- 3.3 The facility shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO, PKO and palm kernel meal on a three-monthly basis. *Complies – the Mill prepares a “Monthly Progress Report” for Head Office on the quantities of crop received by source, processed, dispatch of CPO & PK and held in stock.*
- 3.4 The following trade names should be used and specified in relevant documents, e.g. purchase and sales contracts, e.g. *product name*/MB or Mass Balance. The supply chain model used should be clearly indicated. *Complies – Kulim uses the prefix “CSPO MB” on the Product Code. Going forward, Kulim will use the prefix “CSPO SG” on the Tereh Mill Product Code.*

4. Sales and goods out

- 4.1 The facility shall ensure that all sales invoices issued for RSPO certified products delivered include the following information:
- The name and address of the buyer; *Complies – included on invoice.*
 - The date on which the invoice was issued; *Complies*
 - A description of the product, including the applicable supply chain model (Segregated or Mass Balance); *Complies (MB)*
 - The quantity of the products delivered; *Complies*
 - Reference to related transport documentation. *Complies – dispatches include details of the transport vehicle/vessel and shipper.*

5 Processing

- 5.1 The facility shall assure and verify through clear procedures and record keeping that the RSPO certified palm oil is kept segregated from non-certified material including during transport and storage and be able to demonstrate that it has taken all reasonable measures to ensure that contamination is avoided. The objective is for 100% segregated material to be reached. The systems should guarantee the minimum standard of 95% segregated physical material, up to 5% contamination, is allowed. *Complies – Tereh Oil Mill will receive only crop from RSPO Certified Kulim Estates, Felda Paloh Estate and Wawasan Estate in 2014.*
- 5.2 The facility shall provide documented proof that the RSPO certified palm oil can be traced back to only certified segregated material. *Complies – the Weighbridge records the Estate Name, Division, Field Number, Harvest Block and Harvest Date from the Estate Delivery Docket, together with the Vehicle Registration Number, Driver Name & Driver License Number. Checks of a sample of records confirmed the FFB deliveries to the Mill can be traced back and matched against the Estate harvest records.*
- 5.3 In cases where a mill outsources activities to an independent palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that:
- The crush operator conforms to these requirements for segregation *Complies – Tereh Mill does not out-source crushing to an independent palm kernel crush.*
 - The crush is covered through a signed and enforceable agreement *Not Applicable*

6 Training

- 6.1 The facility shall provide the training for all staff as required to implement the requirements of the Supply Chain Certification Systems. *Complies – Inspection of a sample of records at the Mill and Marketing Department confirmed Kulim maintains records of training. Interviews of Marketing Manager and Mill Staff confirmed knowledge of the Supply Chain requirements. For example, the Mill holds records for training of staff carried out on 31 January 2013 for RSPO Supply Chain training.*

7 Claims

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

Appendix “C”

New Team Members CV

Isman Yusoff, Nabila Seth and Dian Ekowati

CURRICULUM VITAE FOR ISMAN YUSOFF**1. PERSONAL PARTICULARS**

Name : Isman Bin Yusoff
Gender : Male
Nationality : Malaysian
D.O.B. : 7 April 1962
Language Proficiency : Written: English and Bahasa Malaysia
 : Spoken: English, Malay and Indonesian
HPhone/Contact No. : +6012 3159639
E mail address : ismanyusoff@yahoo.com

2. ACADEMIC AND PROFESSIONAL ATTAINMENT

<i>Name of Institution/ organization</i>	<i>Period of Study</i>	<i>Degree or Diploma Obtained / Name of course</i>
Universiti Teknologi Mara-Shah Alam, Malaysia-Faculty of Business Management	Aug 1999- Aug 2001	Executive Master in Business Administration
University of Missouri at Rolla, Missouri, USA	June 1980- Dec.1984	Bachelor of Science in Electrical Engineering
Lead Auditor(Quality) with Institute Registered of Certified Auditor(IRCA), U.K	19- 23, Feb. 1990	Lead Auditor Certificate/5 days LA/A course
Lead Assessor/Assessor of Quality Management System IRCA	Register since 1995	Certificate in IRCA registered Lead auditor-Registered No. (A006056)
Standard And Industrial Research Institute of Malaysia, Shah Alam	15 Jan 1996	Certificate –ISO 14001 Awareness Course on EMS
Det Norske Veritas UK, DNV Singapore	8-9 Jan. 1996	Certificate of Training-Introduction to Environmental Management System
Det Norske Veritas BV Netherland, Kuala Lumpur	16-18 April 1996	Certificate of Attendance-Developing a Certifiable ISO 14001 EMS
Det Norske Veritas UK , DNV Hong Kong,	17-21, June 1996	Certificate Of Training-EARA Advanced Environmental Management System Auditing (EARA Approve)
Det Norske Veritas, Kuala Lumpur	9-13, March 1998	Modern Safety Management
Det Norske Veritas, Loss Control	20-24, July	Accredited Safety Auditor

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Management, Kuala Lumpur	1998	
Det Norske Veritas, Singapore	1-3 Nov. 2000	Certificate of Achievement-OHSAS 18001
Det Norske Veritas Norway, Holmen Fjordhotel Norway	12-16 Febuary 2001	Diploma-Journey Port 1(Managment course)
Alan A. Griffin UK Ltd/Malacca	10-11 Jan. 2002	Certificate of Qualification ISO 9001:2000 Transistion
Qualified Lead auditor for ISO 14001 and OHSAS 18001 by DNV.		Lead Auditor Training Course on EMS/OHSAS 18001
Det Norske Veritas, Kuala Lumpur	13 May 2003	OHS & Environmental Legislation of Malaysia.
MDEC & TUV Rhienland-MDEC, Cyber jaya	25-27 July 2011	Assessor Training for Qualification for MSC Malaysian product and Rating
British Standard Industry(BSI), Hong Kong	15 & 16 Feb 2012	Sustainability Reporting Assurance & Standard Training
BSI , HCM Vietnam	26 & 27 March 2012	ISO 14064 Greenhouse Gas
BSI, HCM Vietnam	28 March 2012	PAS 2060 Carbon Neutrality
BSI Malaysia, Kuala Lumpur	6 Sept 2012	Introduction to RSPO P & C

3. PROFESSIONAL QUALIFICATION

- (i) Registered Lead Auditor QMS with IRCA, UK
- (ii) Registered Approved Lead Auditor/Auditor for QMS/EMS/OHSAS with Det Norske Veritas/British Standard Institute
- (iii) Resource person (trainer) for QMS/EMS/OHSAS training
- (iv) BSI Sustainable Palm Oil EMS/OHS Auditor for RSPO

4. DETAILED PROFESSIONAL EXPERIENCE

<i>Period of Employment and Name of Employer</i>	<i>Description of Work</i>
BSI Services Malaysia	Operation Director/Senior Lead Auditor
April 2011 to May 2013	<ul style="list-style-type: none"> • Responsible to help formulate the company's overall strategic plan. • Develop and implement operations and delivery strategy aligning with company strategic plan. • Performed capacity and capability planning periodically to ensure optimal delivery • Technical/Certification review on reports form BSI ASEAN before issue of certificate. • Qualification review of all BSI ASEAN LA/Auditor and Nace code

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Period of Employment and Name of Employer	Description of Work
	<ul style="list-style-type: none"> • He is to ensure compliance to all accreditation rules and BSI group rules • Certification audit, training and , assisting in ISO 9001(Quality Management System),ISO 14001 (environmental management system), OHSAS 18001 (occupational health and safety management system) , integrated quality and RSPO – EMS/OHS Audit,
Det Norske Veritas AS	Managing Director/Head Of Certification / Senior Lead Auditor
December 1993 to March 2011	<ul style="list-style-type: none"> (i) Setting up the DNV as Certification Bodies (1993) in Malaysia with the supervision of the Regional Director and managing the welfare of the employees (ii) Overseeing business growth,budgeting and annual operating plan. Laise and monthly Reporting to Corporate Head office. Monitoring of monthly P & L. (iii) Planning, design, preparing and implementing and the quality management system(local certification procedure) (iv) Coordinating and scheduling the other Lead auditors/Auditors. (v) Marketing of Accredited Quality Management system,environmental, health and safety management systems certification (vi) Qualified Auditor/Lead Auditor (vii) Certification audit, training and , assisting in ISO 9001(Quality Management System),ISO 14001 (environmental management system), OHSAS 18001 (occupational health and safety management system) and integrated quality, environmental, health and safety management systems that includes pre assessment and implementation audit of the management systems for SMEs, MNCs of various industries in Malaysia,Indonesia,Singapore,Vietnam,Philipines,Thailand and China. (viii) Review and revise training materials from DNV to suit local context
Standard and Industrial Research Institute of Malaysia (SIRIM)	Senior Quality Assessment Officer
Dec. 1990 – Nov 1993	<ul style="list-style-type: none"> (i) Certification audit in ISO 9001 (Quality management system), Conducting assessment for certification to ISO 9001/9002 standards for Standard and Industrial Research Institute Of Malaysia (SIRIM), British Standard Institute QA Of U.K. (ii) Consultancy and Baseline audit to QMS that includes development and implementation of the management systems for SMEs, MNCs of various industries (iii) Design training materials for quality management system internal audit courses, developing and implementing QMS,

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Period of Employment and Name of Employer	Description of Work
	<p>interpretation of ISO 9001</p> <p>(iv) Conduct training in QMS Internal Audit, Awareness QMS, Developing ISO 9001/9002.</p> <p>(v) Setting up the internal audit procedure and conduct the audit for SIRIM</p> <p>(vi) Planning, design, preparing and implementing and the quality management system(certification procedure) for SIRIM certification scheme with British Standard Institute (BSI QA. UK)</p>
<p>Standard and Industrial Research Institute of Malaysia (SIRIM)</p> <p>April 1985 – Dec. 1990</p>	<p>Quality Assurance Officer/Quality Inspectorate</p> <ul style="list-style-type: none"> • Testing of Electrical Component/Cable in support of SIRIM Product Certification Scheme Activities. • Consignment Certification for Control products (Electrical) coming into Malaysia. • Co-ordinate and supervise inspector team as inspecting agent for VDE of Germany and KEMA of Netherlands • Involves as Field Representative to conduct Initial/Factory Inspection for Canadian Standard Association

5. SAMPLES LIST OF ORGANISATIONS FOR WHOM QUALITY ,ENVIRONMENTAL, HEALTH AND SAFETY AUDITS/TRAINING/CONSULTANCY HAS BEEN CARRIED OUT IN Malaysia and Indonesia.

S/n	Name of the organization	Brief detail of the nature of audit/Training / consultancy

S/n	Name of the organization	Brief detail of the nature of audit/Training / consultancy
1.	PT Pertamina LOBP,Cilacap,Jawa Tengah, Indonesia	Certification Audit on the company's Quality management system to ISO 9001 and Pertamina requirement
2.	Pertamina DPPU, Seakarno Hatta, Jakarta	Certification Audit on the company's Quality management system to ISO 9001 and Pertamina requirement
3.	PT Pertamina UPMS III Depot Padalarang Bandung	Certification Audit on the company's Intergrated Quality environmental, health and safety management system to ISO 14001/OHSAS 18001 ISO 14001:1996 / ISO 9001:2000 / OHSAS 18001:1999(Incuding the Federal/Province Environmantal and Safety Act and Pertamina Requirement)
4.	PT Pertamina Depot, Tg Grem Merak Indonesia	Certification Audit on the company's Intergrated Quality environmental, health and safety management system to ISO 14001/OHSAS 18001 / ISO 9001:2000 / OHSAS 18001:1999(Incuding the Federal/Province Environmantal and Safety Act and Pertamina Requirement)
5.	PT PUNJ LLOYD Indonesia	Certification Audit on the company relevant to the South Sumatra West Java Gas Pipeline Intergrated Management System(ISO 14001:1996 / ISO 9001:2000 / OHSAS 18001:1999) (Incuding the ederal/Province Environmantal and Safety Act and PT Perusahaan Gas NegaraRequirement)
6.	Pertronas Carigali-HSEMS	As Lead consulatant and Auditor to develop thePetronas Carigali HSEMS audit protocol. Development of the element of Policy, Organization, Risk Management,Implementation and Monitoring. Based on the protocol which includes the HSE Plan was audited for PMO, Vitnem Operation, the Head quarter, Sabah and the Sarawak operation.
7.	Pertronas Carigali	Training, Consulate and develop the Quality Management system for the company base on their existing procedure. This include gap analysis/audit and interview the staff.
8.	PT Dover Cheml,Merak,Java	Certification Audit on the company's Quality management system to ISO 9001.
9.	PT Wartsila Indonesia	Certification Audit on the company Intergrated Management system relevant to the Generator, Transformer manufacturing .Intergrated Management System(ISO 14001:1996/ISO 9001:2000/OHSAS 18001:1999) (Incuding the Federal/Province Environmantal and Safety Act)
10.	Intelchem Sdn Bhd, Pasir Gudong,Johor	Certification Audit on the company's Intergrated Quality environmental, health and safety management system to ISO 14001/OHSAS 18001 ISO 14001:1996 / ISO 9001:2000 / OHSAS 18001:1999(Incuding the Environmantal Quality Act, Safety Act, Factory Machinery Act)

S/n	Name of the organization	Brief detail of the nature of audit/Training / consultancy
11.	PT Mulya Adhi Paramita, Tangerang, Jakarta	Certification Audit on the company's scope on Chemical Storage and Trading Quality management system to ISO 9001.
12.	Sumatec Corp. Sdn Bhd, Selangor	Perform Training on Internal Audit and Awareness to ISO 9001. Certification Audit on the company's scope on Project management and Fabrication of Structure/Tanks/Facilities Quality management system to ISO 9001
13.	KISWIRE (M) SDN BHD, JOHOR	Perform Training on Internal Audit and Awareness to ISO 9001. Certification Audit on the company's scope on Manufacture of wire rope for Oil gas/shipping industry Quality management system to ISO 9001
14.	Mechmar Keppel Engr. .Shah Alam, Malaysia	Perform Training on Internal Audit and Awareness to ISO 9001. Certification Audit on the company's scope on Project management and Fabrication of Structure/Tanks/Facilities Quality management system to ISO 9001
15.	Tepat Teknik Sdn Bhd, Shah Alam	Perform Training on Internal Audit and Awareness to ISO 9001. Certification Audit on the company's scope on Project management and Fabrication of Structure/Tanks/Facilities Quality management system to ISO 9001
16.	Kvaener Process AP Sdn Bhd, Malaysia	Certification Audit on the company's scope on Project management and Fabrication of Structure/Tanks/Facilities Quality management system to ISO 9001
17.	Orbtech Sdn Bhd, Kuala Lumpur	Perform Training on Internal Audit and Awareness to ISO 9001. Certification Audit on the company's scope on Project management in Oil & Gas Quality management system to ISO 9001
18.	Petro Pipe Industry Sdn Bhd , Prai	Certification Audit on the company's scope on Project management and Fabrication of pipe.
19.	PT Humpuss Trading, Jakarta & Semarang, Central Java	Certification Audit on the company's scope on Chemical Trading and petrol station operation to ISO 9001.
20.	Project Lebuhraya Utara Selatan	Certification Audit on the company's Quality environmental, health and safety management system to ISO 9001/ ISO 14001/OHSAS 18001 (included compliance assessment to the local legislation of Malaysia). Training on EMS/OHSAS/QMS awareness and internal audit.
21.	Balfour Beatty Rails Sdn Bhd -	Certification Audit on the company's Intergrated Quality environmental, health and safety management system to

