

RSPO – 2nd Annual Surveillance Assessment (ASA2) Public Summary Report

Company Name Kulim (Malaysia) Berhad
Certification Unit: Head Office: K.B. 705, Ulu Tiram Estate, 80990 Ulu Tiram, Johor, Malaysia Certification Unit: Tereh Palm Oil Mill, KB 538, 86009 Kluang, Johor, Malaysia.

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Section 1 Scope of the Certification Assessment

1. Company Details			
RSPO Membership Number	1-0006-04-000-00	Date	Member since 8 August 2004
Company Name	Kulim (Malaysia) Berhad		
Address	Head Office: K.B. 705, Ulu Tiram Estate, 80990 Ulu Tiram, Johor, Malaysia Certification Unit: Tereh Palm Oil Mill, KB 538, 86009 Kluang, Johor, Malaysia.		
Subsidiary of (if applicable)	Not Applicable		
Contact Name	Mdm Azmariah Muhamed		
Website	www.kulim.com.my	E-mail	azmariah@kulim.com.my
Telephone	+607-8611611/8622000	Facsimile	+607-8631084

2. Certification Information					
Certificate Number	SPO 613086	Initial Certificate Issued Date	23/01/2009	Expiry Date	22/01/2019
Scope of Certification	Tereh Palm Oil Mill and Supply Base (Tereh Utara Estate, Tereh Selatan Estate, Selai Estate, Enggang Estate, Mutiara Estate, Sg. Sembrong Estate, Sg. Tawing Estate, Wawasan Estate, Felda Paloh)				
Other Certifications					
Certificate Number	Standard(s)	Certificate Issued by		Expiry Date	
AR 1804	ISO 9001:2008	SIRIM QAS International Sdn Bhd		14 October 2017	
EU-ISCC-Cert-DE 119 - 60152023	ISCC	ASG Cert.		01 February 2016	
A 43170	MS 1500:2009	Department of Islamic Development, Malaysia		30 April 2017	

3. Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base)	Location [Map Reference #]	GPS	
		Easting	Northing
Tereh Palm Oil Mill	Kluang, Johor, Malaysia.	103° 21' 05.00"	2° 13' 3.06"
Tereh Utara Estate	Kluang, Johor, Malaysia.	103° 20' 36.04"	2° 15' 5.20"
Tereh Selatan Estate	Kluang, Johor, Malaysia.	103° 21' 08.37"	2° 11' 38.37"
Selai Estate	Kluang, Johor, Malaysia.	103° 23' 14.81"	2° 06' 14.41"
Enggang Estate	Kluang, Johor, Malaysia.	103° 25' 36.58"	2° 16' 12.10"
Mutiara Estate	Kluang, Johor, Malaysia.	103° 28' 52.13"	2° 17' 16.61"
Sg. Sembrong Estate	Kluang, Johor, Malaysia.	103° 27' 49.49"	2° 18' 54.84"
Sg. Tawing Estate	Kluang, Johor, Malaysia.	103° 21' 11.58"	2° 17' 46.75"

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Wawasan Estate	Kluang, Johor, Malaysia.	103°22'45.11"	2°14'15.108"
Felda Paloh	Kluang, Johor, Malaysia.	103°22'7.5"	2°14'51.072"

4. Description of Supply Base

Estate	Mature (ha)	Immature (ha)	Total Planted (ha)	Infrastructure & Other (ha)	Total Hectarage	% of Planted
Tereh Utara Estate	2,858.56	0	2,858.56	233.64	3,092.20	92.44
Tereh Selatan Estate	2,521.74	0	2,521.74	197.82	2,719.56	92.73
Selai Estate	1,216.21	404.85	1,621.06	179.11	1,800.17	90.05
Enggang Estate	1,232.24	423.57	1,655.81	78.57	1,734.38	67.52
Mutiara Estate	1,914.55	397.31	2,311.86	140.44	2,452.30	94.27
Sg. Sembrong Estate	1,181.33	0	1,181.33	59.54	1,240.87	95.20
Sg. Tawing Estate	1,831.86	234.98	2,066.84	162.16	2,229.00	92.73
Wawasan Estate	361.91	0	361.91	0.39	362.30	99.89
Felda Paloh	1,226.77	0	1,226.77	105.03	1,331.80	92.11
TOTAL	14,345.17	1,460.71	15,805.88	1,156.70	16,962.58	93.18

* Company has done re-survey on the boundary and noted some changes due to land accusation by government.

5. Plantings & Cycle

Estate	Age (Years)					FFB Tonnage / Year		
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30	Estimated (Nov 14 – Oct 15)	Actual (Nov 14 – Oct 15)	Forecast (Nov 15 – Oct 16)
Tereh Utara Estate	0	530.17	2,328.39	0	0	65,529	67,343.57	68,704
Tereh Selatan Estate	0	565.03	1,692.11	264.60	0	62,262	62,696.44	60,967
Selai Estate	243.92	1,377.14	0	0	0	21,064	20,616.16	25,205
Enggang Estate	423.57	1,232.24	0	0	0	16,024	18,206.85	23,271
Mutiara Estate	397.31	0	570.10	831.83	512.62	47,031	45,512.18	41,426
Sg. Sembrong Estate	0	0	1,181.33	0	0	27,698	28,224.17	26,740
Sg. Tawing Estate	0	622.19	1,413.70	30.95	0	38,206	37,895.16	40,845
Wawasan Estate	0	60.76	301.15	0	0	5,504	5,926.58	27,830
Felda Paloh	0	0	0	983.59	243.18	27,868	25,003.45	6,621
TOTAL						311,186	311,424.56	321,609

6.Certified Tonnage									
Mill	Estimated (Nov 14 – Oct 15)			Actual (Nov 14 – Oct 15)			Forecast (Nov 15 – Oct 16)		
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
Tereh Palm Oil Mill	311,186	66,257	16,902	311,424.56	65,026	17,779	321,609	68,529	17,815
Other certified estate	-	-	-	306.00			-	-	-
Total	311,186	66,257	16,902	311,730.56	65,026	17,779	321,609	68,529	17,815

Section 2 Assessment Process

Certification Body

BSI Services Malaysia Sdn Bhd,
 (ASI Accreditation Number: RSPO-ACC-19)
 B08-01 (East), Level 8, Block B, PJ 8, No.23,
 Jalan Barat, Seksyen 8, Petaling Jaya,
 46050 Petaling Jaya, Malaysia
 Tel +603 7960 7801; Fax +603 7960 5801
 Senniah Appalamy: senniah.appalamy@bsigroup.com
www.bsigroup.com

BSI is a leading global provider of management systems assessment and certification, with more than 60,000 certified locations and clients in over 100 countries. BSI Standards is the UK’s National Standards Body. BSI provides independent, third-party certification of management systems. BSI is ASI Accredited (RSPO-ACC-19) since 31/10/2014 with accredited office located at Kuala Lumpur, Malaysia and an affiliate office at Singapore, Jakarta, Bangkok and Australia which involve in RSPO Certification Program.

Assessment Methodology, Programme, Site Visits

The on-site assessment was conducted from 8-10 November 2015. The audit programme is included as Appendix D. The approach to the audit was to treat the mill and its supply bases as a RSPO Certification Unit. Mill was audited together with the sample estates (Sg Tawing, Sg Sembrong and Wawasan Estate). A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families, review of documentation and monitoring data. RSPO P&C MYNI-2014 was used as Checklists and questionnaires were used to guide the collection of information. The comments made by external stakeholders were also taken into account in the assessment.

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

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The Major nonconformity that was assigned during the 1st annual surveillance audit (ASA1) which was closed during the last assessment was followed up to ensure it is remaining closed. Previous nonconformities remains closed and re-verified during this assessment. The assessment findings are detailed in Section 3.3.

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

This report was internally reviewed by Mr. A. Senniah (RSPO Scheme Manager) prior to certification decision by BSI.

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

1.Assessment Program					
Name (Mill / Supply Base)	Year 1	Year 2	Year 3	Year 4	Year 5
Ladang Tereh Mill	√	√	√	√	√
Tereh Utara Estate	√		√		√
Tereh Selatan Estate				√	
Selai Estate	√		√		√
Enggang Estate				√	
Mutiara Estate	√		√		√
Sg. Sembrong Estate		√			
Sg. Tawing Estate		√			
Wawasan Estate		√			
Felda Paloh				√	

Tentative Date of Next Visit: October 2016

Total No. of Mandays: 9 mandays

BSI Assessment Team:

Mohamed Hidhir – Lead Assessor

He holds Bachelor Degree in Chemical Engineering, graduated from National University of Malaysia on 2006. He has 7 years working experience in palm oil industry specifically on palm oil milling for 5 years. He also has the experiences as auditor for several standards including ISO 9001, ISO 140001, OHSAS 18001, MSPO and RSPO in his previous certification body. He completed the ISO 9001 Lead Auditor Course, ISO 14001 Lead Auditor Course and OHSAS 18001 Lead Auditor Course in 2012, Endorsed RSPO P&C Lead Auditor Course in 2013, MSPO Awareness Training in 2014 and Endorsed RSPO SCCS Lead Auditor Course in 2015. He had been involved in RSPO auditing since May 2012 in more than various companies in Malaysia. During this assessment, he assessed on the

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aspects of legal, mill best practices and supply chain, safety and health, environmental and workers and stakeholders consultation.

Muhammad Haris B. Abdullah – Team member

He graduated from the Open University Malaysia with a Bachelor of Business Administration (Hons) Majored in Human Resource Development and completed his Master's Degree in Business Administration from the University Utara Malaysia in January 2014. He has more than 3 years working experience in oil palm plantation and conducting social impact assessments of agriculture, agriculture best practices, and environmental impact assessment and workers welfare. He completed the RSPO Lead Auditor Training in April 2013 and passed the course. He is also passed the ISO 14001 Lead Auditor Training, OHSAS 18001 Lead Auditor Training Course and qualified as EICC auditor. He has completed International Sustainable and Carbon Certification (ISCC) Lead Auditor Training Courses. Recently he has attended the RSPO P&C Social and Labour Standards and the Mechanics of Social Auditing Workshop on 17 – 19 September in Bangkok, Thailand. He had assisted with conducting audits of oil palm plantation for more than 7 companies against the RSPO P&C in Indonesia and in Malaysia for the past 4 years. During this assessment, he assessed on the aspect of environment, Safety and Health, Legal, Social and community engagements, Stakeholders consultation, and workers welfare. He is able to speak and understand Bahasa Malaysia, English, Tamil and Bahasa Indonesia.

Hafriazhar Mohd Mokhtar – Team member

Hafriazhar Mohd. Mokhtar is a Chemical Engineer by qualification. He has more than five years of direct work experience in the upstream processes of palm oil within the plantation industry. He is a qualified Lead Auditor for CDM, ISO 14001, ISO 50001 and ISO 9001 and has accumulated more than 500 audit days throughout his current career as the auditor for multiple disciplines covering Malaysia, Indonesia and Thailand. He has been trained in the RSPO P&C and SCCS standards and recently completed his RSPO P&C Lead Assessor training and has been involved in RSPO audits within Malaysia, Papua New Guinea and Solomon Islands. During assessment, he covered the mill and estate best practices, legal issues, social issues, workers consultation, stakeholder consultation, environmental and occupational safety & health. He is fluent in Bahasa Malaysia and English languages.

Accompanying Persons: Not Applicable

Section 3 Summary of Assessment Findings

3.1 Details of audit results are provided in the following Appendix:

- RSPO P&C MYNI 2014 Checklist – **Appendix A:** Summary report of the Assessment.
- Kulim Plantation Sdn Bhd Time Bound Plan – **Appendix B:** Time Bound Plan.
- RSPO Supply Chain Certification Checklist – **Appendix F:** CPO Mill Supply Chain Assessment Report.