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S/n	Name of the organization	Brief detail of the nature of audit/Training / consultancy
	Kuala Lumpur	ISO 14001/OHSAS 18001 ISO 14001:1996 / ISO 9001:2000 / OHSAS 18001:1999(Including the Environmental Quality Act, Safety Act, Factory Machinery Act)
22.	GAC Cargo System Malaysia	Certification Audit on the company's scope on Freight Forwarding and Logistics operation to ISO 9001
23.	PT EKA NURI Tg Periok, Jakarta	Certification Audit on the company's scope Cargo Handling, Warehousing and Fuel Handling Transportation Services for Oil and Gas Operation for ISO 9001, OHSAS and ISO 14001.
24.	Sime Darby - SOU 4 (Flemington)	Roundtable Sustainable Palm Oil(RSPO) Principle & Criteria(P&C) Audit
25.	Sime Darby - SOU 2 (Chersonese)	Roundtable Sustainable Palm Oil(RSPO) Principle & Criteria(P&C) Audit
26.	Sime darby - SOU 18 (Diamond Jubilee)	Roundtable Sustainable Palm Oil(RSPO) Principle & Criteria(P&C) Audit
27.	TDM Kemaman	Roundtable Sustainable Palm Oil(RSPO) Principle & Criteria(P&C) Audit
28.	Felda Palm Oil Mill(Leper Hilir)	Roundtable Sustainable Palm Oil(RSPO) Principle & Criteria(P&C) Audit
29.	Sime Darby - SOU 22 (Bkt Benut)	Roundtable Sustainable Palm Oil(RSPO) Principle & Criteria(P&C) Audit
30.	Sime Darby - SOU 1 (Sg. Dingin) , Kedah	Roundtable Sustainable Palm Oil(RSPO) Principle & Criteria(P&C) Audit
31.	TDM - Sg. Tong (K. Terengganu)	Roundtable Sustainable Palm Oil(RSPO) Principle & Criteria(P&C) Audit
32.	Sime Darby - SOU 7 (Bkt. Kerayong)	Roundtable Sustainable Palm Oil(RSPO) Principle & Criteria(P&C) Audit
33.	Sime Darby - SOU 3 (Elphil)	Roundtable Sustainable Palm Oil(RSPO) Principle & Criteria(P&C) Audit
34.	Sime Darby-Pagoh	Roundtable Sustainable Palm Oil(RSPO) Principle & Criteria(P&C) Audit
35.	Felda Palm Oil Mill(Bkt Sagu)	Roundtable Sustainable Palm Oil(RSPO) Principle & Criteria(P&C) Audit

The above is the samples of Certification audit/training done. Basically Isman had audited more than 800 companies to ISO 9001, ISO 14001, OHSAS 18001 and RSPO in Region South East Asia.The List of Audit Log 1990 to current will be provided upon request.

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Nabila Seth Mohd Niven

Client Manager, **BSI Services (M) Sdn. Bhd.**

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Professional Qualification (Current)

- Registered Auditor QMS -**IRCA, UK** | Certificate No MY09097-04092
- RSPO-SA – SPO Social Auditor
BSI Services (M) Sdn. Bhd
- Senior Planner since Year 2009

Academic Qualification (Latest)

- BBA (Hons) in Business Studies | Graduated 2006)
University Technology Mara, Malaysia
- Diploma in Business Studies | Graduated 2003)
University Technology Mara, Malaysia

Working Experience (Latest)

- RSPO SA Auditor | January 2012 - Present
BSI Services (M) Sdn. Bhd
- Senior Audit Planner/ISO 9001 Auditor | October 2009 - Present
BSI Services (M) Sdn. Bhd
- Commercial Accounts Desk Senior Officer | August 2007 – August 2009
Netstar Advanced Systems Sdn. Bhd.
- Customer Service Officer | August 2006 - August 2007
Netstar Advanced Systems Sdn. Bhd.
- HR Assistant | March 2006 – August 2006
Nestle Products Sdn. Bhd.



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Audit Capabilities

- ISO 9001 | Auditor
- RSPO | Social Auditor

RSPO Audit Experience

From/To: (MM/YY)	Organisation audited:	Standard:	Role in Audit (Trainee, Auditor, Lead Auditor, etc):
Oct 2012	Sime Darby Plantation Sdn Bhd (SOU Flemington & Supply Base)	RSPO P&C, MYNI (Surveillance Assessment)	PRSCO-SA - SPO Social Auditor
Dec 2012	FELDA Palm Oil Mill (Bukit Sagu & Supply Base)	RSPO P&C, MYNI (Stage 2 Assessment)	PRSCO-SA - SPO Social Auditor
May 2013	TDM Plantation Sdn Bhd - Kemaman	RSPO P&C, MYNI (Stage 2 Assessment)	PRSCO-SA - SPO Social Auditor
June 2013	FELDA Palm Oil Mill (Lepar Utara 4 & Supply Base)	RSPO P&C, MYNI (Surveillance Assessment)	PRSCO-SA - SPO Social Auditor
July 2013	Sime Darby Plantation Sdn Bhd (SOU 26)	RSPO P&C, MYNI (Re-certification Assessment)	PRSCO-SA - SPO Social Auditor
Sept 2013	Sime Darby Plantation Sdn Bhd (PT SIA)	RSPO P&C, MYNI (Surveillance Assessment)	PRSCO-SA - SPO Social Auditor
Oct 2013	FELDA Palm Oil Mill (Jengka 21 & Supply Base)	RSPO P&C, MYNI (Surveillance Assessment)	PRSCO-SA - SPO Social Auditor
Oct 2013	FELDA Palm Oil Mill (Jengka 18 & Supply Base)	RSPO P&C, MYNI (Surveillance Assessment)	PRSCO-SA - SPO Social Auditor
Nov 2013	Sime Darby Plantation Sdn Bhd (Melalap)	RSPO P&C, MYNI (Surveillance Assessment)	PRSCO-SA - SPO Social Auditor

DIAN EKOWATI

Address : Ciomas Cluster Residence, Jalan Gabus 5, Blok A No. 3A
 Rt. 6/10, Kelurahan Padasuka. Kecamatan Ciomas, Kabupaten Bogor, 16610
 Provinsi Jawa Barat
 Phone : +62 812 2219 162
 Email : dee.ekowati@gmail.com

EDUCATION BACKGROUND

- 2012 Graduate Degree: Bogor Agricultural Institute Graduate School (Master Level), Faculty of Human Ecology, Rural Sociology Study Program, Majoring in Gender and Social Demography. Thesis: Fertility and Gender Relation in Neglasari Village, Jasinga, Bogor, West Java.
- 2006 Bachelor Degree: Bogor Agricultural Institute, Communication and Community Development Study Program. Thesis: Community Empowerment in Ecotourism Development; Pesisir Krui, West Lampung.

PROFESSIONAL HISTORY

- 2013 Consultant for Participatory MRV Project: Center for International Forestry Research (CIFOR).
- 2009-2013 Facilitator for British Standard Institution Auditors in Conducting RSPO Audits in Indonesia and Malaysia.
- 2011-2012 Research on Landless Farmers Livelihood in West Java rural areas, Neglasari Village, Jasinga Sub-District, Bogor, West-Java, Sajogyo Institute (SAINS).
- 2011-2012 Research on Gender Relation and Women's Decision on the Number of Children, Neglasari Village, Jasinga Sub-District, Bogor, West-Java. Rural Sociology, IPB Graduate School.
- 2011 Co-researcher on research; Farmers Movement to Defend their Land, Atenco, Mexico. SEPHIS.
- 2010-2011 Desk Study on Indonesian Land Reform Initiative – SAINS, Asian NGO Coalition (2010) and International Land Coalition (2011).
- 2010 Study on Women Participation in Government Program aimed for Women Empowerment (Program Pemberdayaan Wanita Keluarga Sehat Sejahtera), Research Institution of IPB, Bogor District, West Java.
- 2010 Impact Study of Government Assistance on Farmers: Superior Rice and Corn Seedlings, Chemical and Organic Fertilizer, Pasuruan and Situbondo Districts, East Java, Indonesia. IPB Research Center.
- 2010 Agrarian Systematic Research;"HGU and its Implications: Tajau Pecah Village, Batu Ampar Sub District, Tanah Laut District and Hayup Village, Haruai Sub District, Tabalong District, South Kalimantan Province. Sajogyo Institute and National Land Academy.
- 2009-2010 Research on Community Satisfaction on PT Antam Tbk's Community Development Program. Bogor. West Java. IPB Research Center.

- 2009 Agrarian Systematic Research; "Agricultural Institution of Production and Distribution in Rural Households Post Land Reform in Gender Perspective: a Case Study in Banjaranyar and Pasawahan Village, Clamts, West Java." SAINS and National Land Academy.
- 2008 Study on Adaptation and Ecological Conflict in Community Surrounds Forest Area: Kasepuhan Sinar Resmi (Abah Asep), Sirna Resmi Village, Cisolok Sub District, Sukabumi District, West Java. Rural Sociology Study Program, IPB Graduate School.
- 2008 PT. Aqua Transportation Impact in Social Economic Aspect of the Community, Part of PT. Aqua CSR Research, Sukabumi, West Java.
- 2007 Facilitating community to manage program from the government in PPK-IPM project (West Java Provincial Government Program to Increase the People's Human Development Index).
- 2005 Research on the Potency to Develop Community Based Ecotourism as an Effort in Empowering Rural-Agro forest Community, Lembaga Alam Tropika Indonesia (LATIN), West Lampung.
- 2005 Research on Local Participative Technology, Petungkriyono Sub District, Pekalongan District, Central Java, LATIN.
- 2004 Facilitating community to establish and manage their own Community Radio, LATIN NGO (Lembaga Alam Tropika Indonesia), West Lampung.
- 2003 Research on Rural Community's Social Economic Potency, Pamijahan Sub District, Bogor, IPB.

TRAINING AND FELLOWSHIP

- 2011 Tailor Made Short Course Agrarian Transition For Rural Development in Institute of Social Studies (ISS), Erasmus University The Netherland - a cooperation of ISS and Sajogyo Institute.
- 2010 International Workshop on Agrarian Transition in Indonesia, Department of Anthropology, Faculty of Cultural Science, Gadjah Mada University, Jogjakarta.
- 2009 Workshop on Methodology and Public Lecturer with Tania Muray Li and Ben White - SAINS - Agrarian Research Center of IPB and National Land Academy
- 2008 Training on Analyzing Village Potency Data, Sajogyo Institute.
- 2007 Workshop on Character Building - Teacher Institute, Sampoerna Foundation, Jakarta
- 2004 Facilitator Techniques Training, LATIN NGO, WALHI (Wahana Lingkungan Hidup Indonesia) and West Lampung Government.

PAPER PRESENTED IN CONFERENCES

- 2010 "Negotiating Space of Critical Collaboration" Presented in Yale International Forum: Interdisciplinary Conference, Social Justice and Rule of Law: Addressing the Growth of a Pluralist Indonesian Democracy, Diponegoro University and Yale University, Semarang, Indonesia.
- 2010 "Gender and Fertility in Plantation". Presented in the International Workshop on Agrarian Transition in Indonesia, Department of Anthropology, Faculty of Cultural Science, Gadjah Mada University, Yogyakarta.
- 2009 "Return to Local Knowledge to Achieve Resilient Agriculture to Climate Change". Presented in the International Seminar on Achieving resilient-agriculture to climate change through the development of Climate-Based Risk Management Scheme, on November 2009, held by Indonesian Association of Agricultural Meteorology.
- 2009 "Poverty and Disparity between Upland and Lowland; Indonesian Case". Presented in the 2nd IRSA (Indonesian Regional Science Association) International Institute (July 2009), held By IRSA and IPB.
- 2005 "The Potency to Develop Community Based Ecotourism; Pekon Pahlungan, Krui, West Lampung" Presented in the Meeting of Petani Repong Damar (P2RD), West Lampung Government.

BOOK CHAPTERS IN BAHASA INDONESIA

- 2010 "Membaca Ulang Keberadaan Hak Guna Usaha dan Kesejahteraan Rakyat". (Second Author) In Pengembangan Kebijakan Agraria Untuk Keadilan Sosial, Kesejahteraan Masyarakat dan Keberlanjutan Ekologis. Yogyakarta, Indonesia: SAINS dan National Land Academy Press.
- 2009 "Kelembagaan Produksi-Distribusi Pasca Okupasi dalam Perspektif Gender, Studi Kasus Dua Desa di Kabupaten Ciamis". (First Author) in Memahami dan Menemukan Jalan Keluar dari Problem Agraria & Krisis Sosial Ekologi. Yogyakarta, Indonesia: SAINS dan National Land Academy Press.

ARTICLE IN NATIONAL JOURNAL

- 2009 "Poverty and Disparity between Upland and Lowland Communities". (First Author) In Economic Journal of Emerging Markets. Special Edition on Regional Economics. Yogyakarta: Faculty of Economics, Universitas Islam Indonesia.

Appendix “D”

Recertification Programme

KULIM (MALAYSIA) BERHAD INITIAL RECERTIFICATION PROGRAMME**TEREH MILL AND SUPPLY BASE 04, 05, 06 and 10 DECEMBER 2013**

**TEAM: CR: CHARLIE ROSS (LEAD AUDITOR); IY: ISMAN YUSOFF; NS: NABILA SETH;
RR: ROBYN ROSS; DE: DIAN EKOWATI**

DATE	TIME	DETAILS	CR	IY	NS	RR	DE	
Wednesday 4 December TEREH	AM	Opening Meeting	√	√	√	√	√	
		Inspect Mill/Effluent Ponds/Stores/Workshop/Landfill/Land Application	√					
		Interview Mill Workers	√			√	√	
		Interview Office Staff/Workers				√	√	
		Joint Interview Contractors/Suppliers (Mill Office)				√	√	
		Joint Interview Local Community Representatives (Mill Office)	√			√	√	
		Review Pay Documentation					√	
	PM	Visit Clinic Interview Staff				√	√	
		Inspect Housing Interview Residents				√	√	
		Document Review including Supply Chain	√			√	√	
		Closing Briefing	√			√	√	
		AM	Inspect Estate ie any hilly/conservation/HCV areas/buffer zones		√			
			Interview Harvesters/Male Fieldworkers/Sprayers		√			
			Interview Female Fieldworkers/Sprayers (if any)			√		
Inspect Stores, Workshop, Landfill			√					
Interview Office Staff/Workers				√				
Review Pay Documentation				√				
Joint Interview Contractors/Suppliers/External Stakeholders (Estate Office)			√	√				
PM	Joint Interview Local Communities Representatives (Estate Office)		√	√				
	Visit Clinic interview Staff			√				
	Inspect Housing interview Residents			√				
	Document Review		√	√				
	Closing Briefing		√	√				
	Thursday 5 December TEREH	AM	Opening Meeting	√			√	√
			Inspect Estate ie any hilly/peat/conservation/HCV areas/buffer zones	√				
Interview Fieldworkers/Sprayers						√	√	
Inspect Stores, Workshop, Landfill			√					
Joint Interview Contractors/Suppliers (Estate Office)			√				√	
Joint Interview Local Communities Representatives (Estate Office)			√				√	
Interview Office Staff/Workers						√	√	
PM		Inspect Housing Interview Residents				√	√	
		Document Review	√			√	√	
		Closing Briefing	√			√	√	
		AM	Opening Briefing		√	√		
			Inspect Estate ie any hilly/conservation/HCV areas/buffer zones		√			
			Interview Harvesters/Male Fieldworkers/Sprayers		√			
			Interview Female Fieldworkers/Sprayers (if any)			√		
Inspect Stores, Workshop, Landfill			√					
Interview Office Staff/Workers				√				
Review Pay Documentation				√				
PM	Joint Interview Contractors/Suppliers (Estate Office)		√	√				
	Joint Interview Local Communities Representatives (Estate Office)		√	√				
	Visit Clinic interview Staff			√				
	Inspect Housing interview Residents			√				
	Document Review		√	√				
	Closing Briefing		√	√				
	Friday 6 December	AM	Telephone Contact Government Departments, NGOs and any other relevant Stakeholders			√		
Tuesday 10 December EPA (Head Office)	AM	Interviews EPA Management, Human Resources, Plantation, Engineering, R&D and Marketing Departments	√					
		Prepare Visit Report and Closing Presentation				√	√	
	PM	Closing Meeting	√			√	√	