3.2 Progress against Time Bound Plan

Kulim (Malaysia) Berhad has disposed interest in New Britain Palm Oil Ltd in 2014. Kulim (Malaysia) Berhad previously managed the Tunjuk Laut Palm Oil Mill and Supply Base but since October 2013 this has been leased to third party operator (Awan Timur Resources) and Kulim (Malaysia) Berhad no longer manages the operations. Siang Estate previously supplies FFB to Siang Palm Oil Mill which was previously certified under Johor Corporation and now managed by third party. It is not within Kulim (Malaysia) Berhad's management control. Pasir Panjang Palm Oil Mill was under Johor Corporation, and acquired under Kulim (Malaysia) Berhad through Mahamurni Plantations Sdn Bhd in 2012. At the same time Kulim (Malaysia) Berhad has acquired Pasir Panjang Palm Oil Mill through Mahamurni Plantation Sdn Bhd in 2012. Pasir Panjang Palm Oil Mill enter time bound plan as per "work plan Kulim / Jcorp estate" document and due for certification in 2016. Since March 2015 all Jcorp Estate is now supplied to Pasir Panjang Mill which will enter RSPO Certification 2016. However due to new restructuring starting 1st January 2015, seven (7) estate will be under Kulim (Malaysia) Berhad namely Kuala Kabong, Ulu Tiram, Basir Ismail, REM, Labis Bahru, Mutiara and Sungai Sembrong. All other operating unit will be under Mahamurni Plantation Sdn. Bhd.

Kulim (Malaysia) Berhad has 100% ownership in Mahamurni Plantations Sdn Bhd. Mahamurni Plantations Sdn Bhd have 3 palm oil mills i.e.: Sedenak Palm Oil Mill, Palong Cocoa Palm Oil Mill, and Pasir Panjang Palm Oil Mill. Mahamurni Plantations Sdn Bhd also has 9 estates: Sedenak Estate, Sungai Papan which supply to certified Sedenak Palm Oil Mill; Mungka Estate, Kemedak Estate, Palong Estate, Ladang UMAC which supply to certified Palong Cocoa Palm Oil Mill; Rengam Estate supply to certified Sindora Palm Oil Mill. Pasir Panjang Estate will supply to Pasir Panjang Palm Oil Mill, which due for certification by 2016.

Kulim (Malaysia) Berhad has 100% ownership in Kulim Plantations (Malaysia) Sdn Bhd. Kulim Plantations (Malaysia) Sdn Bhd has Tereh Palm Oil Mill and 2 estates i.e. Tereh Utara Estate and Tereh Selatan Estate which supply to certified Tereh Palm Oil Mill.

Kulim (Malaysia) Berhad has 100% ownership in Selai Sdn Bhd. Selai Sdn Bhd has Selai Estate and Enggang Estate, both supply to certified Tereh Palm Oil Mill. Kulim (Malaysia) Berhad has 100% ownership in Sindora Berhad. Sindora Berhad has Sindora Estate, supply to certified Sindora Palm Oil Mill and Sungai Tawing Estate, supply to certified Tereh Palm Oil Mill. Kulim (Malaysia) Berhad has 94.49% ownership in Kumpulan Bertam Plantations Berhad. Kumpulan Bertam Plantations Berhad has Sepang Loi Estate supply to certified Palong Cocoa Palm Oil Mill. Kulim (Malaysia) Berhad itself has 7 estates: Basir Ismail Estate, Ulu Tiram Estate, Kuala Kabong Estate supply to certified Sedenak Palm Oil Mill; Sungai Sembrong Estate and Mutiara Estate supply to certified Tereh Palm Oil Mill; REM Estate will supply certified Sindora Palm Oil Mill; Labis Bahru Estate supply to certified Palong Cocoa Palm Oil Mill.

BSi concludes that Kulim has completed all of the commitments of its Time Bound Plan that relate to company owned and managed Palm Oil Mills and Estates. The progress with the Pasir Panjang Certification planned will be followed up. During the ASA1:

1. There is no any other isolated lapse in Time Bound Plan.
2. No systematic failures to proceed with implementation of the Time Bound Plan since first certified.
3. The changes in the Time bound Plan for Pasir Panjang Palm Oil Mill is acceptable because the company just took over the management control.

Kulim (Malaysia) Berhad has recently purchased a property in Indonesia and undergone the RSPO NPP process to develop the land for oil palm. At the time of preparation of this Report, BSI is not aware of any new issues involving:

- a. Any unresolved significant land disputes;
- b. Any replacement of primary forest or loss of HCVs;

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- c. Any labour disputes that are not being resolved through an agreed process;
 - d. Any evidence of noncompliance with any law at any of the landholdings.
- BSI considers that Kulim (Malaysia) Berhad complies with the RSPO requirements for Partial Certification rules.

3.3 Details of findings

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

During the surveillance assessment there were 2 major and 2 minor nonconformities were raised. Tereh Palm Oil Mill and Supply Base Estates submitted Corrective Action Plans for the nonconformities. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted. The evidence of implementation for the major nonconformities was verified. The major nonconformities are closed on 2/1/2016. Following are the details of the nonconformities:

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1259640M1	<p>Requirements: 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.) shall be available in the languages understood by the workers or explained carefully to them by a management official.</p> <p>Evidence of Nonconformity: Extended employment contract for the following employees were not available: i.) Passport Number AR 750502 (Employment contract expired on 12/2/2014) ii.) Passport Number AR 750501 (Employment contract expired on 14/5/2014) iii.) Passport Number AR 471249 (Employment contract expired on 6/5/2014)</p> <p>Statement of Nonconformity: Extended employment contract for foreign workers were not available for those extended their employment with the operating units.</p> <p>Action: 1) Sustainability Department have come out the standard form and was sent to all operating units to complete the form on 16/11/2015 and emailed back to Sustainability on 23/11/2015. Evidence for Ladang Tereh Palm Oil Mill as follows: a. TRHPOM.001 – Extended Workers Employment Contract Form b. TRHPOM.002 – Attendance briefing of extended employee c. TRHPOM.002 – Completed Extended Worker Passport Number AR 750502 d. TRHPOM.002 – Completed Extended Worker Passport Number AR 750501 e. TRHPOM.002 – Completed Extended Worker Passport Number AR 471249.</p> <p>Status: The major non-conformity was closed out on 2/1/16.</p>	Major Nonconformity

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1259640M2	<p>Requirements: Indicator 2.1.1 : Evidence of compliance with relevant legal requirements shall be available. Applicable legal requirements: 1)Environmental Quality (Scheduled Waste) Regulations 2005; Sub-regulations 9 (5) & 10 (1) 2)Badan Kawalselia Air Johor (BAKAJ) river water abstract or divert license no.: 07/A/Klg/050 & 07/A/Klg/051</p>	Major Nonconformity
	<p>Evidence of Nonconformity: 1)The records and visit to scheduled waste store at S. Tawing Estate found scheduled wastes (SW102, SW305, SW307, SW408, SW409 & SW410) have been generated and stored since 30/9/2014 after the last disposal date which has exceed the storage limit period of 180 days and without proper labelling information 2)Records in both Sg. Sembrong and Sg. Tawing shown that the consumption of water has exceeded the daily limit of river water abstract or divert license by BAKAJ</p>	
	<p>Statement of Nonconformity: Evidence of compliance with relevant legal requirements were not effectively implemented.</p>	
	<p>Action: 1) Sungai Tawing Estate have disposed the scheduled waste to Kualiti Alam. Evidence of waste disposal records were: a) Confirmation date from Kualiti Alam to collect the schedule waste b) Consignment Note for schedule waste c) Schedule Waste Disposal Planning For 2016 d) Monthly Schedule Waste Monitoring Checklist e) Training related for the waste disposal 2) Property Department submitted the renewal license application for 2016 which based on the accurate consumption for both estates. a) Submission for renewal BAKAJ 2016 completed.</p>	
<p>Status: The major non-conformity was closed out on 2/1/16.</p>		

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1259640N1	<p>Requirements: Indicator 2.1.4 : A system for tracking any changes in the law shall be implemented.</p>	Minor

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		Nonconformity
	<p>Evidence of Nonconformity: Tereh Mill: Factories and Machineries Act 1967, Person In Charge Regulations (amendment) 2014 and Industrial Code of Practice (ICOP) for Confined Space was not updated in the legal register dated 1/10/15. Wawasan Estate: Animal Act 1953</p>	
	<p>Statement of Nonconformity: System for tracking any changes in the law was not effectively implemented.</p>	
	<p>Action: The latest amendment of applicable legal and other requirement updated in the legal register by Sustainability Department and Kulim Safety Training & Services.</p>	
	<p>Status: Status of corrective action taken will be verified in the next assessment</p>	

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1259640N2	<p>Requirements: Indicator 4.2.3: There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status.</p>	Minor Nonconformity
	<p>Evidence of Nonconformity: No evidence of periodic tissue and soil sampling carried out by Wawasan Estate.</p>	
	<p>Statement of Nonconformity: The was no evidence of periodic tissue and soil sampling to monitor changes in nutrient status</p>	
	<p>Action: Kulim agronomist department will be assisting the Wawasan Estate to carry out baseline tissue and soil sampling test.</p>	
	<p>Status: Status of corrective action taken will be verified in the next assessment</p>	

Observation	
OBS #	Description
NIL	

Positive Findings	
PF #	Description
1	Estate has budgeted for extend the current pro base road leading to workers housing and upgrading of Surau.

2	Paraquat has been completely banned since 2015 and other alternatives under class III chemical such as Glyphosate was used.
3	Ladang Tereh Palm Oil Mill has initiated continual improvement project (CIP) to reduce cost and minimize process losses on palm kernel production and other process areas as well. Good positive result was noted.

Issues raised by Stakeholders

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

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

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

IS #	Description
1	Issues Foreign workers representative: No issue regarding pay and condition of work. The representative highlighted that they are treated equally. All foreign workers have access to all facilities similar to local workers.
	Management Responses The management treat all employees equally and no discrimination.
	Audit Team Findings No disputes were highlighted by foreign workers interviewed during field visit.
2	Issues Contractors: Contractors confirm payment is prompt as per agreed contract.
	Management Responses Payment is made as per the agreed terms.
	Audit Team Findings No other issues.
3	Issues Workers union secretary: No pending disputes or any wage issues. Company follow the NUPW/MAPA agreement and minimum wage requirement.
	Management Responses Management always encourage union representative and workers to meet them to resolve any issue immediately and open for discussion.
	Audit Team Findings No disputes were raised by workers interview with them which indicate that the freedom to join union and procedure to voice out grievances is implemented.
4	Issues NUPW State Secretary: Re-confirm that company follow the NUPW/MAPA agreement and minimum wage requirement. No pending disputes or any wage issues.

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	<p>Management Responses Management always encourage union representative and workers to meet them to resolve any issue immediately and open for discussion.</p>
	<p>Audit Team Findings No other issues.</p>


3.3.1 Status of Nonconformities Previously Identified and Observations

Non-Conformity		
NCR #	Description	Category (Major / Minor)
NIL	Requirements:	
	Evidence of Nonconformity:	
	Statement of Nonconformity:	
	Action:	
	Status:	

Observation	
OBS #	Description
NIL	

3.3.2 Summary of the Nonconformities and Status

CAR Ref.	CLASS	ISSUED	STATUS
CR04	Minor	21/01/2010	Closed on 10/01/2011
CR012	Major	10/12/2013	Closed on 06/02/2014
CR013	Major	10/12/2013	Closed on 25/01/2014
CR014	Minor	10/12/2013	Closed on 25/01/2014
1135913M1	Major	9/12/2014	Closed on 7/02/2015
1259640M1	Major	10/11/2015	Closed on 2/01/2016
1259640M2	Major	10/11/2015	Closed on 2/01/2016
1259640N1	Minor	10/11/2015	"Open"
1259640N2	Minor	10/11/2015	"Open"

Assessment Conclusion and Recommendation:	
Based on the findings during the surveillance assessment Ladang Tereh Palm Oil Mill Certification Unit and supply base complies with the RSPO P&C Malaysian National Interpretation (MY-NI 2014) and the RSPO Supply Chain Certification Standard (Nov 2014) for CPO Mill. It is recommended that the certification of Ladang Tereh Palm Oil Mill Certification Unit is approved and continued.	
Acknowledgement of Assessment Findings	Report Prepared by
Name: Madam Azmariah Muhamed	Name: Mohamed Hidhir Bin Zainal Abidin
Company name: Kulim (Malaysia) Berhad	Company name: BSI Services Malaysia Sdn. Bhd.
Title: Head of Sustainability Department	Title: Lead Auditor
Signature:  Date : 15 January 2016	Signature:  Date : 11/1/16

Appendix A: Summary Report of the Assessment

Criterion / Indicator	Assessment Findings	Compliance	
Principle 1: Commitment to Transparency			
Criterion 1.1:			
Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.			
1.1.1	There shall be evidence that growers and millers provide adequate information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making. - Minor compliance -	Adequate information covering on environmental, social and legal issues which are relevant to RSPO Criteria and relevant to stakeholders is shared for effective participation and decision making. Information on environmental, social and legal issues relevant to RSPO Criteria was made available to relevant stakeholders for effective participation in decision making. Publicly available documents such as land title, OSH plan, HCV documents, negotiation procedure, complaint records, RSPO public summary reports, EIA, Management Plans & Continuous Improvement Plans and company policies are available.	Complied
1.1.2	Records of requests for information and responses shall be maintained. -Major compliance	All operating units maintain records of information request and response. Request for information are attended promptly and confirmed by stakeholders interviewed.	Complied
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	Publicly available documents shall include, but are not necessary limited to: <ul style="list-style-type: none"> • Land titles/user rights (Criterion 2.2); • Occupational health and safety plans (Criterion 4.7); • Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8); • HCV documentation (Criteria 5.2 and 7.3); • Pollution prevention and reduction plans (Criterion 5.6); • Details of complaints and grievances (Criterion 6.3); • Negotiation procedures (Criterion 6.4); • Continual improvement plans (Criterion 8.1); • Public summary of certification assessment report; • Human Rights Policy (Criterion 6.13). - Major compliance -	Publicly available management documents covers Land titles, OHS plans, EIA, SIA, HCV documentation, Pollution prevention and reduction plans, records of complaints and grievances, negotiation procedures, RSPO Public Summary Report, company policies and Continual improvement plans. All operating units have individual documents and records to demonstrate compliance to this indicator. RSPO Public summary reports are publicly available on request at each certification unit and at the head office	Complied
Criteria 1.3:			
Growers and millers commit to ethical conduct in all business operations and transactions.			

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1.3.1	There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations. -Minor compliance	Policy committing to a code of ethical conduct and integrity available. This has been documented and communicated with employees.	Complied
Principle 2: Compliance with applicable laws and regulations			
Criterion 2.1: There is compliance with all applicable local, national and ratified international laws and regulations.			

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<p>2.1.1 Evidence of compliance with relevant legal requirements shall be available. - Major compliance -</p>	<p>Legal register covering the applicable local and international laws and regulations are available. Compliance to each applicable law and regulation is monitored by the operating units and head office sustainability team. Among licences and permits sighted at the visited operating unit were:</p> <p><u>Ladang Tereh POM:</u></p> <ul style="list-style-type: none"> • DOE Licence: JPKKS 002107 (validity period 1/7/2015 - 30/6/2016) for 60 MT/hr and method of POME discharge is land application with BOD final discharge limit <5000mg/l. • Certified Environment Professional in the Treatment of Palm Oil Mill Effluent – Pond Processes (CEPPOME) serial no.: CePPOME/15006 (validity 18/5/2015 – 1/6/2016) • ST license, 00138446 for 4040 kW valid until 25/10/16. • MPOB license: 500048604000 for 288,000 mt valid until 31/5/16 • Mill SB & UPV inspection (6/4/15) and 2nd inspection (1/9/15) for general installation : JHK2584. All sampled CF for SB and UPV were found to be valid. <p><u>Sg. Sembrong Estate:</u></p> <ul style="list-style-type: none"> • Schedule controlled item permit ref. no.: BPGK.JH (KLU) 0598 SK; serial no.: J019883 (validity period 12/4/2015 – 11/4/2016) for storage capacity of <21,840liters (diesel); <600liters (petrol) & <300mt (fertilizer) • Badan Kawalselia Air Johor (BAKAJ) river water abstract or divert license no.: 07/A/Klg/050; Valid until 31/12/2015; Max abstract capacity: 40m³/day (Main Division) • BAKAJ license: No.: 07/A/Klg/051 valid till 31/12/2015 • MPOB license: 502457102000 valid till 31/10/3016 • ST license: SJB(P)01/2006 valid till 19/10/2016 <p><u>Sungai Tawing Estate:</u></p> <ul style="list-style-type: none"> • MPOB license: 53287800200 valid till 30/9/3016 • Diesel Permit: BPGK.JH(KLU) 1184 SK • ST license: ST(SJB)/13418K/KLNG/0002-L valid till 21/10/2015 <p><u>Wawasan Estate</u></p> <ul style="list-style-type: none"> • MPOB license: 503879302000 valid until 29/2/16. • Permit for Diesel Storage, ref KPDNKK.J.KTG/PERMIT KHAS 0729 (PD) valid until 8/6/16. <p><u>Sg. Tawing Estate:</u></p> <ul style="list-style-type: none"> • The records and visit to scheduled waste store at S. Tawing Estate found scheduled wastes (SW102, SW305, SW307, SW408, SW409 & SW410) have been generated and stored since 30/9/2014 after the last disposal date which has exceed the storage limit period of 180 days and without proper labelling information. • Records in both Sg. Sembrong and Sg. Tawing shown that the consumption of water has exceeded the daily limit of river water abstract or divert license by BAKAJ. <p>Thus, a major non-conformity was raised against the indicator.</p>	<p>Major Nonconformity raised</p>

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Criterion / Indicator	Assessment Findings	Compliance	
2.1.2	A documented system, which includes written information on legal requirements, shall be maintained. - Minor compliance -	All operating units maintain documented system for identifying, evaluating, reviewing and updating applicable regulations and other requirements. Legal and Other Requirement Register dated 1/10/15 was sighted at the visited operating units.	Complied
2.1.3	A mechanism for ensuring compliance shall be implemented. - Minor compliance -	Evaluation of legal requirements and compliance status with legal requirement is monitored by operating units, Sustainability Team, OHS Department and head office audit Department.	Complied
2.1.4	A system for tracking any changes in the law shall be implemented. - Minor compliance -	Tracking system available to identify changes in the relevant regulations through head office, website information and the information are communicated from the Head Office. Kulim (Malaysia) Berhad have centralised system for tracking any changes in the law. It was noted that Factories and Machineries Act 1967, Person In Charge Regulations (amendment) 2014 and Industrial Code of Practice (ICOP) for Confined Space and Animal Act 1953 was not updated in the legal register dated 1/10/15. Thus, a minor non-conformity was raised against the indicator.	Minor Nonconformity
Criterion 2.2: The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.			
2.2.1	Documents showing legal ownership or lease, history of land tenure and the actual legal use of the land shall be available. - Major compliance -	Similar to last assessment, land ownership such as land title and land lease documents is available. There is no change in the land ownership. All the land belongs to Kulim (Malaysia) Berhad. Sampled of land title sighted at the visited operating units: Sungai Sembrong Estate: Holds 3 titles i.e., Grant No. HSD 8578 for PTD 3303, HSD 48240 for PTD 7118, HSD 47658 for PTD 3333. Sungai Tawing Estate: Holds 2 titles i.e., Grant No. HSD 7747 for PTD 2379A, HSD and HSD 6060 for PTD 2137. Wawasan Estate: Leasehold land, land title H.S(D):45041, Mukim Paloh, PTD 6292, land use : agriculture, hectarage: 362.30 Ha The terms stated in the land title is for agriculture/ palm plantation and the operations are consistent with the permit conditions.	Complied
2.2.2	Legal boundaries shall be clearly demarcated and visibly maintained. - Minor compliance -	Inspection of a sample of the boundary stones at Sungai Sembrong and Sungai Tawing estates confirmed that steel pipes have been installed beside the concrete boundary stones and were continuously maintained visibly. Samples were observed at adjacent of Labis Forest Reserve.	Complied

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2.2.3 Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC). - Minor compliance -	There is no land dispute in the certification unit and supply base at the time of audit. The land belongs to Kulim (Malaysia) Berhad. Land ownership documents verified.	Complied
2.2.4 There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved. -Major compliance	There is no land dispute in the certification unit and supply base at the time of audit. The land belongs to Kulim (Malaysia) Berhad. Land ownership documents verified.	Complied
2.2.5 For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable). -Minor compliance	There is no land dispute in the certification unit and supply base at the time of audit. The land belongs to Kulim (Malaysia) Berhad. Land ownership documents verified.	Complied
2.2.6 To avoid escalation of conflict, there shall be no evidence that palm oil operations have instigated violence in maintaining peace and order in their current and planned operations. -Major compliance	There is no land dispute in the certification unit and supply base at the time of audit. The land belongs to Kulim (Malaysia) Berhad. Land ownership documents verified.	Complied
Criterion 2.3: Use of the land for oil palm does not diminish the legal rights, customary or user right of other users without their free, prior and informed consent.		
2.3.1 Maps of an appropriate scale showing the extent of recognized legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities).. - Major compliance -	The estate lands are legally owned and leased by the company. The existing estates are not encumbered by any customary land rights. Interview with the surrounding communities and stakeholders confirm no disputes.	Complied

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Criterion / Indicator	Assessment Findings	Compliance
2.3.2 Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include: a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making; b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken; c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land. - Minor compliance -	The estate lands are legally owned by the company and no other users were identified within the land area.	Complied
2.3.3 All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements. -Minor compliance	The estate lands are legally owned by the company and no other users were identified within the land area.	Complied
2.3.4 Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel. -Major compliance	The estate lands are legally owned by the company and no other users were identified within the land area.	Complied
Principle 3: Commitment to long-term economic and financial viability		
Criterion 3.1:		
There is an implemented management plan that aims to achieve long-term economic and financial viability.		
3.1.1 A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders. - Major compliance -	Tereh Mill and estates had an annual budget for the financial year 2015 and 2016. The palm oil mill budget includes the projected FFB processed, CPO and PK production which projected for five years.	Complied
3.1.2 An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available. - Minor compliance -	<u>Sungai Sembrong & Sungai Tawing estates:</u> There will be no replanting for next five years.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
Principle 4: Use of appropriate best practices by growers and millers			
Criterion 4.1: Operating procedures are appropriately documented, consistently implemented and monitored.			
4.1.1	Standard Operating Procedures (SOPs) for estates and mills are documented - Major compliance -	Palm Mill holds SOP: Mill Operation Manual includes mill SOP and work instruction as a guidance document to operate the mill. Estates have a separate SOP and Estate Manual covers land preparation, planting material, upkeep, harvesting, transport etc.	Complied
4.1.2	A mechanism to check consistent implementation of procedures shall be in place. - Minor compliance -	Mill Advisor and Plantation Inspector make regular visit to evaluate the performance of the mill and estates. General Manager visits the estates on quarterly basis to review estate performance against Kulim Sustainability standard.	Complied
4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. - Minor compliance -	The records of monitoring and the actions taken maintained for more than 12 months. Records were verified during the document review found compliance. Among the records of monitoring required as per JPKKS 002107 sighted as following: <ul style="list-style-type: none"> • Final discharge BOD - CePPOME • Daily effluent quantity • River (Sg. Sembrong) upstream and downstream • Smoke density/stack monitoring • CEMS • Boundary noise Records of agronomist and inspectorate visit sighted: Sungai Sembrong: Agronomist visit: 15 -16 June 2015 Plantation Inspector visit: 20 October 2015 Sungai Tawing: Agronomist visit: 14 -15 September 2015 Plantation Inspector visit: 6 - 8 October 2015 Ladang Tereh POM: Mill inspectorate audit was conducted on 15/9/15. Refer to MJAB/LTPOM/4/2015.	Complied
4.1.4	The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB). - Major compliance -	Tereh Palm Oil mill process the FFB from own supply base estates which are certified. The company has taken pro-active approach by certifying the associated supplier and included in the palm oil mill's certificate.	Complied
Criterion 4.2: Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.			
4.2.1	There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. - Minor compliance -	Good agriculture practices which follows the group agriculture manual contains Standard Operating Procedures to ensure soil fertility is managed to a level that ensures optimal and sustained yield.	Complied