Appendix “E”

List of Stakeholders Contacted

**Stakeholders Contacted – Kulim (Malaysia) Berhad
TEREH MILL AND SUPPLY BASE**

INTERNAL STAKEHOLDERS

<p>Mill 3 Male Mill Workers (Local) 3 Male Mill Workers (Foreign) 5 Female Staff/Workers 6 Residents at Housing Clinic Staff</p>	<p>Tereh Selatan Estate 4 Harvesters 4 Female Fieldworkers 2 Female Staff/Workers Clinic Staff</p>	<p>Enggang Estate 3 Male Sprayers (Foreign) 2 Staff/Workers Residents at Housing Clinic Staff</p> <p>EPA (Head Office) Marketing Department Human Resources Department Plantation Department Engineering Department R&D Department</p>
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EXTERNAL STAKEHOLDERS

<p>Mill Equipment Supplier Engineering Contractor FFB Transporter</p> <p>Tereh Selatan Estate Lee Kim Joo & Santrio Trading</p>	<p>Felda Paloh Estate Manager Felda Paloh Estate Assistant Manager Wawasan Estate Manager Wawasan Estate Supervisor NFM Teguh Jaya Enterprise (Wawasan Estate Contract Pesticide Sprayer) 16 Wawasan Estate Harvesters 2 Wawasan Estate Sprayers</p>
---	--

<p><u>GOVERNMENT DEPARTMENTS/STATUTORY AUTHORITIES</u> Department of Environment (Kluang) Department of Occupational Safety and Health (Johor) Department of Labour (Senior Assistant – Segamat)</p>	<p><u>NGOs and OTHERS</u> Wildlife Conservation Society, Johor (Assistant Director) NUPW Kluang (Branch Secretary) AMESU Selangor Tenaganita</p>
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Appendix “F”

Objective Evidence for Closing Nonconformities

CR12 – Major Compliance Indicator 2.1.1 – Evidence of compliance with legal requirements.

A Nonconformity was assigned because The DOSH Inspector had notified Enggang Estate to apply for a Certificate of Fitness for the air compressor, but although the Estate followed up on 21 November 2013, at the time of the Recertification Assessment visit this had not been obtained. Tereh Selatan Estate also did not hold a Certificate of Fitness for the workshop air compressor. At Enggang and Tereh Selatan Estates, there was no evidence that DOE approval had been given for the Gen Sets supplying the Estate Office, housing and other facilities. At Enggang and Tereh Selatan Estates, application had been made for renewal of the SPAN license for the water treatment plant, but at the time of the site visit, the license renewal had not been received, despite follow-up by Kulim Property Department.

Corrective Actions:

Kulim Safety Training & Services (KSTS) to obtain the Certificate of Fitness for Enggang Estate's air compressor before 31 January 2014. KSTS has already liaised with DOSH Inspector Negeri Johor to undertake the inspection of air compressor at all Kulim Estates and Mills once a year for the issuance of the Certificate of Fitness.

A census of all gensets used at Kulim estate and mill will be conducted by Kulim Sustainability Department (SD) to get the actual number of gensets used and specification of the equipment so that necessary application of licenses can be made to DOE or relevant Government Department.

KSTS has to submit an annual inspection schedule program and monthly progress report on the inspection conducted by DOSH Inspector to SD before end of June every year to SD.

Kulim Property Department (PD) needs to continue to follow up with SPAN for the license renewal for water treatment plant for Enggang and Tereh Selatan Estate to ensure that the licenses are issued out accordingly.

Objective Evidence Provided

An acknowledgement signed by En Hairozie bin Asri, Statutory Section Head of Jabatan Kesihatan dan Keselamatan Pekerjaan (DOSH) Negeri Johor dated 5/02/2014 and payment voucher ref JH/BIL/14/91 from the same agency dated 5/02/2014 was provided as objective evidence that Kulim has made application through KSTS (Kulim Safety and Training Services Sdn Bhd) to obtain renewal of the "Certificates of Fitness" for air compressors, including Enggang Estate – Refer Appendix F Document 1a. As for the air compressor at Tereh Selatan workshop, the Estate Manager claimed the Estate has the license for the air compressor, which was actually shown to the auditors for verification during the audit. (Appendix F Document 1b)

An acknowledgement signed by Pn Siti Hasyimah binti Sahari, an authorised officer from DOE Negeri Johor dated 4/02/2014 was provided as objective evidence that Kulim has made the application through its KSTS (Kulim Safety and Training Services Sdn Bhd) to obtain licenses for Tereh Selatan and Enggang Estates gensets. (Appendix F Documents 1c)

A letter from SPAN signed by Annie Chua Soh Ping, the Director for Tariff and Licenses, Social and Economic Monitoring Department, Suruhanjaya Perkhidmatan Air Negara (SPAN) Malaysia dated 30/01/2014 was provided as objective evidence, acknowledging Kulim's application for Water Treatment Plant licenses for Tereh Selatan and Enggang Estates. Refer Appendix F Documents 1d

BSi considers the Objective Evidence provided is appropriate and the Nonconformity was closed 06/02/2014. Implementation of corrective actions will be checked during the 2014 Surveillance Assessment visit.

Appendix F Documents 1a – Evidence relating to Air Compressors Certificates of Fitness


KULIM SAFETY
TRAINING AND SERVICES SDN BHD
Formally Known As
PALMA BUMIMAS SDN BHD
(Company No. 897008 –D)
ULU TIRAM ESTATE, ULU TIRAM, JOHOR.POSTAL ADDRESS: K.B. 705, 80990 JOHOR BAHRU, JOHOR, MALAYSIA.
TELEPHONE: 07-8611611 / 07-8633333 FAX: 07-8631084 / 8631907

29/01/2014

Pengarah
Jabatan Keselamatan dan Kesihatan Pekerjaan Johor
Tingkat 9, Menara TJB,
Jalan Dato' Mohd Mufti,
80534 Johor Bahru, Johor

Tuan

PERMOHONAN UNTUK PENDAFTARAN PERMIT MESIN TEKANAN (PMT) BAGI MESIN PEMAMPAT UDARA (AIR COMPRESSOR) UNTUK LADANG DIBAWAH SELIAAN KULIM (M) BHD

Dengan hormatnya perkara diatas adalah dirujuk.

2. Dengan hormatnya, bersama-sama ini disertakan permohonan yang telah di buat oleh Syarikat Kulim Safety Training And Services Sdn Bhd selaku wakil yang dilantik oleh Syarikat Kulim (M) Bhd untuk mendapatkan lesen bagi Mesin Pemampat Udara untuk ladang-ladang seperti berikut:-


- i. Ladang Renggam - PMT 135306 (Ulangan)
- ii. Ladang Enggang - Pendaftaran Baru
- iii. Ladang Sindora - Pendaftaran Baru

3. Kami berharap permohonan kami ini akan diluluskan dan pihak kami bersedia untuk bekerjasama dengan pihak tuan bagi tujuan pemeriksaan yang akan dijalankan oleh pihak Jabatan dilokasi yang dinyatakan pada bila-bila masa.

Kerjasama pihak tuan didalam membantu perkara ini amat kami harga.

Sekian. Terima kasih.

Dengan hormatnya,
KULIM SAFETY TRAINING AND SERVICES SDN BHD


MONDIR BIN JAMBY
Pengurus Besar

(Page 1 of 3)

Tanda Tangan dan Chop Penerimaan:



HAIROZIE BIN ASRI
Ketua Seksyen Statoturi
Jab. Keselamatan dan Kesihatan Pekerjaan
Johor

NAMA:
JAWATAN:
TARIKH:

5/2/14.



Jabatan Keselamatan dan Kesihatan Pekerjaan
 Johor
 Tingkat 9, Menara TJB,
 Jalan Dato Syed Mohd Multi,
 80534 Johor Bahru
 Johor
 Tel: 07-2243076 Fax: 07-2242667 E-mail: jkkpj@mohr.gov.my

JKJ-113 : 1/1
 (J.K.J. 113)

AKTA KILANG DAN JENTERA 1967
 Peraturan-peraturan (Pemberitahu, Perakuan Kelayakan dan Pemeriksaan)
 Kilang dan Jentera, 1979
 Peraturan 16

PEMBERITAHUAN PEMERIKSAAN JENTERA BARU/ ULANGAN

Menurut peraturan 16, Peraturan-peraturan di atas, adalah dengan ini dimaklumkan bahawa kilang dan jentera tuan di premis Ladang Renggam, Johor, diperihalkan di bawah ini akan saya periksa pada tarikh **17/02/2014 (Isnin)**.

Saya jangka akan tiba di premis tuan pada lebih kurang pukul **10.00 pagi**

No. Pendaftaran	Perihal
PMT 135305	Pengandung tekanan tak berapi
S/N ; 9600237	Pengandung tekanan tak berapi (Ladang Sindora)
S/N; SXB070136	Pengandung tekanan tak berapi (Ladang eNGGANG)

Untuk membolehkan pemeriksaan yang teliti, tuan adalah dikehendaki menyediakan jentera tuan menurut peruntukan-peruntukan Peraturan 17, Peraturan-peraturan di atas.

* Sila bawa jentera tersebut ke Kilang Kelapa Sawit Tereh, bagi tujuan pemeriksaan.


Bertarikh pada 05/02/2014

(HAIROZIE BIN ASRI)
 Pemeriksa Kilang Dan Jentera
 JKJP Johor.
 h/p: 019-2330670

Kepada :

Pengurus
 EPA MANAGEMENT SDN. BHD.
 Ulu Tiram Estate, Ulu Tiram,
 K.B no. 705, 80990, Johor Bahru,
 Johor.

Appendix F Document 1b – Air Compressor Certificate of Fitness for Tereh Selatan Estate

DK13-PH. 1.87		KERAJAAN MALAYSIA		PMT - 31 77389	
		AKTA KILANG DAN JENTERA, 1967 THE FACTORIES AND MACHINERY ACT, 1967			
<i>Peraturan-peraturan (Pembertahan, Peraturan Kelayakan dan Pemeriksaan) Kilang dan Jentera, 1970 (Peraturan 10C)</i> <i>The Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations, 1970 (Regulation 10C)</i>					
Perakuan Kelayakan PENGANDUNG TEKANAN TAK BERAPI					
Perakuan ini adalah sah kerana (lihat syarat-syarat di bawah)		22/08/2014			
Nama Pemunya/Perusahaan:		LADANG TEREH SELATAN			
Alamat Pos		K.S No. 337, 86009 Klang, Johor.			
Dengan ini diperakui bahawa Penguji Tekanan Tak Berapi ini telah saya periksa pada		23/05/2013			
dan saya puas hati yang ia boleh dijalankan pada beban yang tidak lebih daripada		KELUMPANG:1000		liter perinci	
Bilik-bilik Meting Penguji Tekanan Tak Berapi	No. Pendaftaran:		JH PMT 20401		
	Nama Pembuat		1242 - KIM HONG IRON WORKS		
	No. Pembuat		9151433 A		
	Perihal		AIR RECEIVER		
	Isian pada		0.100		liter perisi
	Tekanan yang membolehkan injap keselamatan dijalankan		KELUMPANG:1000		liter perinci
	Kedudukan		LADANG TEREH SELATAN, Kales Plantation (M) Sdn Bhd, K.S. 337, 86009 Klang, Johor		
<p>*PERAKUAN INI adalah sah kerana tarikh di atas, melainkan jika telah dipertang, dibatalkan atau dengan jalan lain ditamatkan terlebih dahulu di bawah peraturan-peraturan Akta tersebut dan dengan syarat bahawa peraturan-peraturan Akta tersebut dan Peraturan-peraturan berkaitan dengan Penguji Tekanan Tak Berapi di atas tidak dilanggar.</p>					
 		Mohd Arlanshah bin Munawir Pemeiksaan Kilang Dan Jentera			
Tarikh: 18/07/2013					
<p>*Perakuan ini dikemukakan kepada tuan dengan syarat bahawa petunjuk-petunjuk di dalam surat saya kepada tuan rujukan telah dijalankan sebagaimana yang ditunjukkan di dalam jawapan tuan rujukan</p>					
CATATAN - Perakuan ini berakhir pada tarikh yang akan datang Dokumen ini adalah catatan komputer dan hanya memuatkan perakuan elektronik					
Pengeluar: BSH/PH SHAFIZAH SAFARUDIN @ JAMAL BINAH 19/03/2013 10:30 AM Scanned by: digicert					

Appendix F Documents 1c – Evidence relating to Genset Licences Renewal



Formally Known As
PALMA BUMIMAS SDN BHD
(Company No. 897008 –D)

ULU TIRAM ESTATE, ULU TIRAM, JOHOR. POSTAL ADDRESS: K.B. 705, 80990 JOHOR BAHRU, JOHOR, MALAYSIA.
TELEPHONE: 07-8611611 / 07-8633333 FAX: 07-8631084 / 8631907

29/01/2014

Pengarah
Jabatan Alam Sekitar,
Tingkat 1 & 2 Bangunan Hasil,
Jalan Padi Emas 1 Bandar Baru Uda,
81200, Johor Bahru, Johor, 81200,
Malaysia



Tuan

PERMOHONAN UNTUK PENDAFTARAN KEBENARAN BERTULIS (KB) DARIPADA JABATAN ALAM SEKITAR UNTUK MESIN GENERATOR (GENSET) UNTUK LADANG DIBAWAH SELIAAN KULIM (M) BHD

Dengan hormatnya perkara diatas adalah dirujuk.

2. Dengan hormatnya, bersama-sama ini disertakan permohonan yang telah di buat oleh Syarikat Kulim Safety Training And Services Sdn Bhd selaku wakil yang dilantik oleh Syarikat Kulim (M) Bhd untuk mendapatkan kebenaran bertulis (KB) bagi mesin generator untuk ladang-ladang seperti berikut:-

- | | |
|-------------------------|---------------------|
| i. Ladang Tereh Selatan | - CUMMINS 4BT |
| | - CUMMINS 6CT |
| | - CUMMINS AR 3208 |
| ii. Kilang Ladang Tereh | - CUMMINS TA10-G3 |
| | - CUMMINS NT-855-G6 |
| | - CUMMINS C550 DSE |
| iii. Ladang Enggang | - LISTER HLA 4 |
| | - CUMMINS 6 BT |
| | - CUMMINS 6 BT |

3. Kami berharap permohonan kami ini akan diluluskan dan pihak kami bersedia untuk bekerjasama dengan pihak tuan bagi tujuan pemeriksaan yang akan dijalankan oleh pihak Jabatan dilokasi yang dinyatakan pada bila-bila masa.

Kerjasama pihak tuan didalam membantu perkara ini amat kami hargai.

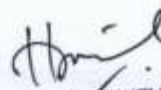
(Page 1of 8)

Sekian. Terima kasih.

Dengan hormatnya,
KULIM SAFETY TRAINING AND SERVICES SDN BHD


MOHD KHIR BIN TAMBY
Pengurus Besar

Tanda Tangan dan Chop Penerimaan:


NAMA: **SITI HASYIMAH BINTI SAHARI**
JAWATAN: **Pegawai Kawalan**
Jabatan Alam Sekitar Negeri Johor
TARIKH: **4/2/14**





MAZSHAKIL (JM-0635707-M)

Ruj. Kami.: MAZ-KB/0214/Enggang/(01)
Tarikh : 03rd Jan 2014



Pengarah
Jabatan Alam Sekitar Negeri Johor
Tingkat 1 & 2, Bangunan Hasil,
Jalan Padi Emas 1,
Bandar Baru Uda,
81200 Johor Bahru,
Johor

Tuan,

**Memohon Kebenaran Memasang Alat Kawalan Pencemaran Udara Di Bawah
Peraturan 36 dan 38, Peraturan-Peraturan Kualiti Alam Sekeliling (Udara Bersih) 1978**
i. **Pemasangan Tiga (3) Unit Janakuasa Tunggu Sedia**

Merujuk kepada perkara di atas, adalah dimaklumkan bahawa Mazshakil dilantik bagi menjalankan urusan yang tersebut.

2. Untuk makluman tuan, pihak **Tetuan Kulim (Malaysia) Berhad.** telah memasang **(3) unit janakuasa tunggu sedia** di premis mereka yang beralamat beralamat Ladang Enggang, KB 503 86009 Kluang, Johor.
3. Bersama-sama ini di sertakan borang permohonan beserta dengan pelan/lukisan yang telah disahkan oleh jurutera bertauliah dan resit pembayaran kompaun untuk tindakan tuan.

Sekian, terima kasih.

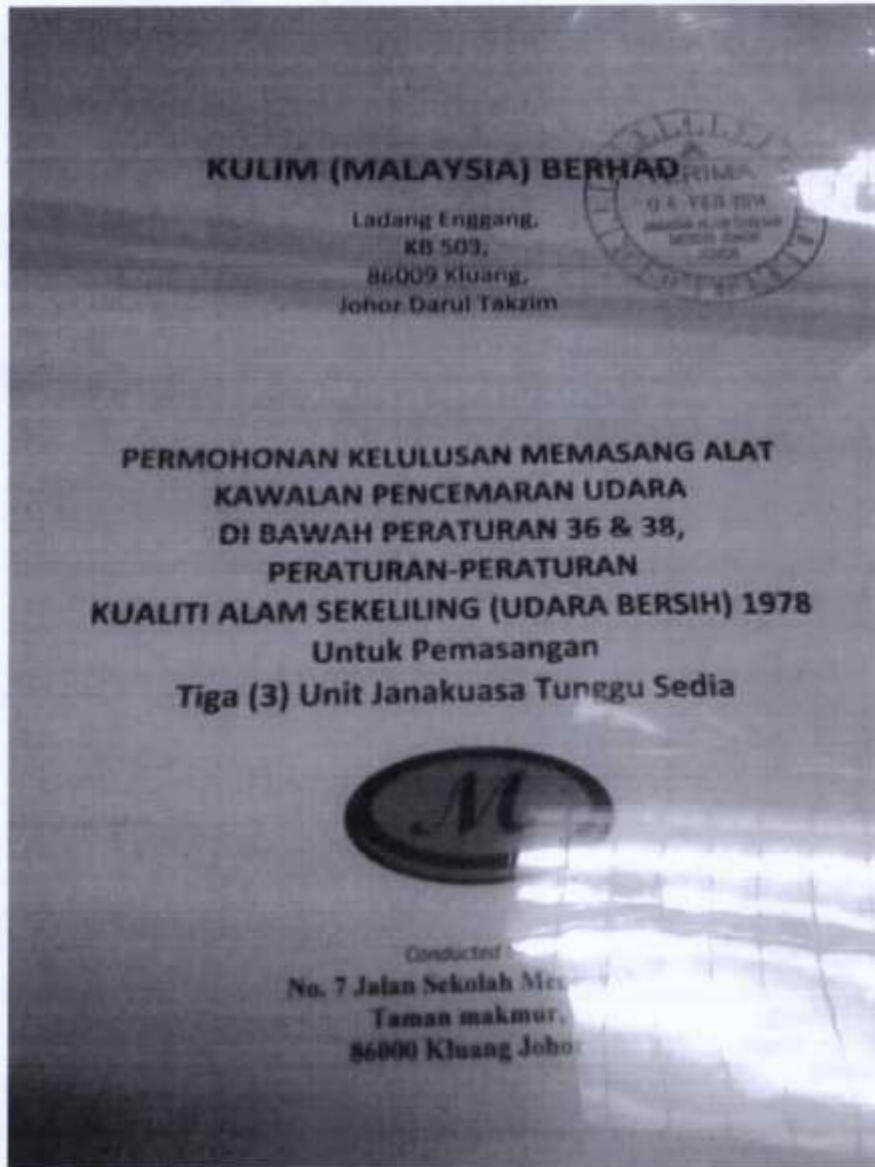
Yang benar,


.....
ISHAK KAMIS
Pengurus Projek
Mazshakil

Di sahkan Oleh,


.....
Pegawai Alam Sekitar
SITI HASYIMAH BINTI SAHARU
Pegawai Kawalan
Jabatan Alam Sekitar Negeri Johor

Ladang Enggang ;



(Page 4 of 8)



MAZSHAKIL (JM-0635707-M)

Ruj. Kami.: MAZ-KB/0214/TEREHM/(01)
Tarikh : 03rd Jan 2014



Pengarah
Jabatan Alam Sekitar Negeri Johor
Tingkat 1 & 2, Bangunan Hasil,
Jalan Padi Emas 1,
Bandar Baru Uda,
81200 Johor Bahru,
Johor

Tuan,

Memohon Kebenaran Memasang Alat Kawalan Pencemaran Udara Di Bawah Peraturan 36 dan 38, Peraturan-Peraturan Kualiti Alam Sekeliling (Udara Bersih) 1978
i. Pemasangan Dua (2) Unit Janakuasa Tunggu Sedia

Merujuk kepada perkara di atas, adalah dimaklumkan bahawa Mazshakil dilantik bagi menjalankan urusan yang tersebut.

2. Untuk makluman tuan, pihak **Tetuan Kulim (Malaysia) Berhad.** telah memasang **Dua (2) unit janakuasa tunggu sedia** di premis mereka yang beralamat beralamat Ladang Tereh Mill, KB 538 86009 Kluang, Johor.
3. Bersama-sama ini di sertakan borang permohonan beserta dengan pelan/tukisan yang telah disahkan oleh jurutera bertauliah dan resit pembayaran kompoun untuk tindakan tuan.

Sekian, terima kasih.

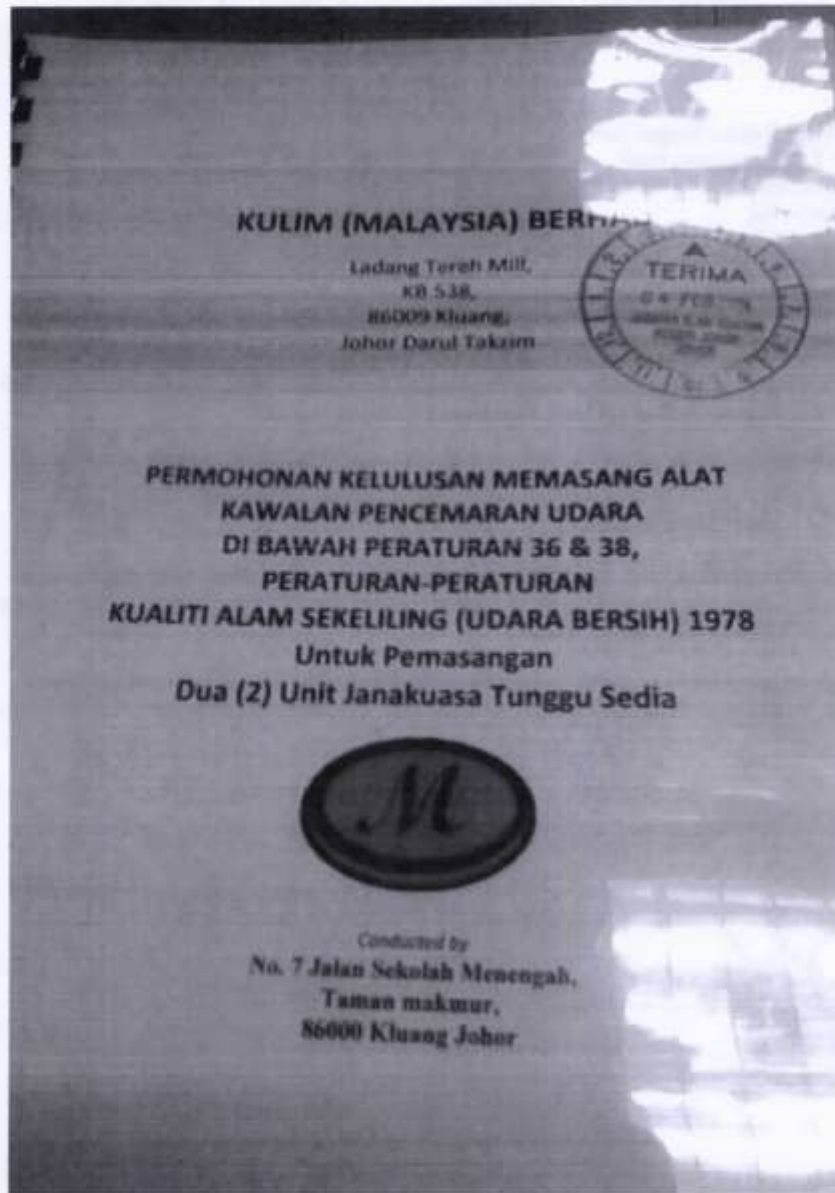
Yang benar,

ISHAK KAMIS
Pengurus Projek
Mazshakil

Di sahkan Oleh,

Pegawai Alam Sekitar
SITI HASYIMAH BINTI SAHAR
Pegawai Kawalan
Jabatan Alam Sekitar Negeri Johor

Ladang Tereh Mill :



(Page 6 of 8)



MAZSHAKIL (JM-0635707-M)

Ruj. Kami.: MAZ-KB/0214/TEREHS/(01)
Tarikh : 03rd Jan 2014



Pengarah
Jabatan Alam Sekitar Negeri Johor
Tingkat 1 & 2, Bangunan Hasil,
Jalan Padi Emas 1,
Bandar Baru Uda,
81200 Johor Bahru,
Johor

Tuan,

Memohon Kebenaran Memasang Alat Kawalan Pencemaran Udara Di Bawah Peraturan 36 dan 38, Peraturan-Peraturan Kualiti Alam Sekeliling (Udara Bersih) 1978
i. Pemasangan Tiga (3) Unit Janakuasa Tunggu Sedia

Merujuk kepada perkara di atas, adalah dimaklumkan bahawa Mazshakil dilantik bagi menjalankan urusan yang tersebut.

2. Untuk makluman tuan, pihak **Tetuan Kulim (Malaysia) Berhad**, telah memasang **(3) unit janakuasa tunggu sedia** di premis mereka yang beralamat beralamat Ladang Tereh Selatan, KB 537 86009 Kluang, Johor.
3. Bersama-sama ini di sertakan borang permohonan beserta dengan pelan/lukisan yang telah disahkan oleh jurutera bertauliah dan resit pembayaran kompoun untuk tindakan tuan.

Sekian, terima kasih.

Yang benar,

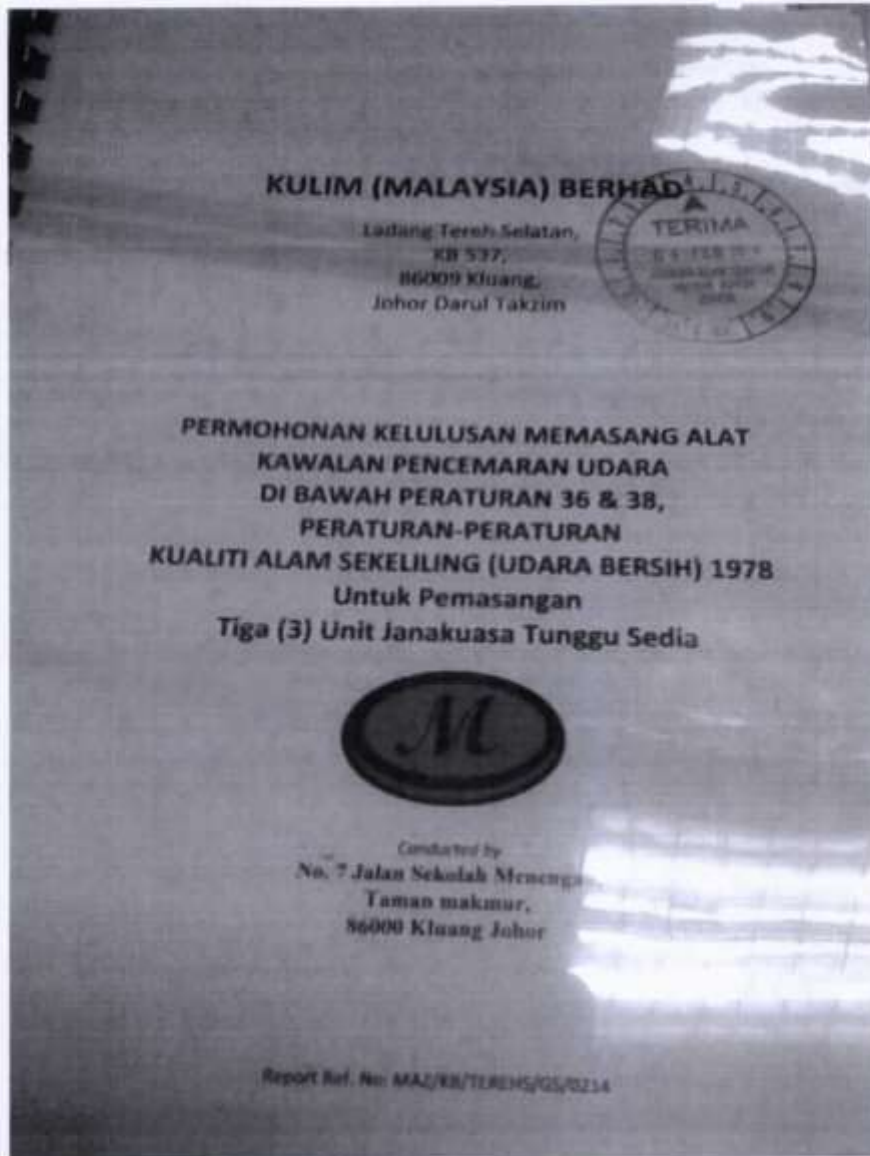
ISHAK KAMIS
Pengurus Projek
Mazshakil

Di sahkan Oleh,

Pegawai Alam Sekitar

SITI HASYIMAH BINTI SAHAR
Pegawai Kawalan
Jabatan Alam Sekitar Negeri Johor

Ladang Tereh Selatan :



Appendix F Documents 1d – Evidence relating to SPAN Licences Renewal

SURUHANJAYA PERKHIDMATAN AIR NEGARA
(NATIONAL WATER SERVICES COMMISSION)
Aras Bawah & Aras Satu
Prima Avenue, Blok 3510
Jalan Teknokrat 6,
63000 Cyberjaya
Selangor Darul Ehsan, Malaysia

Telefon : (603) 8317 9333/4/5
Faks : (603) 8317 9336/9
Laman Web : www.span.gov.my

Ruj. Kami: SPAN/EKS/(PT) 800 – G (bil.19)

Tarikh : 30 Januari 2014

Pengurus Besar
EPA Management Sdn Bhd
Ulu Tiram Estate,
K.B.705,
80990 JOHOR BAHRU

(u.p: Encik Azimin bin Abdullah)

Tuan,

PERMOHONAN PENDAFTARAN LESEN KELAS KEMUDAHAN DAN PERKHIDMATAN SISTEM BEKALAN AIR PERSENDIRIAN

- Ladang Tereh Selatan
- Ladang Enggang
- Kilang Kelapa Sawit Palong

Dengan segala hormatnya surat Tuan bertarikh 23 Disember 2012 rujukan PROP/SPAN (CYB)/SL(206)/12-2013(001) serta perkara di atas adalah dirujuk.