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Criterion / Indicator	Assessment Findings	Compliance
4.2.2 Records of fertiliser inputs shall be maintained. - Minor compliance -	Fertilizers are applied as per agronomist recommendation. Record shows application date, filed number, dosage applied per palm, type of fertilizer and number of applicators.	Complied
4.2.3 There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. - Minor compliance -	Leaf analysis result which shows the nutrient level was used as guidance for the fertilizer recommendation. Leaf and soil sampling was done on 21/6/15 by Kulim Research and development department (UTCL Laboratory) (Report No.: S/1506/0211-0214). Wawasan Estate No evidence of periodic tissue and soil sampling carried out by Wawasan Estate. Thus, a minor non-conformity was issued against the indicator.	Minor Nonconformity
4.2.4 A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting. - Minor compliance -	EFB application only applied to selected fields. Average about 40 - 45mt/ha EFB applied. POME application is carried out at fields near to the mill through furrows. Zero burning is carried out during replanting through chipping and residues applied back to field.	Complied
Criterion 4.3: Practices minimise and control erosion and degradation of soils.		
4.3.1 Maps of any fragile soils shall be available. - Major compliance -	All the estates hold copies of soil map. Soil maps and field visit confirm that there is no fragile soil on the estates.	Complied
4.3.2 A management strategy shall be in place for plantings on slopes above a certain limit (this needs to be soil and climate specific). - Minor compliance -	Planting terraces had been constructed where slope >10°. Fields are established with cover crops such as mucuna and soft grasses and ferns.	Complied
4.3.3 A road maintenance programme shall be in place. - Minor compliance -	Estates has implemented annual road maintenance programme. Example of programme checked at estates shows the map indicating road repairs and maintenance for the whole estate roads includes grading, compacting and stone application to strengthen the road surface.	Complied
4.3.4 Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. - Minor compliance -	There is no peat soil or soil categorised as problematic or fragile soil at all estates visited.	Complied
4.3.5 Drainability assessments shall be required prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. - Minor compliance -	There is no peat soil.	Complied
4.3.6 A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils). - Minor compliance -	There is no peat soil or soil categorised as problematic or fragile soil at all estates visited.	Complied
Criterion 4.4: Practices maintain the quality and availability of surface and ground water.		

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Criterion / Indicator	Assessment Findings	Compliance
<p>4.4.1</p> <p>An implemented water management plan shall be in place. - Minor compliance -</p>	<p>Tereh Operating units monitor water quality of outgoing waters to identify any adverse effect from the mill and estate activities. There is an Integrated Water Management Plan which has been implemented. The plan takes into account the efficient use of resources, ensure amongst other that the use of water did not impact on other users, avoid contamination of ground and surface water, and appropriate treatment of mill effluent.</p> <p>The mill has maintained monitoring records of water usage which recorded every day and summarised on monthly basis including the monitoring of rainfall water, which has been an alternative source of water as mitigation plan during draught season. Rainfall for period from Jan to Oct 2015 recorded at 1024mm.</p> <p>For Sg. Sembrong Estate, the sampling analysis has been conducted for both outgoing water and drinking water. Drinking water sampling was done for raw & treated water quality. Sampled records of drinking water analysis taken by Decagon Lab & Analytical Testing Sdn. Bhd. on 5/5/15; report# LW/427(1-2)/15; dated 22/5/15. The results shown the water quality parameters including pH, Turbidity, Al, Cl₂, total Coliform and E. Coli contents are within regulation limit for drinking water. Sampled records of outgoing water analysis taken by UTCL Laboratory on 1/9/2015; report # WI/1509/0595-0596,0598-0599; dated 30/9/2015. The results shown no significant changes on the BOD, COD, total solid, total dissolved solid, hardness and chloride on the downstream as compared to the upstream result. Rainfall for period from Jan to Oct 2015 recorded at 2161mm with 121 no. of rainy days.</p> <p>For Sg. Tawing Estate, the sampling has been done for both drinking and outgoing water. Sampled analysis report checked, report # WI/1506/0412-0415; dated 24/6/2015 analysed by UTCL Lab for sample taken on 5/6/2015.</p>	<p>Complied</p>

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Criterion / Indicator	Assessment Findings	Compliance
<p>4.4.2 Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated. - Major compliance -</p>	<p>Based on the company's Agricultural Manual (Section A: Replanting, A17-Protection of Natural Water Courses, Updated on 1/7/2013), established river buffer zones as per MPOB's guideline:</p> <ul style="list-style-type: none"> i) River width > 40m; river buffer = 50m ii) River width 20 - 40m; river buffer = 40m iii) River width 10 -20m; river buffer = 20m iv) River width 5 - 10m; river buffer = 10m v) River width < 5m; river buffer = 5m <p>Buffer zones had been maintained on both sides of rivers/streams in the estates as verified during on-site field inspection. There was no evidence of spraying around palms marked as boundary for the buffer zones.</p> <p>There was also no construction of bunds/ weirs/dams across the main rivers or waterways passing through the estates.</p> <p>All the estates assessed has prepared map showing riparian buffer zones and demarcated the areas prior to replanting for all the estates. Field inspection confirmed that the buffer zone beside the stream has been demarcated clearly and maintained. Upstream and downstream river water analysis has been conducted on quarterly basis to confirm there was no contamination to the river activity by the POM and estate operation.</p>	<p>Complied</p>
<p>4.4.3 Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD), shall be in compliance with national regulations (Criteria 2.1 and 5.6). - Minor compliance -</p>	<p>Treatment of mill effluent carried out as per SOP and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD) is monitored. The mill effluent has been analysed for BOD on monthly basis in a ISO 17025 accredited laboratory and the result found was found complied to the DOE permit of <5000mg/L. sampled checked was on July- Sept 2015 were 366mg/L (report # EI/1507/0558-0560; dated 13/7/2015), 1640mg/L (report # EI/1508/0710-0712; dated 24/8/2015) and 1076mg/l (report # EI/1510/0855-0857; dated 2/10/2015) respectively analyse by UTCL Laboratory of Mahamurni Plantations Bhd.</p>	<p>Complied</p>
<p>4.4.4 Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. - Minor compliance -</p>	<p>Average annual water consumption varies from 1.15m³ – 1.47m³ per tonne FFB processed with the average water usage of 1.25m³ per tonne FFB processed for the period from Jan to Oct 2015. Targeted water usage was 1.2m³.</p>	<p>Complied</p>
<p>Criterion 4.5: Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.</p>		
<p>4.5.1 Implementation of Integrated Pest Management (IPM) plans shall be monitored. - Major compliance -</p>	<p>IPM Plan includes the planting of beneficial plants and control of damage by rodents. Beneficial plants such as <i>Turnera Subulata</i> and <i>Casia</i> are grown in the estates. Records of planting of new areas and maintenance of existing areas of beneficial plants and location maps are available. Records of rat baiting and barn owl census are available. There were minor outbreaks of bagworm reported during July – September 2015 period.</p>	<p>Complied</p>

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Criterion / Indicator	Assessment Findings	Compliance
4.5.2 Training of those involved in IPM implementation shall be demonstrated. - Minor compliance -	Training records for staff on IPM implementation were available and verified to be satisfactory during on-site assessment. Latest training was conducted on 25/8/2015 by Assistant manager which include rat baiting, barn owl census, bagworm census, Ganoderma census etc.	Complied
Criterion 4.6: Pesticides are used in ways that do not endanger health or the environment		
4.6.1 Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available. - Major compliance -	Written justification is in the Standard Operating Procedures of all agrochemicals used. Selected products are specific to the target pest, weed and disease. The selection is also evaluated by the agronomist during his visit to the estate	Complied
4.6.2 Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided. - Major compliance -	Records of pesticides and their active ingredients used, LD50, area treated, amount of a.i. applied per ha, and number of applications was maintained.	Complied
4.6.3 Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines. - Major compliance -	The quantity of agrochemicals required for various field conditions are documented and justified in Kulim's Agriculture Manual. The implementation in the field is consistent with the manual. There is no prophylactic use of pesticides.	Complied
4.6.4 Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in national Best Practice guidelines. The use of such pesticides shall be minimised and eliminated as part of a plan, and shall only be used in exceptional circumstances. - Minor compliance -	Kulim has stopped paraquat usage since February 2015. Alternatives such as Glyphosate were used. There was usage of monochrotophos which was class IA chemical has obtained permit #JH/MONO (GL)/15/133 that allowed to be purchased between 28/7/15- 17/8/15 for 200 litres.	Complied
4.6.5 Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7). - Major compliance -	Pesticide operators given training on the safe handling and application of the pesticides. Suitable personal protective equipment's and application equipment provided to the operators. All precautions attached to the products explained to operators and understood by them. This was noted during the interview with workers. Training on trunk injection was conducted on 3/11/15 by safety manager from Kulim Safety department for the whole Tereh complex.	Complied

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4.6.6 Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). - Major compliance -	The operating units comply with Regulation 9 of the Pesticides Act 1974 requiring balance of remaining solution to be kept under lock and key. During visit it was noted that all the remaining pesticides are kept in the store and securely locked and comply with regulation. Agrochemical containers recycled for premix agrochemical.	Complied
4.6.7 Application of pesticides shall be by proven methods that minimise risk and impacts. - Minor compliance -	The quantity of agrochemicals required for various field conditions are documented and justified through agronomist advisory.	Complied
4.6.8 Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application. - Major compliance -	No aerial spraying.	Complied
4.6.9 Maintenance of employee and associated smallholder knowledge and skills on pesticide handling shall be demonstrated, including provision of appropriate information materials (see Criterion 4.8). - Minor compliance -	Employees demonstrate knowledge and skills on pesticide handling. MSDS was displayed in local Bahasa Malaysia language at the agrochemical store for each chemical stored as well as a Work Instruction on safe handling for the easy understanding of the agrochemical handlers	Complied
4.6.10 Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3). - Minor compliance -	Proper disposal of waste material are carried out as per the company procedures. The procedures are fully understood by workers and managers. Workers interview reveal that they are aware of the zero burning policy including domestic waste are not allowed to be burned.	Complied
4.6.11 Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. - Major compliance -	<p><u>Sungai Sembrong estate:</u> The annual Medical surveillance has been conducted for the chemical handlers in workshop, chemical store, laboratory, water treatment on 14/9/15 and the report show two workers were required to remove from exposure to fertilizer. Record verification found both workers have been transferred to general work since 1/10/2015. It was conducted by OHS doctor #OHD: HQ/14/DOC/00/372.</p> <p><u>Sungai Tawing estate:</u> Medical surveillance has been done on 30/9/2015 by OHD: HQ/14/DOC/00/372. Result found all 49 workers are fit to work.</p> <p><u>Wawasan Estate</u> Annual medical surveillance for pesticides operator was done on 16/10/15 by OHD, HQ/08/DOC/00/597. All workers were found fit to work.</p>	Complied
4.6.12 No work with pesticides shall be undertaken by pregnant or breast-feeding women. - Major compliance -	All pesticide operators are men.	Complied

Criterion 4.7:

An occupational health and safety plan is documented, effectively communicated and implemented. The health and safety plan shall cover the following:

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Criterion / Indicator	Assessment Findings	Compliance
<p>4.7.1</p> <p>A health and safety policy shall be in place. A health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored. - Major compliance -</p>	<p>OSH plan for 2015 was sighted. Programme consist Osh briefing, fire protection inspection, compliance monitoring (medical surveillance, audiometric, chemical exposure monitoring, workplace inspection, LEV monitoring) etc.</p> <p><u>Personal Chemical Exposure Monitoring (PCEM)</u></p> <p>Personal chemical exposure monitoring was conducted on 13th November 2014 by registered IHT, JKPP HIE 127/171-3/1(164). TWA8 was below than PEL. (N-hexane :176 mg/m3)</p> <p><u>Medical Surveillance</u></p> <p>Last conducted on 4 July and 30 August 2015 by registered OHD, HQ/14/DOC/00/372. 12 workers form lab, workshop, WTP, boiler and diesel operator were sent for testing. No detrimental of health due to occupational recorded.</p> <p><u>Audiometric Testing</u></p> <p>Last audiometric testing was conducted on 23/9/14 by MHA Safety and Health Sdn Bhd. Report was checked and verified by OHD, HQ/12/DOC/00/291. 9 hearing impairment and 2 STS cases recorded. Retest was conducted on 19/5/15 and reported with under hearing impairment case. For 2015 programme, it has been plan on 27/11/15. The report will be verified in the next audit.</p>	<p>Complied</p>
<p>4.7.2</p> <p>All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers. - Major compliance -</p>	<p>HIRARC and CHRA were documented for estates and mill activities as part of risk assessment activities. Sample of CHRA and HIRARC at visited operating units:</p> <p>Latest CHRA dated May 2013 by registered IHT JKPP HIE 127/171-2(154).</p> <p>Recommendation: Lab – LEV inspection, PCEM (N-hexane), medical surveillance.</p> <p>Workshop and water treatment – medical surveillance.</p> <p><u>Ladang Tereh POM</u></p> <p>Latest revision of HIRARC dated June 2015 for CPO tank operation was sighted. Risk rating (moderate) 4x3, admin control and PPE.</p> <p><u>Wawasan Estate</u></p> <p>Latest update, Buffalo Assisted Harvesting was updated in the HIRARC register dated 1/2/15.</p> <p><u>Sungai Tawing estate:</u></p> <p>HIRARC has been reviewed on 25/9/2015 after a minor accident dated 14/9/2015 related to tractor driver.</p>	<p>Complied</p>

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Criterion / Indicator	Assessment Findings	Compliance									
4.7.3 All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning. - Minor compliance -	Awareness and training programme had been carried out. All workers involved had been adequately trained in safe working practices. Appropriate PPE had been provided at the place of work to cover all potentially hazardous operations. Training records were verified. Sample of PPE per each work unit and found to be adequate as per SDS and CHRA assessor recommendation.	Complied									
4.7.4 The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded. - Major compliance -	New organization chart for SHC committee for 2015. Estate and mill assistant appointed as safety and health secretary. Appointment letter for SHC dated 14/1/15 was sighted. Tereh Mill OSH meeting - #3 30/9/15, #2 8/7/15, #1 27/3/15. Sungai Sembrong estate: OSH Meeting: 24/9/2015 Sungai Tawing estate: OSH Meeting: 9/10/2015	Complied									
4.7.5 Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed. - Minor compliance -	Emergency response plan was developed based on identified emergency situation. Verified ERT chart for Ladang Tereh POM. ERP for CPO spillage, ERP for ETP bund breaks, ERP for fire emergency were documented with process flow and work instruction. Latest fire drill report, dated 5/11/15 was sighted. In overall, drill objective was achieved. Emergency evacuation route and emergency contact number were prominently displayed at strategic area. First aid equipment were located at both production and non-production area. Trained first aider was available at all visited work unit. Incident investigation done by OSH committee and reported to Safety Department. The appointed secretary of safety and health committee is mill and estate assistant.	Complied									
4.7.6 All workers shall be provided with medical care, and covered by accident insurance. - Minor compliance -	Medical care is provided to all the employees. Local workers are covered by SOCSO, whereas foreign workers are covered by Foreign Workers Compensation Scheme by Berjaya SOMPO Insurance policy No.: 15DJB/WWBZ19217 valid till 31/12/15.	Complied									
4.7.7 Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics - Minor compliance -	Records on Lost Time Accident (LTA) metrics displayed at the operating units through Safety Statistic Billboard and reported to ESH department. Sample of accident statistic as shown below : <table border="1" data-bbox="662 1895 1294 2029"> <thead> <tr> <th>Year</th> <th>Tereh Mill</th> <th>Wawasan Estate</th> </tr> </thead> <tbody> <tr> <td>2014</td> <td>2 (9 LTA)</td> <td>0 (0 LTA)</td> </tr> <tr> <td>2015</td> <td>2 (19 LTA)</td> <td>0 (0 LTA)</td> </tr> </tbody> </table>	Year	Tereh Mill	Wawasan Estate	2014	2 (9 LTA)	0 (0 LTA)	2015	2 (19 LTA)	0 (0 LTA)	Complied
Year	Tereh Mill	Wawasan Estate									
2014	2 (9 LTA)	0 (0 LTA)									
2015	2 (19 LTA)	0 (0 LTA)									

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Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.8: All staff, workers, smallholders and contract workers are appropriately trained.			
4.8.1	A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme. - Major compliance -	A formal training programme on all aspects of RSPO principle and Criteria has been established and implemented. The training program for 2015 includes: <ul style="list-style-type: none"> • SOP training for Sterilizer & Laboratory Operator • Safety Training covering all type of work • Vehicle and Tractor Driver Training • Fire Drill and Emergency / Response Team Training • Accident Investigation Training by OSH Team • First Aid Training 	Complied
4.8.2	Records of training for each employee shall be maintained. - Minor compliance -	Training plan for 2015 has been prepared using form No.: LTM/SOP/6.8-F6. <ol style="list-style-type: none"> 1) Effluent treatment training dated 19/5/2015 2) First Aid training dated 1/6/2015. 3) SOP Refresher training dated 29/3/2015. 4) LOTO Training dated 24/3/2015. 5) FFB grading training dated 16/2/2015. 6) Fire drill: 5/11/2015. 7) Chemical handling training dated 18/2/2015 8) Tractor driver training 25/3/2015. 9) Bagworm treatment training dated 2/8/2015. 10) PPE usage training dated 22/10/2015. 	Complied
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 continual improvement.			
5.1.1	An environmental impact assessment (EIA) shall be documented. - Major compliance -	Ladang Tereh POM: Documented Environmental Aspects and Impacts Register (Form No.: LTM-EIA-2015; Activity code: ER001-ER017; Rev. 1/2015) available. The review was done on annual basis. For the year 2015, review done on 1/9/2015.	Complied
5.1.2	Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons. - Minor compliance -	The continuous implementation of the improvements activities were checked during the field and document audit. Examples of the improvement include reinstatement of riparian buffer zones, construction of oil traps, management of schedule waste etc. The responsible person is the Assistant Manager.	Complied

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Criterion / Indicator	Assessment Findings	Compliance
5.1.3	This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts. - Minor compliance -	An environmental improvement plan was implemented to monitor the effectiveness of the mitigation measures. This plan incorporated a monitoring protocol, which is adaptive to operational changes and is reviewed every year to reflect the results of monitoring operational changes that may have positive and negative environmental impacts. Complied
Criterion 5.2: The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.		
5.2.1	Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). - Major compliance -	The initial HCV assessment was conducted in 2007 by consultant. Re-assessment of HCV was done by Kulim Sustainability executives from 6 August to 11 September 2015 and pending for report. Annual review of the HCV and management and monitoring plans are conducted. There was an appropriate consultation process for identification, management and monitoring of HCVs. Complied
5.2.2	Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through a management plan. - Major compliance -	There were no RTE within the estate but endangered species such as elephant was sighted at the estate boundary adjacent to state forest. Estate has taken steps to inform the Department of Wildlife and National Park which conduct regular visit to the site. Kulim (Malaysia) Berhad is also continue to support the Kulim Wildlife Defenders Program to detect illegal hunters and handing them to regulatory departments for further action. Complied
5.2.3	There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instigated in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species. - Minor compliance -	Evidence to continuously prevent and discourage illegal or hunting, fishing or collecting activities were maintained and implemented. Signages as well as routine patrolling activities were utilised as part of creating awareness among employees and maintain HCVs. Complied
5.2.4	Where a management plan has been created there shall be ongoing monitoring: • The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; • Outcomes of monitoring shall be fed back into the management plan. - Minor compliance -	Management plans were established and monitoring outcomes were reviewed by the estate managers. Ongoing monitoring of the management plan on the status of HCV available. HCV monitoring of monthly record until November was available and animal such as wild boar, snake, monkey, and elephant was still sighted. The elephant sighting was reported to the Department of Wildlife and National Park. Further monitoring also being carried out together with wildlife department under Johor Wildlife Conservation project. Complied

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5.2.5	Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights. - Minor compliance -	There was no HCV set-aside that needs any negotiation process with the local communities.	Complied
Criterion 5.3: Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.			
5.3.1	All waste products and sources of pollution shall be identified and documented. - Major compliance -	LTPOM has established Waste Management Action Plan FY 2015/2016. Few type of waste has been identified i.e. Scheduled Waste, Domestic Waste and Industrial Waste. The source of these wastes were mainly located at mechanical/electrical workshop, chemical store, scheduled waste store, linesite, office, mill effluent pond.	Complied
5.3.2	All chemicals and their containers shall be disposed of responsibly. - Major compliance -	All chemical containers are disposed as per the company procedures. Most of the agrochemical containers are recycled for pre-mixing agrochemicals. Recycling is only for the same purpose.	Complied
5.3.3	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented. - Minor compliance -	Scheduled waste is managed well with designated storage area at the mill and each of the estates not to less than 180 days in accordance with the requirements of the Environmental Quality Act 1974 (Scheduled Wastes), Regulations, 2005. Disposal was through licensed collector. The company has continued managing scheduled waste stores at the mill and each of the estates. Agrochemical containers are triple rinsed and punctured to avoid any misuse. Latest review on type of waste generated and its handling management plan was done on 2/8/2015. Schedule waste at the mill have been disposed through Kualiti Alam on 6/10/15 (E-Consignment Note No.: 2015100609IJOEVB) for SW 305, SW 409, SW 410, SW 430 and SW 306. Sg. Sembrong estate disposed on 25/10/15 (consignment note #: 2015102409UPOGFL). Inventory record was being maintained adequately.	Complied
Criterion 5.4: Efficiency of fossil fuel use and the use of renewable energy is optimised.			

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Criterion / Indicator	Assessment Findings	Compliance
5.4.1 A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored. - Minor compliance -	<p>The mill production output records and the renewable energy used were monitored monthly. The Mill monitors and reports energy usage monthly to head office through monthly report. The company has optimized the use of renewable energy. The energy usage varies depending on the FFB supplied by the estates. During low crop there is a slight increase in use of diesel fuel for processing. Monitoring of fuel used is based on per Mt of CPO. Similar to other palm oil mills under Kulim (Malaysia) Berhad, average 12% of fiber used per month combining with 6% of shell as renewable energy source.</p> <p>Average monthly fossil fuel (diesel): 0.62liter/mt FFB processed for vehicles and standby/start-up genset consumptions for mill.</p> <p>Average monthly fossil fuel (diesel): 4.83liter/mt FFB processed for vehicles and genset (domestic electricity supply) consumptions for Sg. Sembrong Estate.</p>	Complied
<p>Criterion 5.5: Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice.</p>		
5.5.1 There shall be no land preparation by burning, other than in specific situations as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Major compliance -	Zero open burning policy as per SOP Section B2 - Felling/Land Clearing & Land Preparation dated November 2008. Management complying with the Malaysian environmental law –EQA and Regulations 1974. No open burning noted during the field visit and facility visit.	Complied
5.5.2 Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Minor compliance -	No use of fire for land preparation during replanting.	Complied
<p>Criterion 5.6: Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</p>		
5.6.1 An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4). - Major compliance -	At Mill, Ambient Air quality monitoring and Air emission monitoring has been carried out by PAC Testing & Consulting Sdn. Bhd on Jan, April, July & Oct. Report sampled (Report PAC-AA-150117 dated January 2015) for Jan shown total TSP less than 10 microns (PM10). The result showed that the parameters checked were complied with the limit of the Malaysian Recommended Air Quality Guidelines and Environmental Quality (Clean Air) Regulation, 1978. No peat land within the supply base. Based on the review result Management Action Plans are developed and implemented as part of continuous improvement. The review includes the gaseous emissions, particulates emission and effluent.	Complied