2. Dimaklumkan pihak SPAN telah menerima permohonan tuan untuk memperbaharui lesen kelas bagi EPA Management Sdn Bhd dan subsidiari. Pihak kami telah meneliti maklumat yang dikemukakan dan telah disemak untuk tujuan kelulusan pembaharuan tersebut.

3. Sebagaimana yang dimaklumkan oleh Tuan, kelulusan ini diperlukan bagi tujuan pensijilan RSPO bagi subsidiari milik EPA Management Sdn Bhd dan kelulusan segera SPAN mengenai permohonan Tuan amat diperlukan. Untuk itu, pihak kami akan mengambil tindakan segera mengenainya dan maklum balas rasmi akan dikeluarkan dalam tempoh terdekat.

4. Sekiranya pihak tuan mempunyai sebarang pertanyaan dan menghadapi masalah boleh menghubungi Puan Haslina binti Hassan, Bahagian Pelesenan & Tarif

(Page 1 of 2)

Appendix F Document 1n

di talian 03-8317 9392 atau email haslina@span.gov.my. Pihak kami memohon maaf atas kesulitan yang dihadapi.

Sekian, terima kasih.

Yang benar,



.....
(Annie Chua Soh Ping)
Pengarah
Bahagian Pelesenan & Tarif
Jabatan Kawalselia Ekonomi & Sosial
b/p Suruhanjaya Perkhidmatan Air Negara

ACSP/HH
AC 

CR13 – Major Compliance Indicator 4.7.1 c ii – All precautions attached to products should be properly observed and applied to the workers.

A Nonconformity was assigned because at Enggang Estate, clean water and soap had not been taken into the field for hand washing. A supply of clean water is essential for pesticide operators to wash their hands before eating their food. No signage had been placed to warn of the Circle Spraying activities at P85 Block 1.

Corrective Actions:

Based on Kulim's SOP for Safety in Workplace (Rule 2.2.5), workers are discouraged from eating, drinking and smoking while performing their spraying work. Nonetheless, Field Supervisor in Enggang Estate has been instructed to ensure that adequate clean water and hand wash (soap) are being made available at all times and placed at the trailer used to transport the workers to the field.

KSTS has been asked to provide a standard signage board for the Estate to use to warn of the circle spraying activities carried-out by the estate workers.

Objective Evidence Provided

Enggang Estate conducted training on 10/12/2013 for sprayers (numbering 10 sprayers in total) about the importance of observing the strict guidelines for spraying and safe handling of pesticides. Instruction and reminder to bring clean water and soap have also been adhered to as per photos attached. The Estate also has prepared signage that will be used to warn of circle spraying activities. (Appendix F Document 2)

BSi considers the Objective Evidence provided is appropriate and the Nonconformity was closed 25/01/2014. Implementation of corrective actions will be checked during the 2014 Surveillance Assessment visit.

Appendix F Document 2

LADANG ENGGANG

Company No. : SSB-53946-K
(SELAI SENDIRIAN BERHAD)
K.B 503, 86009 KLUANG, JOHOR DARUL TAKZIM
TEL NO. : 07-7806234
FAX NO. : 07-7806128

LATIHAN MERACUN

Tarikh : 10/12/2013
Masa : 8.30 pagi
Tempat : P85/blok 1

Tajuk : Langkah Keselamatan Ketika Meracun, Kalibrasi
Semburan Racun Per Hektar & Bancuhan Racun
Per Pam.

Penceramah : En. Muhamad Saiful Bin Abdullah

Sebelum

- Pengendali racun dikehendaki membawa dan memakai alat perlindungan keselamatan (PPE) dengan betul.
- Penyelia dan mandor terlibat perlu memastikan bekalan air bersih dan sabun dibawa bagi memcuci tangan ketika berhenti meracun untuk makan.
- Penceramah memberikan penerangan tentang matlamat kalibrasi kepada semua yang terlibat.
- Kaedah dan perjalanan latihan diterangkan kepada pekerja yang terlibat sebelum latihan dijalankan.
- Alatan dipastikan berada dalam keadaan baik ssebelum latihan dimulakan.

Semasa

- Pemantauan dijalankan ke atas pengendali racun semasa meracun bagi memastikan teknik dan kaedah meracun dilakukan dengan baik.
- Papan tanda yang menerangkan tentang kawasan sedang diracun, mula dan tamat kawasan meracun perlu diletakkan di blok yang sedang diracun.

Selepas

- Perjalanan latihan direkodkan.
- Sebarang kekurangan yang berlaku semasa latihan diterangkan dan diperbetulkan oleh penceramah.
- Hasil dan rekod latihan diterangkan kepada pekerja yang terlibat.

EJEN PENGURUSAN : EPA MANAGEMENT SDN. BHD
LOCKED BAG NO. 705, 80990 JOHOR BAHRU
JOHOR DARUL TAKZIM

LADANG ENGGANG

Company No. : SSB-53946-K
(SELAI SENDIRIAN BERHAD)
K.B 503, 86009 KLUANG, JOHOR DARUL TAKZIM
TEL NO. : 07-7806234
FAX NO. : 07-7806128

Objektif

- Memastikan keselatan pekerja yang menjalankan kerja meracun.
- Mengukur kadar semburan air per hektar bagi jenis pam yang tertentu.
- Mengukur kadar bancuhan racun dengan tepat dan berkesan
- Mengukur produktiviti kerja harian bagi setiap pekerja yang mengendalikan kerja meracun
- Mempraktik teknik meracun dengan betul.

Piawaian

- Kadar semburan air per hektar berubah mengikut jenis nozzle yang digunakan
- Kadar penggunaan racun per hektar adalah tetap dan tidak berubah

Peralatan

- Pita ukur
- Jam randik
- Controlled Dropled Applicater (CDA samurai 10liter)

Bahan

- Air bersih

Prosidur

I) Keselamatan

- I. Semua pekerja meracun dikendaki memakai sarung tangan getah, kasut getah panjang, apron dan respirator.
- II. Bekalan air bersih dan dabun sentiasa ada berhampiran kawasan meracun untuk memudahkan pekerja mencuci tangan dan langkah awal jika anggota bada terkena racun.
- III. Penyelia dan mandor memastikan teknik dan langkah keselamatan semasa meracun diterangkan kepada pekerja sebelum kerja meracun dimulakan ; contoh , tidak boleh makan dan minum atau menghisap rokok semasa meracun dan tidak meracun melawan arah angin.

EJEN PENGURUSAN : EPA MANAGEMENT SDN. BHD
LOCKED BAG NO. 705, 80990 JOHOR BAHRU
JOHOR DARUL TAKZIM

LADANG ENGGANG

Company No. : SSB-53946-K
 (SELAI SENDIRIAN BERHAD)
 K.B 503, 86009 KLUANG, JOHOR DARUL TAKZIM
 TEL NO. : 07-7806234
 FAX NO. : 07-7806128

2) Kaliberasi

- I. Jejari pokok sawit diukur dengan menggunakan pita ukur.
- II. Jejari bulatan semburan bulatan pokok diukur sepanjang 8 kaki(2.44m) bermula daripada pangkal pokok.
- III. Panjang jejari (1) dan (2) ditambah bagi mendapatkan jejari keseluruhan bulatan.
- IV. Luas keseluruhan bulatan dan luas pangkal pokok sawit diukur dan ditolak untuk mendapatkan luas sebenar kawasan yang akan diracun.
- V. Kemudian 3 unit pam CDA Samurai 10 liter diisi dengan air sepenuhnya dan semburan dilakukan kepada tiap-tiap pokok dengan kaedah bulatan mengikut jarak yang telah diukur(8kaki).
- VI. Masa bagi setiap unit pam dicatatkan dengan menggunakan jam randik dan jumlah pokok per unit pam direkodkan.
- VII. Langkah (1) – (6) direkodkan seperti di bawah.

Data/Rekod

- Jumlah unit pam : 3 unit
- Jumlah peracun : 3 unit
- Jejari pangkal pokok sawit : 2.0 kaki(0.61m)
- Jejari Bulatan Luar : 8.0 kaki(2.44m)
- Formula Bulatan : πj^2 ($\pi = 3.142$)
- Formula Kalibrasi :

- I. (Luas Keseluruhan Bulatan - Luas Pangkal Pokok sawit) x Jumlah Pokok/Pam
- II. (10000m² x Kapasiti Pam) / Jumlah (1)

EJEN PENGURUSAN : EPA MANAGEMENT SDN. BHD
 LOCKED BAG NO. 705, 80990 JOHOR BAHRU
 JOHOR DARUL TAKZIM

LADANG ENGGANG

Company No. : SSB-53946-K
 (SELAI SENDIRIAN BERHAD)
 K.B 503, 86009 KLUANG, JOHOR DARUL TAKZIM
 TEL NO. : 07-7806234
 FAX NO. : 07-7806128

- Rekod Kalibrasi (CKS) :

Pengendali Racun	Masa /Unit Semburan Pam	Jumlah Pokok/ Unit Pam
Saparwadi	47	122
Santika	53	114
Fadli	54	118
Purata	51 min/pam	118 pokok/pam

- Luas Kawasan Semburan :

- I- Luas Keseluruhan Bulatan = $2.44m + 0.61m$
 = $3.05m$
 = 3.142×3.05^2
 = $29.23m^2$
- II- Luas Pangkal Pokok = 3.142×0.61^2
 = $1.17m^2$
- III- Luas Kawasan Semburan = (I) – (II)
 = $29.23m^2 - 1.17m^2$
 = **$28.06m^2$**
- IV- Luas Kawasan Semburan/pam
 = Luas Kawasan Semburan x Purata Jumlah Pokok Per Pam
 = $28.06m^2 \times 118pokok$
 = **$3311.08m^2$**

EJEN PENGURUSAN : EPA MANAGEMENT SDN. BHD
 LOCKED BAG NO. 705, 80990 JOHOR BAHRU
 JOHOR DARUL TAKZIM

LADANG ENGGANG

Company No. : SSB-53946-K
 (SELAI SENDIRIAN BERHAD)
 K.B 503, 86009 KLUANG, JOHOR DARUL TAKZIM
 TEL NO. : 07-7806234
 FAX NO. : 07-7806128

1. Kalibrasi Semburan Pam/Hektar (*Blanket*)

I.	$(\text{Lias Keseluruhan Bulatan} - \text{Luas Pangkal Pokok sawit}) \times \text{Jumlah Pokok/Pam}$
II.	$(10000\text{m}^2 \times \text{Kapasiti Pam}) / \text{Jumlah (I)}$

$$\text{II-} = (10000\text{m}^2 \times 10 \text{ Liter}) / 3311.08\text{m}^2$$

$$= 30.20 \text{ Liter/Ha/Blanket}$$

$$\text{- Jumlah Pam/Ha} = 30.20 \text{ liter} / 10 \text{ lit}$$

$$= 3.02 @ 3 \text{ Pam/Ha/blanket}$$

2. Kalibrasi Racun/Pam

$$\text{- Kadar Pengesyoran Racun/Ha} = 1500\text{ml(Glyphosate)}$$

$$\text{- Kadar Racun/Pam} = (\text{Kadar Syor Racun/Ha}) / (\text{Jumlah Pam/Ha})$$

$$= 1500\text{ml} / 3 \text{ pam}$$

$$= 500\text{ml} / \text{Pam}$$

Disediakan oleh:

-Telah ditandatangani-

(MUHAMAD SAIFUL B. ABDULLAH)

Disemak oleh :

Telah ditandatangani-

(NORHASHIM B. A. WAHID)

EJEN PENGURUSAN : EPA MANAGEMENT SDN. BHD
 LOCKED BAG NO. 705, 80990 JOHOR BAHRU
 JOHOR DARUL TAKZIM

LADANG ENGGANG

Company No. : SSB-53946-K
(SELAI SENDIRIAN BERHAD)
K.B 503, 86009 KLUANG, JOHOR DARUL TAKZIM
TEL NO. : 07-7806234
FAX NO. : 07-7806128

Lampiran :



Persediaan sebelum memulakan latihan



Air bersih dan sabun



Semburan bulatan pada pangkal pokok sawit



Papan tanda kawasan meracun

EJEN PENGURUSAN : EPA MANAGEMENT SDN. BHD
LOCKED BAG NO. 705, 80990 JOHOR BAHRU
JOHOR DARUL TAKZIM

CR14 – Minor Compliance Indicator 5.3.2 – Having identified wastes and pollutants, an operational plan should be developed and implemented, to avoid or reduce pollution

A Nonconformity was assigned because inspection of the Tereh Mill furrow system for land application found several of the bunds had been damaged by cattle, resulting in “low-spots” in the furrow bund wall. Although treated effluent was not being added to the system at the time of the inspection, following recent heavy rain, rainfall runoff was overflowing from the system from the “low-spots” of the bunds. This indicates the operational plan (pre-start checks) is ineffective for identifying any problems with the furrows to prevent overflow.

Corrective Actions:

Tereh Mill has been asked to take immediate corrective action by repairing the furrow and work instruction to be amended to include the new procedure for furrow operation.

The Mill and Estate need to ensure that no cattle are left grazing within the said area by sending a letter to remind Kulim Livestock Sdn Bhd no cattle are permitted to enter the blocks that have land application furrows. Regular inspection will be conducted by the Estate Manager or Assistant Manager to ensure compliance.

Refresher training for furrow operator will be conducted highlighting the responsibility of the furrow operator during the daily and emergency operation, especially during the rainy season.

Long term Corrective action:

4. Pre-start checklist for furrow operation is developed and monitored by the mill.
5. ERP on furrow rupture training will be conducted at least once a year and a record of training should be maintained.
6. Mill to carry out weekly inspection on the furrow condition and record of inspections should be kept.

Kulim Engineering Department and Estate Operation Department, as well as Kulim Sustainability Department will prepare an additional guideline to keep the last furrow empty for any contingency, especially during rainy season.

Objective Evidence Provided:

Tereh Mill has issued a new Work Instruction on furrow operation procedure (LTM/SOP/5.13) dated 10/12/2013. (Appendix F Document 3a)

An Inspection Register has been created for recording of periodic monitoring of the furrow operation that includes a pre-start checklist before and after pumping. (Appendix F Document 3b)

An additional furrow has been constructed as a contingency for any event of overflow (Appendix F Document 3c).

Kulim Sustainability Department on behalf of Tereh Mill has issued a letter to Kulim Livestock Sdn Bhd to keep their cattle from entering restricted areas, which includes the field with the furrow system. (Appendix F Document 3d)

BSi considers the Objective Evidence provided is appropriate and the Nonconformity was closed 25/01/2014. Implementation of corrective actions will be checked during the 2014 Surveillance Assessment visit.

Appendix F Document 3a – Work Instruction on Furrow Operation Procedure



LADANG TEREH MILL

(COMPANY NO: 23777-M)

CORE PROCESS PROCEDURE		
Rev. No: 1	EFFLUENT TREATMENT PLANT	Doc. No: LTM/SOP/5.13
Issue No: 2		Date: 10 December 2013

ISSUE / REVISION HISTORY

Rev	Effective Date	Affected Section/Page	Change Descriptions
0	1 June 2010	All	New Issue
1	10 December 2013	All	Additional procedures for LTM/SOP/5.13 Effluent Treatment Plant to include Furrow Operation clause 1.5 & 3 page 2 of 7, clause 6.4 & 7.1.2 page 3 of 7, clause 7.1.8 to 7.1.11 page 4 of 7, clause 10.2 page 6 of 7 and clause 11 page 7 of 7.

Prepared by: Assistant Manager	Reviewed by: Sustainability Dept.	Approved by: Mill Manager
Signature:	Signature:	Signature:

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LADANG TEREH MILL

(COMPANY NO: 23777-M)

CORE PROCESS PROCEDURE		
Rev. No: 1	EFFLUENT TREATMENT PLANT	Doc. No: LTM/SOP/5.13
Issue No: 2		Date: 10 December 2013

1. Objective -
 - 1.1. To collect all waste water (effluent) from the mill.
 - 1.2. To retain effluent in ponds for biological activities to make place whereby all solid waste, oil and grease are digested and reacted to from volatile gases and disposable water with B.O.D of not more than 5000 ppm as required by Department of Environment.
 - 1.3. The treated effluent is discharged by land application in furrows system whereby the effluent is soaked away into the earth when retained in the furrows.
 - 1.4. The slurry is pumped into tanks and loaded into tankers to spray to palm trees as fertilizer.
 - 1.5. To minimize land/water pollution.
2. Scope - This procedure applies to the effluent treatment plant at Ladang Tereh Mill.
3. Definition -

P.R	:	Person Responsible.
E.O	:	Effluent Operator.
F.O	:	Furrow Operator.
L.C	:	Lab Conductor.
WBO	:	Weighbridge Operator.
BOD	:	Biochemical Oxygen Demand.
UTCL	:	Ulu Tiram Central Laboratory.
COD	:	Chemical Oxygen Demand.
MPOB	:	Malaysian Palm Oil Board.
DOE	:	Department Of Environment.
4. Reference - MS ISO 9001 : 2008
5. Responsibility - Water treatment plant operator is responsible to the procedure herein.



LADANG TEREH MILL

(COMPANY NO: 23777-M)

CORE PROCESS PROCEDURE		
Rev. No: 1	EFFLUENT TREATMENT PLANT	Doc. No: LTM/SOP/5.13
Issue No: 2		Date: 10 December 2013

6. Operation Procedure

- 6.1. The waste water from cleaning purpose, claybath, hydrocyclone, sterilizers and sludge separators of clarification station are drained into the sludge pit. Then the waste water are flow into a cooling sump.
- 6.2. Operator run a pump when effluent (waste water) level in the cooling sump is high. The effluent is pumped via piping to the Acidificati on Ponds outside mill fencing.
- 6.3. The effluent is discharged at Acidificati on Pond No. 1, 2 or No. 3 and pump to Anaerobic pond A when necessary, treated effluent is recycled to Acidificati on Ponds for cooling purpose.
- 6.4. Sprayers by using pump from pump house no. 3 and no. 4 respectively will be used to break the scum formed on the surface of Anaerobic Pond no. 1 which was due to anaerobic reaction.
- 6.5. The effluent undergoing biological treatment while passes through anaerobic ponds A, B and C by gravity flow, where necessary, the recycling pump is operated to break the scum formed on the surface due to anaerobic reaction and to promote circulation for better reaction, it also serves as mixing purpose.
- 6.6. Effluent water from final discharged will be distributed to Furrow A, B, C & D evenly in the same pipe line. All effluent water will be distributed into the furrow depending on the availability and capacity of the furrow.

7. Process Monitoring

7.1. Daily Routine Monitoring Of Effluent Treatment Pond Activity

- 7.1.1. When the anaerobic ponds are still in the initial stage of activation, pH of effluent in the pond has to be closely monitored. The sample is taken once a month from the 4 sides of the pond, and send to UTCL for testing. If pH falls, corrective action has to be taken by adding soda ash or bunch ash.
- 7.1.2. When the pond activity is normal, i.e with pH between 6.5 to 7.0 or above, ph is monitored only once a month.



LADANG TEREH MILL

(COMPANY NO: 23777-M)

CORE PROCESS PROCEDURE		
Rev. No: 1	EFFLUENT TREATMENT PLANT	Doc. No: LTM/SOP/5.13
Issue No: 2		Date: 10 December 2013

- 7.1.3. When there is discharge from ponds to field for land application, a sample has to be taken once a month and to be sent to UTCL for testing of B.O.D, C.O.D, etc as required by Department Of Environment.
- 7.1.4. The effluent pond operator has to ensure that there is free flow of effluent in each piping, without any chokage. Any leaking pipe should inform Engineer or Supervisor.
- 7.1.5. The effluent pond operator has to ensure that all pumps and pipings are in good working condition.
- 7.1.6. When there is discharge of treated effluent to furrows in the field for land application, the operator has to ensure that the discharge is directed to the furrows.
- 7.1.7. The operator has to ensure that all ponds are not filled to above its maximum level at 1 ft from bund top level.
- 7.1.8. Daily monitoring via report book should be used to report all the condition if necessary and submitted to QMR or his representative for daily verification.
- 7.1.9. Recording of flow meter for the quantity of raw effluent and final discharge effluent should be recorded in daily record book. Daily record book should be submitted to QMR or his representative for daily verification.
- 7.1.10. Sludge oil trapped in the cooling pond need to be checked and estimated the quantity. The estimate figure should be reported to QMR.
- 7.1.11. Marketing Department will engage outside buyer with valid licence issued by MPOB to buy the sludge oil in cooling pond
- 7.2. **Daily Routine Monitoring Of Furrow Activity**
- The E.O should check the level of the pond and communicate with F.O before deciding to pump the final discharge effluent. This is to ensure that the F.O can arrange properly the distribution of water at furrow.
 - The F.O need to check every single furrow and piping condition before deciding to release the water to the desired furrow. Any damaged furrow or piping should not be used to fill up water before it is repaired satisfactory.



LADANG TEREH MILL

(COMPANY NO: 23777-M)

CORE PROCESS PROCEDURE		
Rev. No: 1	EFFLUENT TREATMENT PLANT	Doc. No: LTM/SOP/5.13
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- c) If the water level in the furrow is full, the F.O shall not pump the final discharge effluent. The situation shall be reported to QMR.
- d) Any damage to furrows or piping need to be reported to QMR or his representative for their action. Repair report for piping or furrow need to be submitted to QMR or his representatives for immediate action.
- e) Last line or bottom of furrow needs to be kept empty for safety purpose especially during rainy season in order to avoid overflow or spillage.
- f) The F.O should be prepared especially during rainy season in order to control and communicate with QMR for any emergency case that will happen to effluent or furrow.

7.3. Monitoring & Mitigating Of Bund Wall Condition To Prevent Rupture.

- a) The operator shall carry out daily inspection of the bund wall condition and report to the Supervisor In Charge of ETP operation for any leak traces of leak or crack at the bund wall.
- b) The Supervisor In Charge shall record the condition of the bund wall in his ETP report to the Engineer weekly. Any abnormal condition of the bund wall shall be brought to the attention of Manager or Assistant Mill Engineer for corrective action to be taken.
- c) The frequency of bund walls inspection shall be intensified during the monsoon season, particularly after heavy downpour, record to be maintained.

8. Maintenance

- 8.1. All pumps are to be checked and serviced monthly.
- 8.2. All piping are to be checked for leaks and repair carry out as soon as possible.

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LADANG TEROH MILL

(COMPANY NO: 23777-M)

CORE PROCESS PROCEDURE		
Rev. No: 1	EFFLUENT TREATMENT PLANT	Doc. No: LTM/SOP/5.13
Issue No: 2		Date: 10 December 2013

9. Safety Precaution.

- 9.1 The Working Permit should be obtained from the Mill Manager/QMR prior to any repair works to be done that involves welding and/or outing using Acetylene and/or Oxygen gas especially nearby the Cooling pond and/or other pond which consist of sludge oil.

The general OSH SOP of respective work station should be strictly observed and adhered to.

- 9.2 Smoking is strictly prohibited in the area surrounding the cooling pond and/or other ponds which consist of sludge oil.

10. Corrective Action

10.1 Correction Action For Non-Conformance In Effluent Discharge.

- Increase mixing by recycling.
- Reduce sludge extraction from the affected pond.
- Reduce or stop feeding if necessary.
- Load healthy seed sludge from non-affected pond.
- Monitor the control parameters closely.
- Add alkaline (soda ash) when pH reading drop to below 5.

10.2 Corrective Action For Furrow Rupture of Over Flow.

- Any slight crack of bund should be covered with polythene cloth/sand bag to avoid further erosion.
- For serious erosion that has taken place at the bund, pilling and earth refilling should be carried out as soon as possible. Water level in the affected pond should be lowered immediately to reduce pressure on the effected bund.
- The last line/bottom of furrow which is emptied or with less water content are being prepared for any spillage of water from above furrow.



LADANG TEROH MILL

(COMPANY NO: 23777-M)

CORE PROCESS PROCEDURE		
Rev. No: 1	EFFLUENT TREATMENT PLANT	Doc. No: LTM/SOP/5.13
Issue No: 2		Date: 10 December 2013

10.3 Corrective Action To Prevent Bund Rupture

- a) Any slight crack of bund should be covered with polythene cloth to avoid further erosion.
- b) Any stagnant water on the bund should be drained.
- c) Drains along the bunds should be properly maintained.
- d) For serious erosion that has taken place at the bund, water level in the affected pond should be lowered immediately to reduce pressure on the affected bund. Piling and refilling of earth has to be carried out with quickest means.

11. Station Records.

- a) The operator has to keep a record of pump running hours and dosage of soda ash to increase pond pH. If any.
- b) The L.C has to keep a record of pond pH and monthly analysis results of sample sent to UTCL.
- c) The record of quarterly return on effluent sent to DOE has to be kept at Administration Office.
- d) Record of quarterly returns (AS 3) on effluent sent to DOE has to keep at the administration office.
- e) W.B.O shall keep a record for sale sludge oil and executives will verify it.
- f) The operator has to keep a record of volume of effluent discharged daily for checking by the L.C/A.QMR.
- g) The F.O has to keep a record Condition of Furrow daily for checking by A.QMR/QMR.

Appendix F Document 3b – Inspection Register Implemented for Recording Monitoring of Furrow Operation

TARIKH	EFFLUENT PUMP TO FURROW		TOTAL PER DAY	FURROW DISCHARGE AREA			*FURROW CONDITION BEFORE PUMPING			*FURROW CONDITION AFTER PUMPING			*REMARKS			SIGN BY OPER	SIGN BY SUPHAM
	PUMP START	PUMP STOP		M3	FURROW A	FURROW B	FURROW C	A	B	C	A	B	C	LAST FURROW CONDITION	WEATHER		
1-Jan-2014	8:00 am	6:00 pm	563		✓			35%			40%		EMPTY	OK	OK	A	B
2-Jan-2014																	
3-Jan-2014																	
4-Jan-2014																	
5-Jan-2014																	
6-Jan-2014																	
7-Jan-2014																	
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30-Jan-2014																	
31-Jan-2014																	

Appendix F Document 3c – Additional furrow constructed as a contingency for any event of overflow

Last Pond of Furrow after Corrective Action



Last pond of furrow should be emptied to preserve the overflow from previous pond during heavy rain. Picture above shows the corrective action of the last pond as per stated in the mill SOP LTM/SOP/5.13.

Appendix F Document 3d – letter requesting Kulim Livestock Sdn Bhd to restrict cattle entering furrow system area

KULIM (MALAYSIA) BERHAD
(Company No. 23370-V)

6/01/2014

The Manager
Kulim Livestock Sdn Bhd
Kluang
Johor.

Dear Sir,


MONITORING OF CATTLE AT TEREH COMPLEX

The above refers. We have received feedback from our Tereh Mill that there were incidences of cattle believed to be of your company which are found to be wondering within the restricted area of P00.

Kindly be reminded that the field area in P00 are full of furrow system that would be dangerous for the cattle to be left wondering around for fear of falling to the small furrow pond thus injuring the animal. We urge you to inform your field supervisor to take necessary step to tighten supervision and ensure grazing activities are carried-out far away from restricted area.

Your attention to the said matter is highly appreciated and we thank you for your understanding and cooperation. Thank you.