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5.6.2	Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. - Major compliance	Significant pollutants and greenhouse gas (GHG) emissions were identified includes methane from effluent, smoke and fertilizer usage have been documented. Implementation and monitoring of GHG emissions is carried out.	Complied
5.6.3	A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools. - Minor compliance -	Tools and systems used to monitor significant pollutants includes the DOE CEMS monitoring system for air emissions, water quality at discharge points as per DOE regulations and Scheduled Waste disposal as per the DOE requirements. POME is treated using aerobic and anaerobic ponds. Effluent waste-water samples were taken as per DOE requirement and quarterly reports sent to DOE. Kulim have produce Carbon Footprint Report available publicly on request.	Complied
<p>Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and millers.</p>			
<p>Criterion 6.1: Aspects of plantation and mill management that have social impacts, including replanting, are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.</p>			
6.1.1	A social impact assessment (SIA) including records of meetings shall be documented. - Major compliance -	Tereh operating unit social impact assessment was reviewed annually by taking into consideration the feedback from stakeholders and social action plan is developed based on feedback received from external and internal stakeholders. Record of meeting with attendance list and minute of meeting are available as attachment. Sustainability Department executives conduct annual survey to get feedback from stakeholders. Latest survey was conducted on 15/7/15. SIA action plan has been updated on 1/8/15.	Complied
6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. - Major compliance -	Assessment also covered Social Amenities, Environment, Road Users, Employee Changes, Safety and Health Issues, Surrounding Communities, Government Official, Police, Labour Department, Health Department, Contractors and Suppliers.	Complied
6.1.3	Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation. - Major compliance -	Based on the SIA findings and recommendation from the sustainability executives, a timetable with responsibilities for mitigation and monitoring of the social impacts were developed and reviewed as necessary. The Assistant Manager is responsible for the social issues and communication with the stakeholders.	Complied
6.1.4	The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the review has concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties. - Minor compliance -	Annual SIA improvement plans reviewed yearly. The assessment was through meeting with the effected parties and stakeholders conducted by the Kulim Sustainability executives.	Complied

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6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme). - Minor compliance -	No smallholder schemes at Tereh Certification Unit.	Complied
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	Consultation and communication procedures shall be documented. - Major compliance -	Documented consultation and communication procedures "Grievance Procedure" SOP was established and available since 2008.	Complied
6.2.2	A management official responsible for these issues shall be nominated. - Minor compliance -	The responsibility to ensure effective implementation of the SOP is the respective Mill and Estate Managers assisted by assistant managers. These executives of the respective operating unit handle social issues of the mill and estates.	Complied
6.2.3	A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained. - Minor compliance -	Stakeholder list has been updated in the 1/8/2015 including all the stakeholders with the contact persons and detail which include government agency NGO, supplier, and contractor. Several internal and external stakeholders have been conducted separately with different stakeholder.	Complied
Criterion 6.3: There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all effected parties.			
6.3.1	The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested. - Major compliance -	A documented dispute resolution procedure is available in Mill and Estate which is effective, timely, and appropriate and open to any affected parties. The complaint and grievances is open to effected parties including internal and external stakeholders.	Complied
6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. - Major compliance -	SOP to resolve social disputes "Grievance Procedures" SOP dated since 2008 has been established. Stakeholder meetings are held regularly to identify and give opportunity to stakeholders to complaint or raise disputes. Issues are discussed and consensual agreements reached during stakeholder meetings. Follow-up actions had timelines, responsibilities, and details of actions and monitored by managers for satisfactory conclusion. Minutes of meetings are maintained and reviewed.	Complied
Criterion 6.4: Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.			

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6.4.1	A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. - Major compliance -	SOP to identify legal and customary rights as well as people entitled to compensation has been established. There have been no issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders.	Complied
6.4.2	A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land. - Minor compliance -	SOP is as per in 6.3.2 above.	Complied
6.4.3	The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available. - Major compliance -	No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders to date.	Complied
Criterion 6.5: Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.			
6.5.1	Documentation of pay and conditions shall be available. - Major compliance -	Documentation of pay and conditions such as pay slips, shows gross pay, net pay, leave, medical leave pay etc are maintained by the company. Minimum wage is paid to workers and no complaint was received during interview with workers.	Complied
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.) shall be available in the languages understood by the workers or explained carefully to them by a management official. - Major compliance -	Extended employment contract for foreign workers were not available for those extended their employment with the operating units. Extended employment contract for the following employees were not available: i.) Passport Number AR 750502 (Employment contract expired on 12/2/2014) ii.) Passport Number AR 750501 (Employment contract expired on 14/5/2014) iii.) Passport Number AR 471249 (Employment contract expired on 6/5/2014) Major nonconformity was raised.	Major Nonconformity

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6.5.3	Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. - Minor compliance -	Palm Oil Mill and estates provide adequate housing, water supplies, medical, educational and welfare amenities in accordance with Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446). The Mill has completed the new housing project for workers. Water is supplied to workers housing through piping. The water tanks are provided for storage purpose. Complied
6.5.4	Growers and millers shall make demonstrable efforts to monitor and improve workers' access to adequate, sufficient and affordable food. - Minor compliance -	Accesses to food for the workers are considered adequately and sufficiently. Complied
Criterion 6.6: The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.		
6.6.1	A published statement in local languages recognising freedom of association shall be available. - Major compliance -	Workers have freedom to join the workers union. Policy on Freedom of Association dated since 2008. Complied
6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. - Minor compliance -	Worker Union (NUPW) was formed by the workers. Union meeting has been conducted on the 26/4/2015 and no major issue has been highlighted. Interview with NUPW representatives confirmed that there were no pending issues. Complied
Criterion 6.7: Children are not employed or exploited.		
6.7.1	There shall be documentary evidence that minimum age requirements are met. - Major compliance -	Operating units are complied with the minimum age requirement. No employees below the age of 18. Complied
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 including identification of relevant/affected groups in the local environment shall be documented. - Major compliance -	A policy on equal opportunity available and displayed at the offices along with the other policies. Complied
6.8.2	Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against. - Major compliance -	Migrant workers are recruited with 3 years contract. Local workers are on a long term employment. No any kind of discrimination was noted. Job opportunities and amenities such as free housing, water and electricity supplies, medical care are given to all employees without discrimination. All employees are aware of the grievance procedures through the various Committees such as Gender Committee for women, Foreign Workers Representation and Union Committee to highlight their concerns and grievances if any. No grievances were highlighted to the audit team by internal and external stakeholders. Complied

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6.8.3	It shall be demonstrated that recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. - Minor compliance -	Recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. It was noted during the audit that there is no discrimination based on nationality, race, gender, age, etc. Complied
Criterion 6.9: There is no harassment or abuse in the work place, and reproductive rights are protected.		
6.9.1	Policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. - Major compliance -	Policy on protection against Sexual Harassment and other forms of harassment available and implemented. There is no any reported case of harassment in the operating units. Gender committee namely "WOW" (Women Onwards) has been established in all operating units and guided by quality department from HQ. Latest meeting was conducted on 15/8/2015. Complied
6.9.2	A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce. - Major compliance -	Reproductive rights of the female workers are protected. Female employees are aware that they are entitled for two months paid maternity leave. Complied
6.9.3	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. - Minor compliance -	Existing grievance procedure to handle grievances from internal and external stakeholders contains flow chart and available in the local language. Grievances and complaints are treated as confidential and not discussed in public. Complied
Criterion 6.10: Growers and mills deal fairly and transparently with smallholders and other local businesses.		
6.10.1	Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. - Minor compliance -	Pricing mechanism for FFB is based on Malaysian Palm Oil Board pricing published in the MPOB website and publicly available. Complied
6.10.2	Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation). - Major compliance -	The palm oil mill management have explained FFB pricing, and pricing mechanisms for FFB and inputs/services and documented. The FFB suppliers interviewed understand the pricing calculation methods Complied
6.10.3	Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. - Minor compliance -	Contractors/suppliers understand contractual agreement and stated that the contract is transparent and fair. The company has standard term and condition of contract agreement which is explained prior to signing. Complied
6.10.4	Agreed payments shall be made in a timely manner. - Minor compliance -	Interview of contractors and workers confirmed payment is made promptly. Inspection to the "Grievance Book" indicated no complaint was raised in relation to processing of the payment. Complied
Criterion 6.11: Growers and millers contribute to local sustainable development where appropriate.		

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6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. - Minor compliance –	Contributions are regularly made to school activities and community activities. This was confirmed by school teachers and local community during interview. Company also allow access to local community to access through the estate roads. Consultations with the local communities are held to encourage them to highlight and suggest any activities for local community development.	Complied
6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. - Minor compliance –	No scheme smallholders.	Complied
Criterion 6.12: No forms of forced or trafficked labour are used.			
6.12.1	There shall be evidence that no forms of forced or trafficked labour are used. - Major compliance -	Workers, staff and stakeholder interview confirm that there is no any form of forced labour or trafficked labour in the operating units. All employees have employment contract and paid the agreed national minimum wages.	Complied
6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. - Minor compliance –	No contract substitution was noted.	Complied
6.12.3	Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented. - Major compliance -	Equal opportunity and non-discriminatory policy is implemented. No temporary workers. Migrant workers are treated equally as per the locals.	Complied
Criterion 6.13: Growers and millers respect human rights.			
6.13.1	A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1). - Major compliance -	The existing policy covers the necessary aspects of human rights. Employees are aware of their rights and workers and staff union monitor to ensure no violations.	Complied
6.13.2	As long as children of foreign workers in Sabah and Sarawak are ineligible to attend government school, the plantation companies should engage in a process to secure these children access to education as a moral obligation.	Not applicable for Peninsular Malaysia.	Complied
Principle 7: Responsible development of new plantings Ladang Tereh Palm Oil Mill Certification unit and supply base did not carry out any new plantings since November 2005. Therefore, Principle 7 is not applicable during this surveillance assessment. The immature area are replanted area.			
Principle 8: Commitment to continual 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 continual improvement in key operations.			

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Criterion / Indicator	Assessment Findings	Compliance
<p>8.1.1</p> <p>The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria.</p> <p>As a minimum, these shall include, but are not necessarily be limited to:</p> <ul style="list-style-type: none"> • Reduction in use of pesticides(Criterion 4.6); • Environmental impacts (Criteria 4.3, 5.1 and 5.2); • Waste reduction (Criterion 5.3); • Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8); • Social impacts (Criterion 6.1); • Optimising the yield of the supply base. <p>- Major compliance -</p>	<p>Estate has budgeted for extend the current probase road leading to workers housing and upgrading Surau.</p> <p>Ongoing monitoring of wildlife by Kulim joint venture with wildlife conservation society as addition to the operating units monitoring.</p> <p>Kulim has stopped paraquat usage since February 2015 and alternatives such as Glyphosate were used.</p> <p>For Ladang Tereh POM, continual improvement project was initiated to reduce kaolin clay consumption as well as to improve on kernel quality. 3 stage hydro cyclone was used to replace clay bath operation. The project has been completed in February 2015.</p>	<p>Complied</p>

Appendix B: Time Bound Plan

TIME BOUND PLAN – Certification Units in Malaysia			
No.	MANAGEMENT UNIT		
	Malaysia	Time Bound for certification	Status
1	Sedenak Palm Oil Mill	2009	Certified 2009. Recertification completed in 2014
2	Sindora Palm Oil Mill	2009	Certified 2009. Recertification completed in 2014
3	Tereh Palm Oil Mill	2009	Certified 2009. Recertification completed in 2014
4	Palong Palm Oil Mill	2009	Certified 2009. Recertification completed in 2014
5	Pasir Panjang Palm Oil Mill (Previously certified through JCorp. But terminated due to the mill was leased to third party and Kulim (Malaysia) Berhad did not have the management control. Now the management control is under Kulim (Malaysia) Berhad after fully acquiring the Palm Oil Mill in 2015)	2016	Planning in 2016
	Indonesia	Time Bound for certification	Status
6	PT Harapan Barito Sejahtera	NPP completed	Planting in progress
7	PT Sawit Sumber Rejo	NPP completed	Planting in progress
8	PT Wahana Semesta Karisma	NPP completed	Planting in progress

Appendix C: RSPO Certificate Details

Kulim (Malaysia) Berhad
Tereh Palm Oil Mill,
KB 538, 86009 Kluang, Johor,
MALAYSIA

BSI RSPO Certificate No: SPO 613086
Date of Initial Certificate Issued: 23 January 2009
Date of Expiry: 22 January 2019
RSPO membership number: 1-0006-04-000-00
Applicable Standards: RSPO P&C MYNI 2014; RSPO Certification System June 2007 (revised March 2011); RSPO P&C MY-NIWG 2010; RSPO Supply Chain Certification Standard 21 November 2014 Module D - CPO Mills: Identity Preserved

Tereh Palm Oil Mill and Supply Base					
Location Address	Tereh Palm Oil Mill, KB 538, 86009 Kluang, Johor, Malaysia.				
GPS Location	Longitude: 103° 21' 05.00" E Latitude: 2° 13' 3.06" N				
CPO Tonnage Total	68,529mt				
PK Tonnage Total	17,815mt				
CPO Claimed for Certification	68,529mt				
PK Claimed for Certification	17,815mt				
Own estates FFB Tonnage	321,609mt				
Scheme Smallholder FFB Tonnage	-				
Non-company suppliers FFB Tonnage - Other adjacent estates	-				
Estates	Production Area		Other use (ha)	Certified Area / Total land lease (ha)	Annual FFB Production (mt)
	Mature (ha)	Immature (ha)			
Tereh Utara Estate	2,858.56	0	233.64	3,092.20	68,704
Tereh Selatan Estate	2,521.74	0	197.82	2,719.56	60,967
Selai Estate	1,216.21	404.85	179.11	1,800.17	25,205
Enggang Estate	1,232.24	423.57	78.57	1,734.38	23,271
Mutiara Estate	1,914.55	397.31	140.44	2,452.30	41,426
Sg. Sembrong Estate	1,181.33	0	59.54	1,240.87	26,740
Sg. Tawing Estate	1,831.86	234.98	162.16	2,229	40,845
Wawasan Estate	361.91	0	0.39	362.30	27,830
Felda Paloh	1,226.77	0	105.03	1,331.80	6,621
Total	14,345.17	1,460.71	1,156.70	16,962.58	321,609

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Appendix D: Assessment Plan

Date	Time	Subjects	Hidhir	Hafri	Muhd Haris
Saturday 7/11/2015	PM	Audit Team travelling to the site.	√	√	√
Sunday 8/11/2015 Tereh Palm Oil Mill	08.30 – 09.00	Opening Meeting: <ul style="list-style-type: none"> Opening Presentation by Audit team leader. Confirmation of assessment scope and finalize Audit plan (including stakeholder's consultation). 	√	√	√
	09.00 – 12.00	Tereh Palm Oil Mill Inspection: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment, staff, workers and contractor interview, housing and facility inspection, clinic, etc. Meeting with stakeholders.	√	√	√
	12.00 – 13.00	Lunch	√	√	√
	13.00 – 16.30	Tereh Palm Oil Mill: Visit to laboratory, weighbridge and palm product storage area. Document Review P1 – P8: SOPs, Supply chain for CPO mill, Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation etc. Verify previous nonconformities.	√	√	√
	16.30-17.00	Interim Closing briefing.	√	√	√

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Date	Time	Subjects	Hidhir	Hafri	Muhd Haris
Monday 9/11/2015	08.30 – 12.00	Sg Sembrong Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, , etc.	-	√	√
	08.30 – 16.30	Wawasan Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, , etc. And document audit.	√	-	-
	12.00 – 13.00	Lunch	√	√	√
	13.00 – 16.30	Sg Sembrong Estate Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc).	-	√	√
	16.30-17.00	Interim Closing Briefing	√	√	√
Tuesday 10/11/2015	8.30 – 12.00	Sg Tawing and Wawasan Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, , etc.	√	√	√
	12.00 – 13.00	Lunch	√	√	√
	13.00 – 16.00	Sg Tawing and Wawasan Estate Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc).	√	√	√
	16.00-17.00	Verify any outstanding issues and preparation for Closing Meeting	√	√	√
	17.00-18.00	Closing Meeting	√	√	√

Appendix E: Stakeholders Contacted

<p>Internal Stakeholders</p> <p>Managers and Assistants Male Mill Staff/Workers Female Mill Staff/Workers Foreign Worker Field workers Nursery workers Male and Female Estate workers Hospital Assistant Union Representatives (NUPW) Gender Committee Secretary (WOW) Boiler operators Engine room operators Store clerk Staff and Welder at workshop Press station worker Weighbridge Staff Tractor/lorry driver</p>	<p>External Stakeholders</p> <p>Head of the Village Neighboring Estate Mosque Committee General Supplier and contractor</p>
<p>Government Departments</p> <p>Labour Department</p>	<p>Non-Governmental Organization</p> <p>National Union of Plantation Workers All Malaysia Estate Staff Union Malayan Agricultural Producers Association</p>

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

Requirements	Compliance
D.1. Definition	
<p>D.1.1 A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&C). Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.</p>	<p>Ladang Tereh Palm Oil Mill only receives certified FFB. Therefore qualifies for the Identity Preserved supply chain system and module. During the P&C assessment, the audit team verified the volumes and sources of certified FFB entering the mill, the implementation of processing controls and volume sales of RSPO certified products.</p>
D.2 Explanation	
<p>D.2.1 The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the certification body (CB) in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.</p>	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill is recorded in this public summary report.</p>
<p>D.2.2 The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p>	<p>The mill has met all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p>
D.3 Documented procedures	
<p>D.3.1 The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</p> <ul style="list-style-type: none"> a) Complete and up to date procedures covering the implementation of all the elements in these requirements; b) The role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site's procedures for the implementation of this standard. 	<p>Latest written documented procedures (Quality Procedure/LTM-SPO : Core Process Procedure) for the chain of custody is with Identity Preserved (IP) model covering all the RSPO Supply Chain Certification Standard and Traceability for handling certified and non-certified FFB under Appendix 15. This developed based on the RSPO SCCS 21 November 2014. The previous SOP was for SG. The mill manager has the responsibility to ensure implementation assisted by the on-site compliance executive. The IP model is used because only certified FFB from own supply base is received and processed at Ladang Tereh Palm Oil Mill.</p> <p>The mill manager and assistant manager have awareness of the supply chain system. The manager has overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements.</p>
<p>D.3.2 The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>	<p>Ladang Tereh Palm Oil mill has documented procedures (as per above in D 3.1) for the incoming FFB, processing and outgoing palm products (CPO and PK). The procedure covers receiving and processing certified and non-certified FFBs.</p>
D.4 Purchasing and goods in	

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<p>D.4.1 The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.</p>	<p>Similar to last assessment daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the certified FFB. Records verified by internal and external audit. LAdang Tereh mill have system to verify at the weighbridge. Sample of weighbridge ticket for diversion crop on August 2015:</p> <p>Sindora Certification Unit (RSPO Certified Group estate) i)Consignment note, R No.A :52797 dated 19/8/15 Crop: Planting 03 & 92. Weight 20.85 Mt.</p> <p>ii)Consignment note, R No.A :52790 dated 18/8/15 Crop: Planting 05, 93 & 06. Weight 21.65 Mt.</p>
<p>D.4.2 The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.</p>	<p>The facilities aware of this procedure and stated in the procedure.</p>
<p>D.5 Record keeping</p>	
<p>D.5.1 The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.</p>	<p>All the inventory records are maintained and updated on daily basis and monthly report shows monthly inventory. Computerized system in place. No PKO and Palm kernel meal at Tereh Palm Oil mill. PK is sold to 3rd party Kernel Crushing Plant. Daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the FFB received. Records of certified FFB received verified during annual surveillance. Records verified by internal and external audit.</p> <p>CSPO contract sampled : Contract: MSPO 1505 SG (CPOSG-15042P) Buyer : Palmaju Edible Oils Sdn Bhd Specification : PORAM Delivery period : July (330 mt)</p>
<p>D.6 Processing</p>	
<p>D.6.1 The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from noncertified material including during transport and storage.</p>	<p>During this assessment it was confirmed that only certified source of FFB from own plantation and other certified group estate is processed. No non-certified FFB received.</p>
<p>D.6.2 The objective is for 100 % segregated material to be reached.</p>	<p>Processing and storage records can trace back to only certified segregated FFB and finish product (CPO and PK) through traceability records such as weighbridge records. This ensures that 100% segregated materials are reached.</p>

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Actual Tonnage Certified Palm Production – 01 November 2014 – 31 October 2015 (ASA1)

Mill	Capacity	CPO	PK
Tereh Palm Oil Mill	60 mt/hr	65,026	17,779

Actual Tonnage Sales of Certified Palm Products - 01 November 2014 – 31 October 2015 (ASA1)

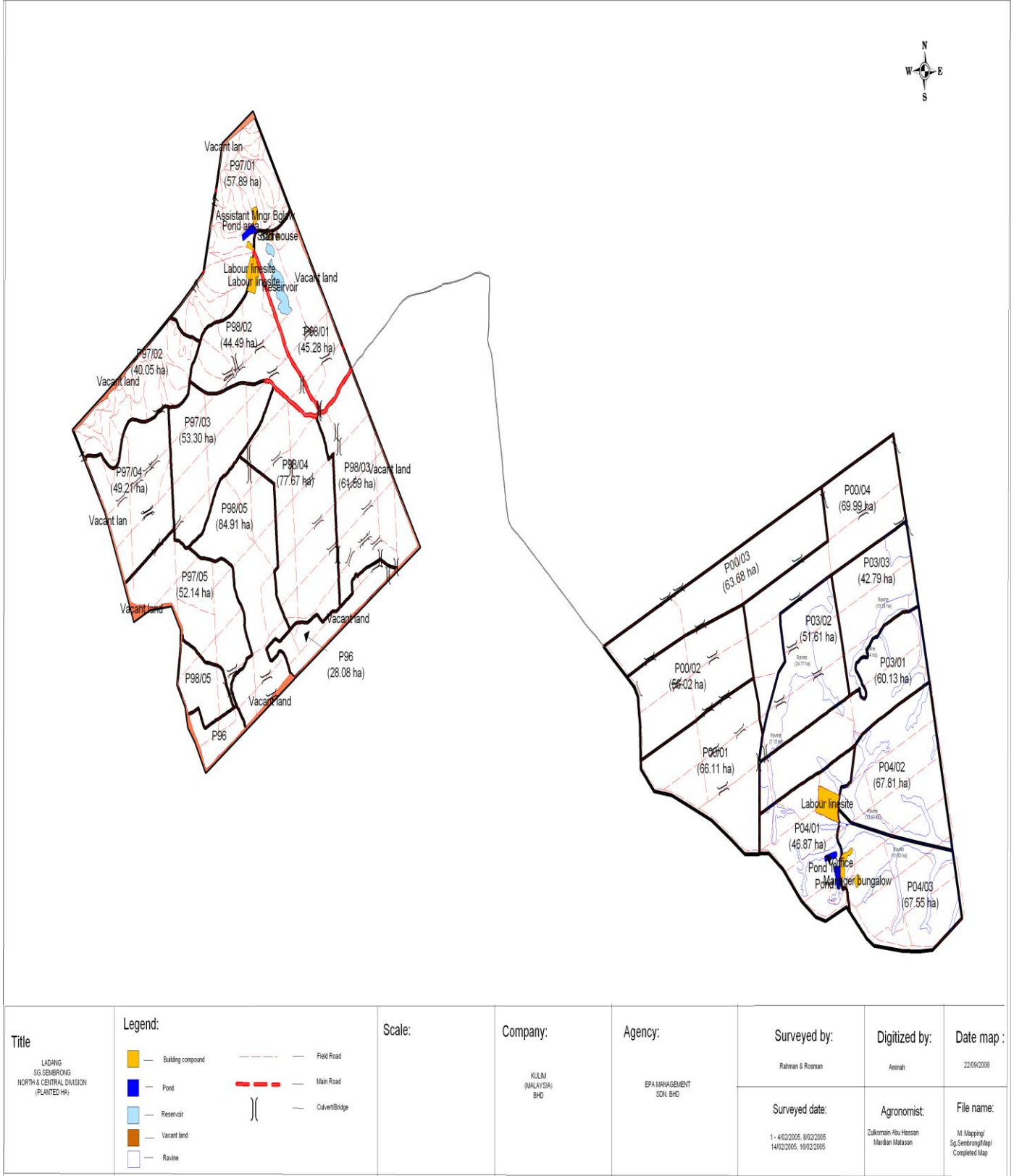
Mill	Certified CPO Sales	Certified PK Sales	Remarks
Tereh Palm Oil Mill	5558.31	-	Based on e-trace transaction