Yours faithfully
for **Kulim (M) Bhd**


Sallehuddin Hj Mohd Noh
SENIOR MANAGER - SUSTAINABILITY DEPARTMENT

c.c The Manager Tereh Mill
The Manager Tereh Selatan Estate

Appendix “G”

Assessment Findings “Outside” Estate Wawasan

KULIM (MALAYSIA) BERHAD

“Outside” Estate Wawasan

Initial Assessment for Certification

against the RSPO SMALLHOLDERS GUIDENCE MY-NIWG 2010

Assessment Date 05 DECEMBER 2013

Criterion / Indicator	Assessment Findings	Compliance
Principle 1: Commitment to Transparency		
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 and forms to allow for effective participation in decision making		
1.1.1	Records of requests and responses must be maintained. - Major compliance -	Wawasan maintains copies of correspondence on file, for example from MPOB requesting renewal of license. Wawasan replied via MPOB website.
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.		
1.2.1	This concerns management documents relating to environmental, social and legal issues that are relevant to compliance with RSPO Criteria. Documents that must be publicly available include, but are not necessarily limited to:- <ul style="list-style-type: none"> • Land titles / user rights • Safety and health plan • Plans and impact assessments relating to environmental and social impacts • Pollution prevention plans • Details of complaints and grievances • Negotiation procedures • Continuous improvement plan - Major compliance -	All of these Documents are yet to be prepared <i>(Copies of all Documents provided as Objective Evidence are held on file by BSI Lead Auditor)</i>
MAJOR NONCOMPLIANCE Refer CRO1 Section 3.3 Page 25 for details		

Criterion / Indicator	Assessment Findings	Compliance	
Principle 2: Compliance with applicable laws and regulations			
<p>Criterion 2.1</p> <p>There is compliance with all applicable local, national and ratified international laws and regulations.</p> <p>Independent Smallholders</p> <p>Group managers must hold an up-to-date list of applicable laws, which is known to be available for reference by group members, Through periodic assessments, group managers must ensure smallholders can show evidence of compliance with all relevant legal requirements including the acquisition or holding of lands. Group smallholders should be aware of and understand the intent of applicable laws and regulations. More detailed guidance must be given in the national interpretations</p>			
2.1.1	<p>Evidence of compliance with legal requirements.</p> <p>- Major compliance -</p>	<p>Deductions were being made from foreign workers pay without their prior knowledge (RM50 for Permit and RM25 for Buffalo Guard). (Labour Department (Jabatan Tenaga Kerja, Semenanjung Malaysia) issued a “Surat Pekeliling Bahagian Penguatkuasaan Bil 1/2009” dated 17 March 2009 on the withdrawal of permission granted to make advance or advances of wages and also make deductions from wages of foreign workers for purposes of payment of levy under sections 22 and 24 of the Employment Act, 1955, effective from 1 April 2009.)</p> <p><i>(Copies of all Documents provided as Objective Evidence are held on file by BSI Lead Auditor)</i></p>	<p>MAJOR NONCOMPLIANCE</p> <p><i>Refer CR02 Section 3.3 Page 25 for details</i></p>
2.1.2	<p>A documented system, which includes written information on legal requirements.</p> <p>- Minor compliance -</p>	<p>Holds copies of applicable acts and regulations, eg Labour, Immigration, Pesticides, Environment, Health & safety</p>	<p>COMPLIES</p>
2.1.3	<p>A mechanism for ensuring that they are implemented.</p> <p>- Minor compliance -</p>	<p>Recently implemented audit by Kulim, which will be used by Wawasan Estate for periodic checks.</p>	<p>COMPLIES</p>
2.1.4	<p>A system for tracking any changes in the law.</p> <p>- Minor compliance -</p>	<p>Member of MAPA who advises of any changes to the applicable regs, especially Labour Act. Eg copy of MAPA Circular No M/MN/1/2013 on 31 January 2013.</p>	<p>COMPLIES</p>
<p>Criterion 2.2</p> <p>The right to use the land can be demonstrated and is not legitimately contested by local communities with demonstrable rights.</p> <p>Independent Smallholders</p> <p>Group Managers have maps or other documents showing the lands held by group smallholders and can show these lands are not claimed or contested by third parties with legitimate claims. National interpretations must identify what kind of documents are needed to show compliance.</p> <p>Documents that should be publicly available include, but are not necessarily limited to: 7 - Land titles - Land application - Land use right - Quit rent - Land agreement</p>			
2.2.1	<p>Evidence of legal ownership of the land including history of land tenure.</p> <p>- Major compliance -</p>	<p>Parent company holds freehold title HSD 45041, Johor, Kluang, Mukim Paloh, 26 CI, PTD 6292 for 357.01 ha 99 year lease expiry 26 September 2100.</p>	<p>COMPLIES</p>

Criterion / Indicator		Assessment Findings	Compliance
2.2.2	Growers must show that they comply with the terms of the land title. - Minor compliance -	Land use in title is palm oil plantation	COMPLIES
2.2.3	Evidence that boundary stones along the perimeter adjacent to state land and other reserves are being located and visibly maintained. - Minor compliance -	Inspected boundary stone adjacent to Felda Paloh	COMPLIES
2.2.4	Where there are, or have been, disputes, proof of resolution or progress towards resolution by conflict resolution processes acceptable to all parties are implemented. - Minor compliance -	None to date. Land is freehold.	COMPLIES
<p>Criterion 2.3</p> <p>Use of the land for oil palm does not diminish the legal rights or customary rights, of other users, without their free, prior and informed consent.</p> <p>Independent Smallholders Group managers can show that lands acquired for group smallholders do not diminish legal or customary rights of other users. Where others' customary or legally owned lands have been taken-over there is documentary proof of transfer of rights (eg sale) and of payment or provision of agreed compensation.</p>			
2.3.1	Where lands are encumbered by customary rights, participatory mapping should be conducted to construct maps that show the extent of these rights. - Major compliance –	The Estate is on freehold land – there is no customary land.	COMPLIES
2.3.2	Map of appropriate scale showing extent of claims under dispute. - Major compliance -	There have not been any claims against Wawasan Estate.	COMPLIES
2.3.4	Copies of negotiated agreements detailing process of consent. - Minor compliance -	Copy of 60 year lease agreement between Wawasan and parent company expiry 19 February 2069.	COMPLIES
<p><i>Principle 3: Commitment to long-term economic and financial viability</i></p> <p>Criterion 3.1</p> <p>There is an implemented management plan that aims to achieve long-term economic and financial viability.</p> <p>Independent Smallholders Group managers have a documented annual business plan which shows economic benefits for the group (and set out expansion plans – see 7.1). This plan is shared with group members in an appropriate format. Independent Smallholders Group managers have a documented annual business plan which shows economic benefits for the group (and set out expansion plans – see 7.1). This plan is shared with group members in an appropriate format.</p>			
3.1.1	Annual budget with a minimum 2 years of projection - Major compliance-	A documented operational plan and budget for 2013-14 years, which covers area statement, FFB production, cost, expenditure, income and provision for fertilizer and road maintenance “Ladang Wawasan Budget”.	COMPLIES

Criterion / Indicator		Assessment Findings	Compliance
3.1.2	Annual replanting programme projected for a minimum of 5 years with yearly review. - Minor compliance -	No replanting in the near future, it will be started 2024.	COMPLIES
Principle 4: Use of appropriate best practices by growers and millers.			
Criterion 4.1			
Operating procedures are appropriately documented and consistently implemented and monitored			
Independent Smallholders Group Managers can show how they document, monitor and manage the implementation of best practices by group smallholders in accordance from the internal assessment of members from Group Managers, Group Managers should ensure that group smallholders can show evidence of compliance. More detailed guidance should be given in the national interpretations. Training should be provided under 4.8.			
4.1.1	Documented Standard Operating Procedures (SOP) for estates and mills -Major compliance -	The procedure is to refer to the “Lembaga Minyak sawit Malaysia (MPOB), know as “Manual Penanaman dan Penyelenggaraan Untuk sector Perkebunan Kecil”, dated 1 July 2004, covering all stages in plantation operation in smallholders.	COMPLIES
4.1.2	Records of monitoring and the actions taken are maintained and kept for a minimum of 12 months. - Minor compliance -	Records are maintained of monthly production, field activities and costs which are reported to the Wawasan Office in Kota Tinggi.	COMPLIES
Criterion 4.2			
Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield. Independent Smallholders Group Managers can show how they carried out training with group smallholders to explain best practices to maintain soil fertility (see 4.8) and monitor and verify effective implementation.			
4.2.1	Monitoring of fertiliser inputs through annual fertiliser recommendations. -Minor compliance -	Fertiliser program is determined by the company Director who is an agronomist. Annual fertilizer application is consistent with MPOB recommendation of 8 kg/palm in four rounds. Records held of the quantity applied.	COMPLIES
4.2.2	Evidence of periodic tissue and soil sampling to monitor changes in nutrient status. -Minor compliance -	Wawasan Estate Agronomist uses visual inspection of palms and yield data for nutrition, which is considered appropriate for a small grower.	COMPLIES
4.2.3	Monitor the area on which EFB, POME and zero-burn replanting is applied. - Minor compliance -	No replanting recent or in progress. No evidence of fire use.	COMPLIES
Criterion 4.3			
Practices minimise and control erosion and degradation of soils. Independent Smallholders Group Managers can show that they have carried out trainings with group smallholders to explain best practices to minimise and control the erosion and degradation (see 4.8) and monitor and verify effective implementation.			

Criterion / Indicator		Assessment Findings	Compliance
4.3.1	Documented evidence of practices minimizing soil erosion and degradation (including maps). - Minor compliance -	Inspection confirmed that frond stacking and terracing is implemented consistently.	COMPLIES
4.3.2	Avoid or minimize bare or exposed soil within estates. - Minor compliance -	Very good groundcover observed at all locations inspected.	COMPLIES
4.3.3	Presence of road maintenance programme. - Minor compliance -	Budget provision and roads well maintained at all locations visited.	COMPLIES
4.3.4	Subsidence of peat soils should be minimised through an effective and documented water management programme. - Minor compliance -	There is no peat soil at the Estate.	Not Applicable
4.3.5	Best management practices should be in place for other fragile and problem soils (e.g. sandy, low organic matter and acid sulphate soils). - Minor compliance -	There are no sandy, low organic matter or acid sulphate soils at the Estate.	Not Applicable
<p>Criterion 4.4</p> <p><i>Practices maintain the quality and availability of surface and ground water.</i></p> <p>Independent Smallholders</p> <p>Group Managers shall ensure that group members are maintaining riparian buffer zones and not contributing to water quality degradation. This is monitored and overseen by the Group Manager.</p>			
4.4.1	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before replanting along all natural waterways within the estate. - Major compliance -	Good groundcover maintained along all drains and small streams inspected.	COMPLIES
4.4.2	No construction of bunds/weirs/dams across the main rivers or waterways passing through an estate. - Major compliance -	No bunds or weirs have been constructed.	COMPLIES
4.4.3	Outgoing water into main natural waterways should be monitored at a frequency that reflects the estates and mills current activities which may have negative impacts (Cross reference to C 5.1 and 8.1). - Major compliance -	Inspection following rain within previous 24 hours indicated minimal TSS in discharge of rainfall runoff – very good groundcover along roadside drains minimizes sediment entrainment.	COMPLIES

Criterion / Indicator		Assessment Findings	Compliance
4.4.4	Monitoring rainfall data for proper water management. - Minor compliance -	Rainfall records are available from adjacent Felda Paloh and Kulim Estates.	COMPLIES
4.4.5	Monitoring of water usage in mills (tonnage water use/tonne FFB processed). - Minor compliance -	Only applicable to Mills	Not Applicable
4.4.6	Water drainage into protected areas is avoided wherever possible. Appropriate mitigating measures will be implemented following consultation with relevant stakeholders. - Minor compliance -	There is no drainage into protected areas.	Not Applicable
4.4.7	Evidence of water management plans. - Minor compliance -	There is no water extraction on site as no accommodation on site for workers. Maintenance of very good groundcover at all areas inspected provides evidence of water management implementation.	COMPLIES
<p>Criterion 4.5</p> <p>Pests, diseases, weeds and invasive introduced species are effectively managed through using appropriate integrated Pest Management (IPM) techniques.</p> <p>Independent smallholders</p> <p>Group managers should provide regular training to group smallholders in IPM techniques (incorporating cultural, biological, mechanical or physical methods – see 4.8) to minimise use of chemicals and provide appropriate assistance for application. More detailed guidance should be given in the national interpretations.</p>			
4.5.1	Documented IPM system. - Minor compliance –	IPM plan was documented as per reference document MPOB IPM system as guidance in procedure 4.1.1, which provides detailed information on Integrated Pest Management in smallholder scheme.	COMPLIES
4.5.2	Monitoring extent of IPM implementation for major pests. - Minor compliance –	Inspection confirmed plantings of <i>Antigonon leptopus</i> , <i>Turnera subulata</i> and <i>Cassia cobenensis</i> along roadsides. Estate has recently installed 10 barn owl boxes, with 4 occupied.	COMPLIES
4.5.3	Recording areas where pesticides have been used. - Minor compliance –	Pesticides usage has been recorded starting from 01 April 2013 for the two types used (Glyphosate and Ally), including the block where it was applied.	COMPLIES
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. - Minor compliance –	Following the recent start of records, the Estate in future will be able to calculate this indicator on an annual basis.	COMPLIES

Criterion / Indicator	Assessment Findings	Compliance	
<p>Criterion 4.6</p> <p>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.</p> <p>Independent smallholders Group managers records will also show:</p> <ul style="list-style-type: none"> list of all agrochemicals used by group members documentary evidence that use of chemicals categorised as World Health Organisation Type 1A or 1B, or listed by the Stockholm or Rotterdam Conventions, and paraquat is reduced and/or eliminated and alternatives identified where possible by the group manager in accordance with the dangers identified of these chemicals. <p>Note: Records of pesticide use (including active ingredients used, area treated, amount applied per ha and number of applications) are maintained for either a minimum of 5 years or starting November 2007.</p>			
4.6.1	Written justification in Standard Operating Procedures (SOP) of all agrochemicals use. - Major compliance -	Procedure is to refer to the “Lembaga Minyak Sawit Malaysi-Manual Penanaman dan Penyelenggaraan Untuk sector Perkebunan Kecil” from MPOB, dated 1 July 2004, section 5b. (Menggunakan Racun Kimia)	COMPLIES
4.6.2	Pesticides selected for use are those officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations (2000). - Major compliance -	Only two pesticides are used and both are registered.	COMPLIES
4.6.3	Pesticides shall be stored in accordance to the Occupational Safety and Health Act 1994 (Act 514) and Regulations and Orders and Pesticides Act 1974 (Act 149) and Regulations. - Major compliance -	A contractor NFM Teguh Jaya Enterprise is engaged to manage spraying of herbicides. The contractor transports pesticides and spray equipment from Kota Tinggi at the start of the spray round and issues these to the two sprayers. <i>There is no secure storage for the balance of the issued pesticide (20 L of glyphosate and 500 g of Ally) at the Estate.</i> <i>(Copies of all Documents provided as Objective Evidence are held on file by BSI Lead Auditor)</i>	MAJOR NONCOMPLIANCE <i>Refer CR03 Section 3.3 Pages 26 for details</i>
4.6.4	All information regarding the chemicals and its usage, hazards, trade and generic names must be available in language understood by workers or explained carefully to them by a plantation management official at operating unit level. - Major compliance -	Interview of the contractor and sprayers indicated their understanding of the precautions for the chemicals. Training has been provided by the spraying contractor to the two sprayers.	COMPLIES
4.6.5	Annual medical surveillance as per CHRA for plantation pesticide operators. - Major compliance -	Annual CHRA Medical Surveillance has not been carried out for all operators who handle pesticides. <i>(Copies of all Documents provided as Objective Evidence are held on file by BSI Lead Auditor)</i>	MAJOR NONCOMPLIANCE <i>Refer CR04 Section 3.3 Page 26 for details</i>

Criterion / Indicator		Assessment Findings	Compliance
4.6.6	No work with pesticides for confirmed pregnant and breast-feeding women. - Major compliance -	No women work in the Estate	Not Applicable
4.6.7	Documentary evidence that use of chemicals categorised as World Health Organisation Type 1A or 1B, or listed by the Stockholm or Rotterdam Conventions and paraquat, is reduced and/or eliminated. Adoption of suitable economic alternative to paraquat as suggested by the EB pending outcome of the RSPO study on IWM. - Minor compliance -	No use pesticides class 1A or 1B or Stockholm or Rotterdam Convention (only use glyphosate and Ally).	COMPLIES
4.6.8	Documented justification of any aerial application of agrochemicals. No aerial spraying unless approved by relevant authorities. - Major compliance -	No aerial spraying	COMPLIES
4.6.9	Evidence of chemical residues in CPO testing, as requested and conducted by the buyers. - Minor compliance –	Only applicable to Mills	Not Applicable
4.6.10	Records of pesticide use (including active ingredients used, area treated, amount applied per ha and number of applications) are maintained for either a minimum of 5 years or starting November 2007. - Minor compliance -	Pesticides usage has been recorded starting from 01 April 2013 for the two types used (Glyphosate and Ally), including the active ingredient and the block where it was applied.	COMPLIES
<p>Criterion 4.7</p> <p>An occupational health and safety plan is documented and effectively communicated and implemented.</p> <p>Independent Smallholders</p> <p>Independent smallholders need not have a formal health and safety plan but should ensure working practices for all workers are safe.</p>			
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). - Major compliance -	<p>a) A Policy is yet to be prepared, however it is one of the actions identified in the SIA</p> <p>g) There is no procedure in case of accident</p> <p>h) First Aid Training has been conducted but not by a qualified person.</p> <p><i>(Copies of all Documents provided as Objective Evidence are held on file by BSI Lead Auditor)</i></p>	<p>MAJOR NONCOMPLIANCE</p> <p><i>Refer CR05 Section 3.3 Page 26 for details</i></p>
4.7.2	Records should be kept of all accidents and periodically reviewed at quarterly intervals. - Major compliance –	It was stated there have been no accidents however a file has not been prepared to record any future accidents.	<p>OBSERVATION 01</p> <p><i>Refer OBS01 Section 3.3 Page 27 for details</i></p>

Criterion / Indicator		Assessment Findings	Compliance
4.7.3	Workers should be covered by accident insurance. - Major compliance -	The Contractor has not taken out insurance cover for any worker. <i>(Copies of all Documents provided as Objective Evidence are held on file by BSI Lead Auditor)</i>	MAJOR NONCOMPLIANCE <i>Refer CR06 Section 3.3 Page 26 for details</i>
Criterion 4.8 All staff, workers, smallholders and contractors are appropriately trained. Independent Smallholders Group managers should raise awareness on relevant issues and identify training needs and provided to smallholders where needed. Areas for assessment of training include: The functioning of groups and the responsibilities of group members The relevance of the RSPO standard Legal compliance (see 2.1) Operating procedures (see 4.1) Soil and water management (see 4.2, 4.3 & 4.4) Integrated Pest Management (see 4.5) Agrochemical use (see 4.6) Occupational Health and Safety (see 4.7) Use of fire and relevant regulations (see 5.5)			
4.8.1	A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training for employees are kept. - Major compliance -	At the time of the Audit a Training Programme had not yet been prepared. <i>(Copies of all Documents provided as Objective Evidence are held on file by BSI Lead Auditor)</i>	MAJOR NONCOMPLIANCE <i>Refer CR07 Section 3.3 Page 26 for details</i>
Principle 5: Environmental responsibility and conservation of natural resources and biodiversity			
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.			
5.1.1	Documented aspects and impacts risk assessment that is periodically reviewed and updated. - Major compliance -	The Estate staff understood the main environmental aspects and impacts of the estate operations, but these had not been formalized in a risk assessment process.	NONCONFORMITY ASSIGNED INDICATOR 1.2.3
5.1.2	Environmental improvement plan to mitigate the negative impacts and promote the positive ones, is developed, implemented and monitored. - Minor compliance -	A basic improvement plan has been prepared covering environmental and social issues. The Environmental Improvement Plan needs expanding to include the actions from the environmental risk assessment and work required to meet RSPO compliance.	OBSERVATION 02 <i>Refer OBS02 Section 3.3 Page 27 for details</i>
Criterion 5.2 The status of rare, threatened or endangered species (ERTs) 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.			

Criterion / Indicator		Assessment Findings	Compliance
5.2.1	Identification and assessment of HCV habitats and protected areas within landholdings; and attempt assessments of HCV habitats and protected areas surrounding landholdings. - Major compliance -	Two remnant secondary forest areas on hilltops have been identified as HCV and are marked on maps.	COMPLIES
5.2.2	Management plan for HCV habitats (including ERTs) and their conservation. - Major compliance -	There are no ERTs known within or near the Estate. HCV Management has not been documented in a formal plan. However inspection confirmed management of both HCV areas was well implemented, as appropriate for the small estate.	COMPLIES
5.2.3	Evidence of a commitment to discourage any illegal or inappropriate hunting fishing or collecting activities, and developing responsible measures to resolve human-wildlife conflicts. - Minor compliance –	Interview of workers and contractors confirmed awareness of prohibiting the taking or hunting of wildlife within and adjacent to the estate. Signs were displayed prominently at both HCV areas.	COMPLIES
Criterion 5.3			
Waste is reduced recycled, re-used and disposed off in an environmentally and socially responsible manner.			
5.3.1	Documented identification of all waste products and sources of pollution. - Major compliance -	The only significant waste generated on the Estate is a small number of empty pesticide containers. There are no residences, facilities or workshop on the Estate.	COMPLIES
5.3.2	Having identified wastes and pollutants, an operational plan should be developed and implemented, to avoid or reduce pollution. - Major compliance -	An operational plan has not yet been created for management of pesticide containers. <i>(Copies of all Documents provided as Objective Evidence are held on file by BSI Lead Auditor)</i>	MINOR NONCOMPLIANCE <i>Refer CR08 Section 3.3 Pages 27 for details</i>
5.3.3	Evidence that crop residues / biomass are recycled - Minor compliance -	Replanting is not scheduled until 2025.	Not Applicable
Criterion 5.4			
Efficiency of energy use and use of renewable energy is maximised			
5.4.1	Monitoring of renewable energy use per tonne of CPO or palm product in the Mill - Minor compliance –	Only applicable to Mills.	Not Applicable
5.4.2	Monitoring of direct fossil fuel use per tonne of CPO or kW per tonne palm product in the mill (or FFB where the grower has no mill). - Minor compliance –	Wawasan Estate is adjacent to Tereh Mill and the FFB transport has been optimised to minimise use of fossil fuels.	COMPLIES

Criterion / Indicator		Assessment Findings	Compliance
Criterion 5.5			
Use of fire for waste disposal and for preparing land for replanting is avoided except in specific situations, as identified in the ASEAN guidance or other regional best practice.			
5.5.1	No evidence of open burning. Where controlled burning occurs, it is as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003. - Major compliance -	Zero burning is practiced and no evidence of burning was noticed during the field visit.	COMPLIES
5.5.2	Previous crop should be felled/mowed down, chipped/shredded, windrowed or pulverized/ ploughed and mulched. - Minor compliance –	Replanting is not due until 2025.	COMPLIES
5.5.3	No evidence of burning waste (including domestic waste). - Minor compliance -	No evidence of fire used for waste disposal was observed during the field visit.	COMPLIES
Criterion 5.6			
Plans to reduce pollution and emissions, including greenhouse gases are developed, implemented and monitored.			
5.6.1	Documented plans to mitigate all polluting activities - Major compliance -	The Estate staff demonstrated awareness of the main polluting activities associated with their activities. Control of soil erosion and use of pesticides are well managed.	COMPLIES
5.6.2	Plans are reviewed annually. - Minor compliance –	Inspection of the Estate did not identify any polluting activity that needed improvement. The Assessor considers it unnecessary for the Estate to have a separate Pollution Prevention Plan.	COMPLIES
5.6.3	Monitor and reduce peat subsidence rate through water table management. - Minor compliance –	There is no peat soil at the Estate.	Not Applicable
Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and millers			
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.			
6.1.1	A documented social impact assessment including records of meetings. - Major compliance -	Kulim carried out a baseline assessment on 3 July 2013.	COMPLIES
6.1.2	Evidence that the assessment has been done with the participation of affected parties. - Minor compliance –	Wawasan Staff and Workers participated in the interview process.	COMPLIES

Criterion / Indicator		Assessment Findings	Compliance
6.1.3	A timetable with responsibilities for mitigation and monitoring is reviewed and updated as necessary. - Minor compliance –	Action Plan was prepared on the basis of issues found during the assessment, such as no Policy on Sexual Harassment or Open Burning (completion December 2014); boundary stones not clearly marked (February 2014); no annual training programme (January 2014), no record on social impacts and HIRAC (March 2014).	COMPLIES
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.			
6.2.1	Documented consultation and communication procedures. - Major compliance -	“Komitmen Kepada Ketelusan” Commitment to Transparency file holds records of correspondence received from stakeholders but nothing included that requires a response – mainly invitations to meetings at Tereh Estates	COMPLIES
6.2.2	A nominated plantation management official at the operating unit responsible for these issues. - Minor compliance -	The Director is the person responsible	COMPLIES
6.2.3	Maintenance of a list of stakeholders, records of all communication and records of actions taken in response to input from stakeholders. - Minor compliance -	Prepared October 2013 and includes relevant Stakeholders	COMPLIES
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.			
6.3.1	Documentation of the process by which a dispute was resolved and the outcome. - Major compliance -	The Estate has a process of recording complaints and grievances and reviewing these at monthly management meetings. “Komitmen Kepada Ketelusan” Commitment to Transparency file holds records of correspondence received from stakeholders but nothing included that requires a response – mainly invitations to meetings at Tereh Estates.	COMPLIES
6.3.2	The system resolves disputes in an effective, timely and appropriate manner. - Minor compliance -	To date there has not been any dispute requiring resolution through a formal process.	Not Applicable
6.3.3	The system is open to any affected parties. - Minor compliance -	The Estate stated the process will be available to any affected party.	COMPLIES

Criterion/ Indicator	Assessment Findings	Compliance	
<p>Criterion 6.4</p> <p>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.</p>			
<p>6.4.1</p>	<p>Establishment of a procedure for identifying legal and customary rights and a procedure for identifying people entitled to compensation.</p> <p>- Major compliance -</p>	<p>The Estate is on freehold land – there is no customary land</p>	<p>Not Applicable</p>
<p>6.4.2</p>	<p>A procedure for calculating and distributing fair compensation (monetary or otherwise) is established and implemented. This takes into account gender differences in the power to claim rights, ownership and access to land; and long-established communities; differences in ethnic groups’ proof of legal versus communal ownership of land.</p> <p>- Minor compliance -</p>	<p>The Estate is on freehold land – there is no customary land</p>	<p>Not Applicable</p>
<p>Criterion 6.5</p> <p>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.</p>			
<p>6.5.1</p>	<p>Documentation of pay and conditions.</p> <p>- Major compliance -</p>	<p>Follow MAPA/NUPW regulations (January 1968 – August 2013). Check of the harvesters pay records indicated workers were receiving payslips.</p>	<p>COMPLIES</p>

Criterion/ Indicator		Assessment Findings	Compliance
6.5.2	<p>Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc) are available in the language understood by the workers or explained carefully to them by a plantation management official in the operating unit.</p> <p>- Minor compliance -</p>	<p>A Nonconformity was assigned for the following reasons:</p> <ul style="list-style-type: none"> Workers do not have a Contract and are not aware of any Terms and Conditions. Harvesters are not paid individually for bunches they harvest. Harvesters do not receive overtime rate for hours worked additional to normal work day. Worker's day off is "Friday" but they always work half day Friday at their choice but do not get paid a penalty rate. They understand workers at FELDA Paloh are paid double if they work Sunday's. Harvesters do not get paid if they are sick and cannot work. If Harvester has to stop work because of rain they only receive payment for bunches they harvest before it starts raining. However, sprayers (daily rate) advised if they stop work due to rain and leave the field they still receive full day pay. Workers do not receive an annual leave payment or "lump sum payment" Workers are not aware of a "lump sum payment" at the end of their contract <p><i>(Copies of all Documents provided as Objective Evidence are held on file by BSI Lead Auditor)</i></p>	<p>MINOR NONCOMPLIANCE</p> <p><i>Refer CR09 Section 3.3 Page 27 for details</i></p>
6.5.3	<p>Growers and millers provide adequate housing, water supplies, medical, educational and welfare amenities in accordance with Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446) or above, where no such public facilities are available or accessible (not applicable to smallholders).</p> <p>- Minor compliance -</p>	<p>Workers are accommodated at nearby Feldah Paloh workers quarters (4 units rented by Wawasan) with maximum 5 workers sharing 3 bedrooms. They also have access to all the Estate facilities. Medical treatment is available at Kluang and workers are transported by the Estate and treated at no cost. Workers can also attend the Tereh Mill Clinic if they wish, also at no cost. They have access to a Night Market and are transported by Estate lorry.</p>	<p>COMPLIES</p>
<p>Criterion 6.6</p> <p>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.</p>			
6.6.1	<p>Documented minutes of meetings with main trade unions or workers representatives.</p> <p>- Major compliance -</p>	<p>All workers are recruited from Indonesia. When interviewed their leaders stated they did not want to join a Union, although they were aware they had the right to join.</p>	<p>COMPLIES</p>
6.6.2	<p>A published statement in local languages recognizing freedom of association.</p> <p>- Minor compliance -</p>	<p>Wawasan Estate has provided workers with a statement recognizing the right to join a Union.</p>	<p>COMPLIES</p>

Criterion/ Indicator		Assessment Findings	Compliance
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.			
6.7.1	Documented evidence that minimum age requirement is met. - Major compliance -	Inspection of records clarified all workers meet the minimum age requirement	COMPLIES
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.			
6.8.1	A publicly available equal opportunities policy. - Major compliance -	Refer Indicator 1.2.1 where noncompliance was issued covering this Policy.	NONCONFORMITY ASSIGNED INDICATOR 1.2.1
6.8.2	Evidence that employees and groups including migrant workers have not been discriminated against. - Minor compliance -	Review of pay documentation and interview of workers indicated they were not discriminated against.	COMPLIES
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.			
6.9.1	A policy on sexual harassment and violence and records of implementation. - Major compliance -	Refer Indicator 1.2.1 where noncompliance was issued covering this Policy.	NONCONFORMITY ASSIGNED INDICATOR 1.2.1
6.9.2	A specific grievance mechanism is established. - Major compliance -	Refer Indicator 1.2.1 where noncompliance was issued covering this Policy.	NONCONFORMITY ASSIGNED INDICATOR 1.2.1
Criterion 6.10			
Growers and mills deal fairly and transparently with smallholders and other local businesses.			
6.10.1	Pricing mechanisms for FFB and inputs/services shall be documented. - Major compliance -	Agreement between Tereh Mill and Wawasan includes details of FFB pricing.	COMPLIES
6.10.2	Current and past prices paid for FFB shall be publicly available. - Minor compliance -	FFB pricing is linked to MPOB monthly CPO price and OER	COMPLIES
6.10.3	Evidence that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. - Minor compliance -	Advised that contracts are fair and terms and conditions are understood.	COMPLIES
6.10.4	Agreed payments shall be made in a timely manner. - Minor compliance -	Advised that payments are made in a timely manner.	COMPLIES

Criterion/ Indicator		Assessment Findings	Compliance
Criterion 6.11			
Growers and millers contribute to local sustainable development wherever appropriate.			
6.11.1	Demonstrable contributions to local development that are based on the results of consultation with local communities. - Minor compliance -	There are no local communities adjacent to the Estate, which is surrounded by oil palm Estates.	Not Applicable
Principle 7: Responsible Development Of New Plantings – NOT APPLICABLE AS NO NEW DEVELOPMENT			
Principle 8 : Commitment To Continous Improvement in Key Areas of Activity			
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.			
8.1.1	Minimise use of certain pesticides - Major compliance -	Wawasan Estate uses only glyphosate and ally and field conditions indicated minimal usage of pesticides.	COMPLIES
8.1.2	Environmental impacts - Major compliance -	Kulim has been working with Wawasan to review the environmental impacts. Field inspection showed that the Estate was well managed to minimize environmental impacts, such as soil erosion.	COMPLIES
8.1.3	Maximising recycling and minimising waste or by-products generation. - Major compliance -	Wawasan Estate has minimized wastes by not having workers living on site and by-products are managed by Tereh Mill.	COMPLIES