Actual Tonnage Certified FFB Received Monthly - 01 November 2014 – 31 October 2015 (ASA1)

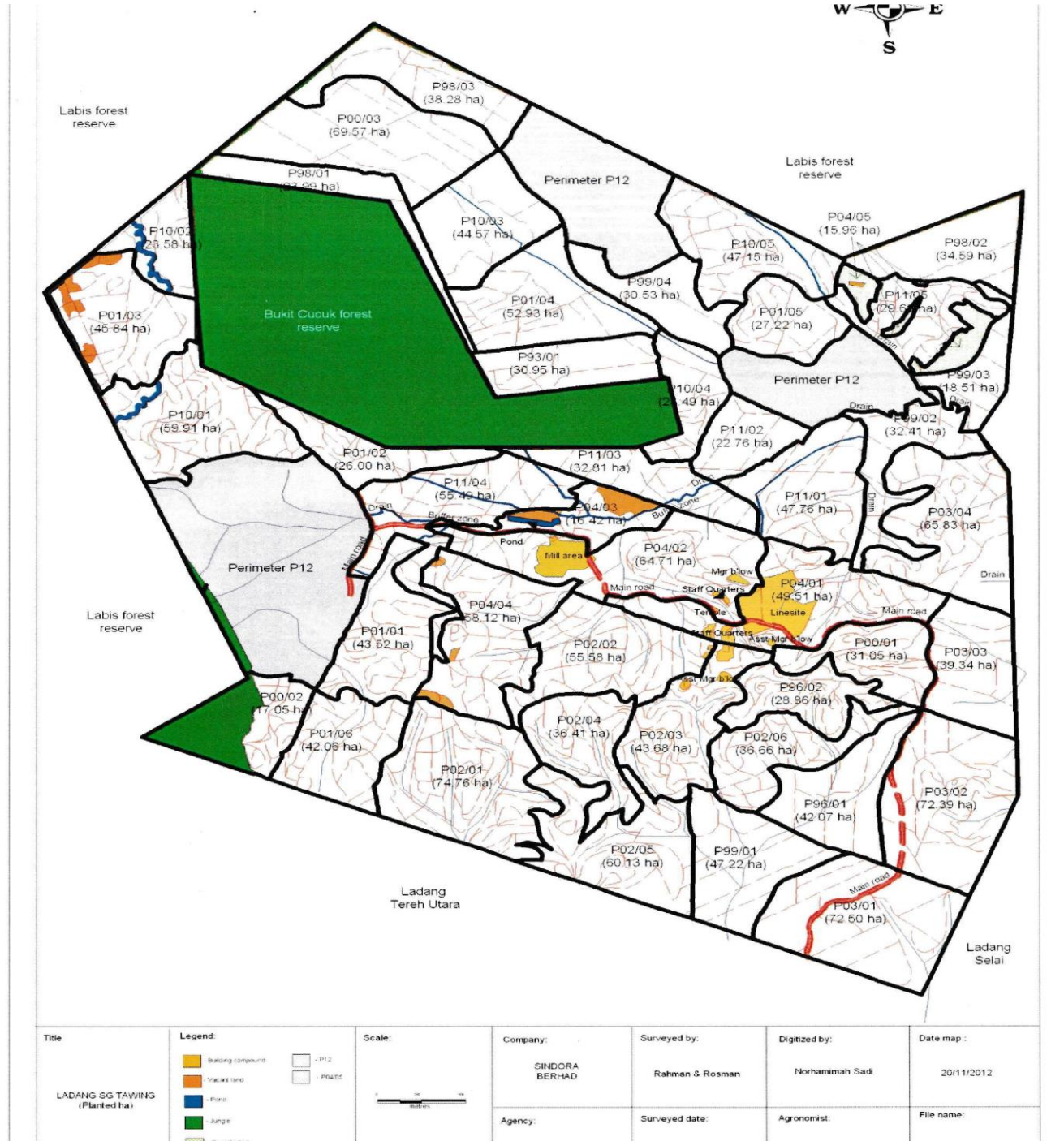
Month	Tereh Utara Estate	Tereh Selatan Estate	Selai Estate	Enggang Estate	Mutiara Estate	Sg. Sembrong Estate	Sg. Tawing Estate	Wawasan Estate	Felda Paloh	Renggam Estate	Total
Nov 2014	6,610.24	6,042.85	1,576.02	1,315.31	4,511.95	2,552.40	3,666.90	647.52	2,536.56	0	29,459.75
Dec 2014	5,179.85	4,969.53	1,174.32	1,020.57	4,191.82	2,143.36	2,676.58	453.85	2,439.16	0	24,249.04
Jan 2015	4,117.00	3,997.05	1,075.68	839.31	2,765.63	1,495.61	2,028.28	368.49	1,915.94	0	18,602.99
Feb 2015	3,891.13	3,879.35	1,199.83	1,140.16	2,166.28	1,596.26	2,194.77	368.95	1,619.34	0	18,056.07
Mar 2015	4,391.64	4,884.8	1,356.12	1,217.61	2,853.77	1,663.32	2,730.23	388.06	1,916.28	0	21,401.83
Apr 2015	4,839.00	4,958.63	1,623.15	1,504.07	3,029.16	1,823.75	2,903.87	427.31	2,191.71	0	23,300.65
May 2015	5,143.00	5,335.07	1,718.41	1,724.07	3,345.20	2,185.68	3,088.73	436.48	2,045.35	0	25,021.99
June 2015	5,142.47	4,602.12	1,665.10	1,435.15	3,426.31	2,268.79	3,129.20	478.16	2,109.84	0	24,257.14
July 2015	6,561.56	5,543.8	2,399.11	1,781.86	4,097.77	2,662.32	3,854.84	533.12	1,860.18	0	29,294.56
Aug 2015	6,179.75	5,523.85	2,061.97	2,013.26	4,629.76	3,027.40	3,526.15	612.11	2,126.80	0	29,701.05
Sept 2015	7,056.04	6,040.12	2,390.34	2,082.67	4,897.00	3,125.44	3,820.76	646.19	2,094.85	306.00	32,459.41
Oct 2015	8,231.89	6,919.27	2,376.11	2,132.81	5,597.53	3,679.84	4,274.85	566.34	2,147.44	0	35,926.08
Total	67,343.57	62,696.44	20,616.16	18,206.85	45,512.18	28,224.17	37,895.16	5,926.58	25,003.45	306.00	311,730.56

Over production due to diversion of certified FFB from certified Group estate, Sindora cert#SPO 61239, expiry: 22/1/2019

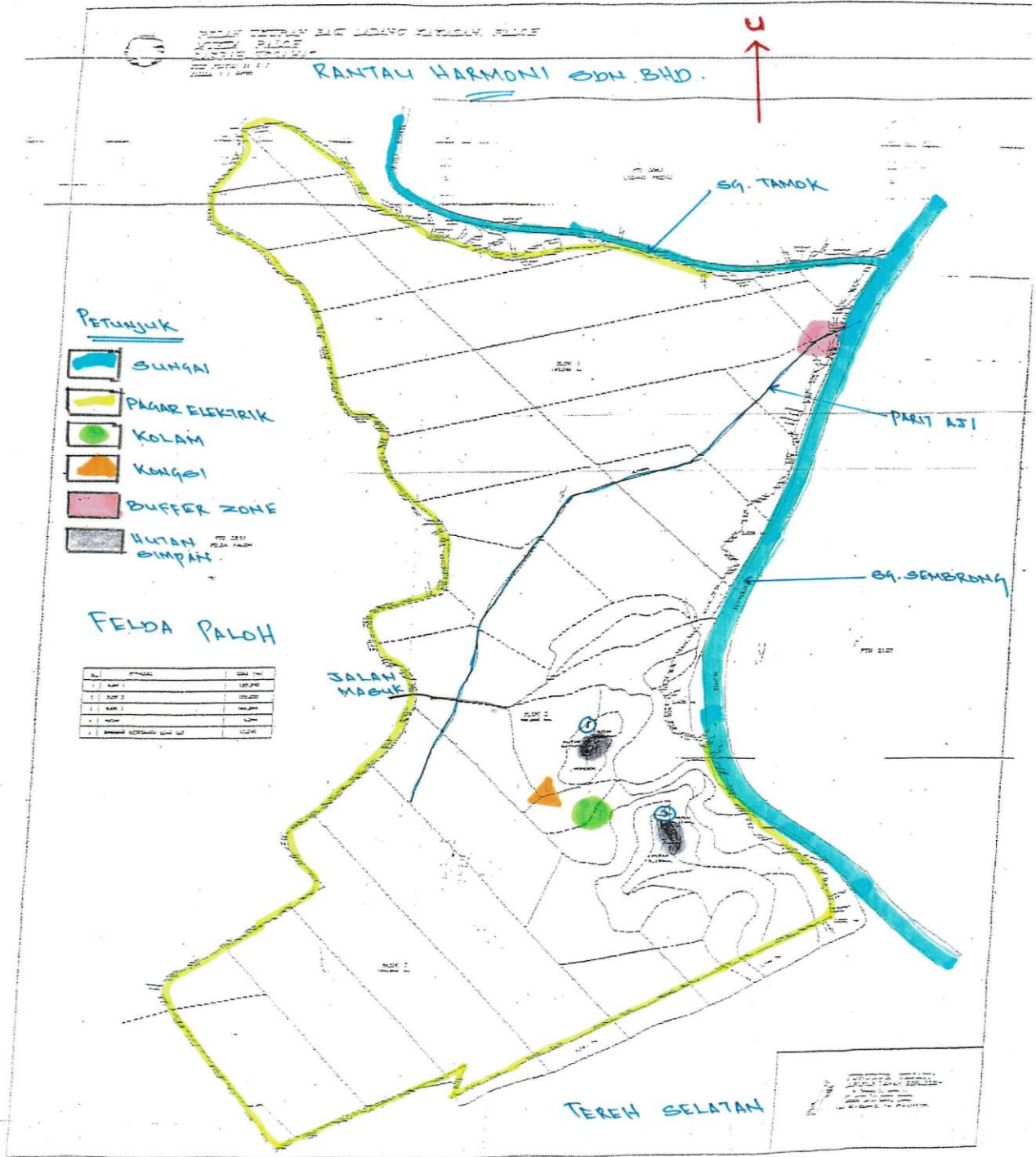
Appendix G: Sg Sembrong Estate Field Map



Appendix H: Sg Tawing Estate Field Map



Appendix I: Wawasan Estate Field Map



Appendix J : List of Abbreviations Used

ASA	Annual Surveillance Assessment
BOD	Biological Oxygen Demand
CHRA	Chemical Health Risk Assessment
CIP	Continual Improvement Plan
CPO	Crude Palm Oil
DOE	Department of Environment
DOSH	Department of Occupational Safety & Health
EFB	Empty Fruit Bunch
EIA	Environmental Impact Assessment
EMS	Environmental Management System
ERP	Emergency Response Plan
FFB	Fresh Fruit Bunch
GMP	Good Manufacturing Practice
HCV	High Conservation Value
IAV	Initial Assessment Visit
IPM	Integrated Pest Management
ISCC	International Sustainable Carbon Certification
MPOA	Malaysian Palm Oil Association
MSDS	Material Safety Data Sheet
MSPO	Malaysian Sustainable Palm Oil
MY-NI	Malaysian National Interpretation
NGO	Non Governmental Organisation
OSH	Occupational Safety & Health
PK	Palm Kernel
PKO	Palm Kernel Oil
PPE	Personal Protective Equipment
RC	Re-Certification
RED	Renewable Energy Directive
RSPO P&C	Roundtable on Sustainable Palm Oil Principle & Criteria
SCCS	Supply Chain Certification Standard
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure