

**MALAYSIAN SUSTAINABLE PALM OIL – INITIAL
ASSESSMENT/EXTENSION OF SCOPE
Public Summary Report**

Kulim (Malaysia) Berhad
Client company Address: K.B. 705 Ulu Tiram, 81900 Johor Bahru, Johor
Certification Unit: Sedenak Palm Oil Mill and supply bases
Location of Certification Unit: K.B. 721, 80990 Kulai, Johor, Malaysia

Report prepared by:
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Report Number: 9772900

Assessment Conducted by:
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TABLE of CONTENTS	Page No
Section 1: Executive Summary	3
1.1 Organizational Information and Contact Person	3
1.2 Certification Information	3
1.3 Location of Certification Unit	4
1.4 Plantings & Cycle	4
1.5 FFB Production (Actual) and Projected (tonnage).....	4
1.6 Certified CPO / PK Tonnage	5
1.7 Certified Area	5
1.8 Details of Certification Assessment Scope and Certification Recommendation:	5
Section 2: Assessment Process	6
1. Assessment Program	6
Section 3: Assessment Findings	8
3.1 Details of audit results	8
3.2 Details of Nonconformities and Opportunity for improvement.....	8
3.3 Status of Nonconformities Previously Identified and OFI	10
3.4 Issues Raised by Stakeholders	10
3.5 Summary of the Nonconformities and Status.....	11
3.6 Summary of the findings by Principles and Criteria	12
Section 4: Assessment Conclusion and Recommendation	61
Appendix A: Assessment Plan	62
Appendix B: List of Stakeholders Contacted	63
Appendix C: Smallholder Member Details.....	63
Appendix F: Location and Field Map	64
Appendix G: List of Abbreviations	67

Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
MPOB License	Bukit Layang Estate: MPOB license 592627002000 valid from from 1/1/2019 to 31/12/2019 Asam Bubok Estate: MPOB license 501796602000 valid from 1/10/18 – 20/9/19		
Company Name	Kulim (Malaysia) Berhad		
Address	K.B. 705 Ulu Tiram, 81900 Johor Bahru, Johor		
Group name if applicable:	-		
Subsidiary of (if applicable)	-		
Contact Person Name	Salasah Elias		
Website	www.kulim.com.my	E-mail	salalah@kulim.com.my
Telephone	07-8611611	Facsimile	07-8631084

1.2 Certification Information			
Certificate Number	Mill : MSPO 697947 Estate : MSPO 697948		
Issue Date	30/03/2019	Expiry date	29/03/2024
Scope of Certification	Mill: Production of Sustainable Palm Oil and Palm Oil Products Estate: Production of Sustainable Oil Palm Fruits		
Stage 1 Date	N/A. This is RSPO certified company.		
Stage 2 / Initial Assessment Visit Date (IAV)	9-11 October 2018 22-23 May 2019 (extension of scope)		
Continuous Assessment Visit Date (CAV) 1	-		
Continuous Assessment Visit Date (CAV) 2	-		
Continuous Assessment Visit Date (CAV) 3	-		
Continuous Assessment Visit Date (CAV) 4	-		
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
EU-ISCC-Cert-DE119-60192022	ISCC EU	ASG CERT	12/03/2020
A77597	MS 1500:2009	JAKIM	30/06/2019
AR1803	ISO 9001:2015	SIRIM QAS International Sdn Bhd	14/09/2020
RSPO 537873	RSPO P&C MYNI 2014 RSPO SCCS June 2017	BSI Services (M) Sdn Bhd	22/01/2019

MSP0 Public Summary Report
Revision 0 (Aug 2017)

1.3 Location of Certification Unit			
Name of the Certification Unit (Palm Oil Mill/ Estate/ Smallholder/ Independent Smallholder)	Site Address	GPS Reference of the site office	
		Latitude	Longitude
Sedenak Palm Oil Mill	Kulai, Johor	1° 43' 47.41" N	103° 32' 21.97" E
Sedenak Estate	Kulai, Johor	1° 42' 48.79" N	103° 31' 36.24" E
Ulu Tiram Estate	Ulu Tiram, Johor	1° 37' 28.02" N	103° 47' 26.40" E
Kuala Kabong Estate	Kulai, Johor	1° 41' 20.10" N	103° 26' 0.87" E
Basir Ismail Estate	Kota Tinggi, Johor	1° 37' 47.84" N	103° 54' 52.07" E
Asam Bubok Estate	K.B. 102, 86100 Air Hitam, Johor	1° 34' 56.70" N	103° 57' 46.93" E
Bukit Layang Estate	K.B. 502, 81909 Kota Tinggi, Johor	1° 34' 56.70" N	103° 57' 46.93" E

1.4 Plantings & Cycle					
Estate	Age (Years) - ha				
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30
Sedenak Estate	302.25	459.12	1,858.32	0	0
Ulu Tiram Estate	3.3	211.91	0	24.15	238.72
Kuala Kabong Estate	0	0	1,366.46	0	0
Basir Ismail Estate	330.85	1,526.78	766.41	322.31	0
Asam Bubok Estate	328.94	268.28	56	0	0
Bukit Layang Estate	0	78.75	304.50	0	0
Total	965.34	2,544.84	4,351.69	346.46	238.72

1.5 FFB Production (Actual) and Projected (tonnage)			
Producer Group	Estimated (Previous Year)	Actual (Oct 17 – Sept 18)	Forecast (Oct 18 – Sept 19)
Sedenak Estate	N/A. This is initial assessment.	56,192.12	70,357.50
Ulu Tiram Estate		11,858.12	13,260.20
Kuala Kabong Estate		34,757.42	43,971.20
Basir Ismail Estate		64,440.91	81,068.00
Asam Bubok Estate		5,207.78	5,100.00
Bukit Layang Estate		8,423.66	9,361.00

MSP0 Public Summary Report
Revision 0 (Aug 2017)

Total		180,880.01	223,117.90
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1.6 Certified CPO / PK Tonnage

Sedenak POM	Estimated (Previous Year)	Actual (Oct 17 – Sept 18)	Forecast (Oct 18 – Sept 19)
	CPO (OER: - %)	CPO (OER: 20.35%)	CPO (OER: 21.77%)
N/A. This is initial assessment.		34,028.02	45,424.61
PK (KER: - %)	PK (KER: 5.50%)	PK (KER: 5.61%)	
N/A. This is initial assessment.		9,202.74	11,705.65

1.7 Certified Area

Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Sedenak Estate	2,619.69	26.39	229.7	2,875.78	91
Ulu Tiram Estate	478.08	23.11	7.48	508.67	94
Kuala Kabong Estate	1,366.46	12.01	101.39	1,479.86	92
Basir Ismail Estate	2,946.35	50.69	329.58	3,326.62	88
Asam Bubok Estate	655.91	0	125.70	781.61	83.92
Bukit Layang Estate	383.25	0	14.51	397.76	96.35
Total	8,449.74	112.20	808.36	9,370.30	88

1.8 Details of Certification Assessment Scope and Certification Recommendation:

BSI Services Malaysia Sdn Bhd has conducted the **MSP0 extension of scope audit** Certification Assessment of **Kulim (M) Berhad –Sedenak Group Estates** located in **K.B. 721, 80990 Kulai, Johor, Malaysia** comprising **2 additional estates**.

The assessment was conducted onsite to assess the compliance of the certification unit against **MS 2530-3:2013 MSP0 Part 3: General principles for oil palm plantations and organized smallholder**.

The onsite assessment was conducted on **22-23 May 2019**.

Based on the assessment result, **Kulim (M) Berhad – Sedenak Group Estates** complies with the **MS 2530-3:2013 MSP0 Part 3: General principles for oil palm plantations and organized smallholder** and recommended for certification.

Section 2: Assessment Process

Certification Body:

BSI Services Malaysia Sdn Bhd,
Unit 3, Level 10, Tower A
The Vertical Business Suites, Bangsar South
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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.

Assessment Methodology, Programme, Site Visits

This on-site assessment was conducted from **22-23/05/2019**. The audit programme is included as Appendix A. The approach to the audit was to treat the **Kulim (M) Berhad – Sedenak Group Estates scope extension (Asam Bubok and Bukit Layang Estate)** as a MSP0 Certification Unit. 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 and external stakeholders, review of documentation and monitoring data. **MS 2530-3:2013 MSP0 Part 3: General principles for oil palm plantations and organized smallholder** is used to guide the collection of information to assess compliance. The comments made by external stakeholders were also taken into account in the assessment.

The estates or smallholders sample were determined based on formula $S = r\sqrt{n}$ where n is the number of estates while when applicable, the smallholders sample were determined following the MSP0 Certification Requirement. The sampling of smallholders were based on the formula $(r\sqrt{n})$; where r is the risk factor (may defers 1, 1.5 and 2 depending on risk), where n is total number of group members. The sampled smallholder listed in Appendix C.

Meetings were held with stakeholders to seek their views on the performance of the company with respect to the MSP0 requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings.

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

The assessment findings for the initial assessment are detailed in Section 4.2. This report is structured to provide a summary of assessment finding as attached in the Section 3. The assessment was based on random samples and

MSPO Public Summary Report
Revision 0 (Aug 2017)

therefore nonconformities may exist that have not been identified. This report was externally reviewed by MSPO approved Peer Reviewer prior to certification decision by BSI.

The comments made by external stakeholders were also taken into account in the assessment where the stakeholder notification was made through BSI website: <https://www.bsigroup.com/en-MY/RSPO-MSPO-Certification/MSPO-clients-and-reports1/>

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

Name (Mill / Supply Base)	Year 1 (Stage 2)	Year 2 (extension of scope)	Year 2 (ASA 1)	Year 3 (ASA 3)	Year 4 (ASA 4)
Sedenak Palm Oil Mill	√	√	√	√	√
Sedenak Estate	√	-	-	√	-
Ulu Tiram Estate	√	-	-	√	-
Kuala Kabong Estate	-	-	√	-	√
Basir Ismail Estate	-	-	√	-	√
Asam Bubok Estate	-	√	-	√	-
Bukit Layang Estate	-	√	√	-	√

Tentative Date of Next Visit: October 8, 2019 - October 10, 2019

Total No. of Mandays: 8 mandays

BSI Assessment Team:

Mohamed Hidhir Zainal Abidin – Lead Auditor

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 work with another 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 various plantation companies in Malaysia. During this assessment, he assessed on the aspects of legal, mill best practices, safety and health, environmental and workers and stakeholders consultation.

Muhamad Nagiuddin Mazeli – Team Member

He graduated with Bachelor of Science Horticulture at University Putra Malaysia. He started his career in 2009 as Researcher at Sime Darby Research Seed Centre and manage for Quality control for seed production for paddy, chilli and corn with collaboration with Malaysian Agricultural Research and Development Institute (MARDI) for 4 years. During the period, he was also involved with Nestle project on Red Rice production. He later joins the Sime Darby Plantation Berhad Sustainability Team in 2013 as Sustainability Executive. Joining the sustainability team, he managed, implemented and monitored the RSPO, ISCC, MSPO and ISO 9001 and ISO 18001 certification requirements for the estates, mills, refineries and Smallholder scheme. He also support in providing training and internal audits related to RSPO, MSPO and other certifications where applicable to the operations within Sime Darby Plantation. He is a trained Safety Officer and he managed the Occupation Safety and Health of Northern Region Sime Darby Plantation Berhad operations

Accompanying Persons: Nil

Section 3: Assessment Findings

3.1 Details of audit results

This assessment has been assessed using the following RSPO normative requirements. The assessment details are provided in Appendix A.

- MSPO MS 2530-2:2013 – General Principles for Independent Smallholders
- MSPO MS 2530-3:2013 – General Principles for Oil Palm Plantations and Organized Smallholders

3.2 Details of Nonconformities and Opportunity for improvement

During this extension of scope audit, there were 2 nonconformities raised. Details of minor NC raised as per the following:

Major Nonconformities:		
Ref	Area/Process	Clause
1778445-201905-N1	Bukit Layang Estate	4.4.5.4
Requirements:	Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.	
Statement of Nonconformity:	Assurance of employees of contractors are paid based on legal or industry minimum standards was not effectively demonstrated.	
Objective Evidence:	<p>There are total of 6 contractor’s workers under SOKO SK Enterprise for contract harvesting at P14 for 78.75 ha. The pay slips for April 2019 of workers checked:</p> <ul style="list-style-type: none"> i) Passport no. B4065850, total working days (26 days), FFB external records (16 days working) ii) Passport no. C0817589, total working days (26 days), FFB external records (16 days working) iii) Passport no. B292085, total working days (26 days), FFB external records (16 days working) <p>The is no effective mechanism used by the estate to monitor and ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee. Furthermore, total salary paid for the month of April is combined with other jobs offered in other location.</p>	
Corrections:	<ol style="list-style-type: none"> 1. The estate management will monitor the total bunches and tonnage for every contractor worker to verify, that the income is paid based on the work done either on normal days or public holiday etc, and to be verified by both parties. 2. Company will issue out notification circular for Operating units (estate) with regards to the need/request of the contractor to comply on a ratio of worker depending of the crop pattern in every 4th quarter yearly, are enough to meet the minimum wages for the workers, without transferring them to other location. 	

	3. The estate management shall communicate the information to respective harvesting contractor's to be acknowledged by the contractors and record to be kept in file.
Root cause analysis:	<ol style="list-style-type: none"> 1. There is no proper record on attendances and total bunches harvested per harvester's. 2. Because of low crop season, Contractor needs to offered other jobs in other location, for fulfilling minimum wages requirement.
Corrective Actions:	<ol style="list-style-type: none"> 1. The Estate management shall advise, brief and explain to their harvesting contractors on the guidance of offering work/ratio to their workers and ensure their workers are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee. 2. Estates Managers are to ensure the understanding of the harvesting contractor. 3. For control purposes, a proper record of attendances, harvester's bunches and tonnage are to be kept in a book for future reference 4. The record should be prepared by the contractor and a copy to estate's office for acknowledgement and verification by Estate' Manager/AM incharge 5. The respective contractor is required to provide copy of salary slip for all their workers for estate to check and acknowledge the amount that being paid for the workers are based on legal or industry minimum standards, according to the employment contract.
Assessment Conclusion:	The corrective action plan is accepted. Effectiveness of corrective action taken will be further verified in the next audit.

Major Nonconformities:		
Ref	Area/Process	Clause
<i>1778445-201905-N2</i>	Asam Bubok Estate	4.4.4.2
Requirements:	The occupational safety and health plan shall cover the following:- i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite	
Statement of Nonconformity:	Availability of approved first aid box item is not effectively monitored.	
Objective Evidence:	First Aid equipment was available at each worksite however found expired iodine and other items in first aid box at Fertilizer application site	
Corrections:	<ol style="list-style-type: none"> 1. The Estate manager to appoint person in charge and provide schedule for inventory inspection of all first aid kit box. 2. Estate to update all first aid boxes with sufficient items as per act at worksites. 3. Estate to provide monthly awareness and refresher to be done during muster roll-call to all first aid box in charge 	
Root cause analysis:	<ol style="list-style-type: none"> 1. Estate has prepared the first aid box as part of the requirement but failed to carry out inventory inspection to avoid any expired items. 2. This inventory inspection had been clearly informed and advised during internal audit visit recently dated 11 April 2019, however Asam Bubok Estate has yet to implement as per requirement. 	
Corrective Actions:	<ol style="list-style-type: none"> 1. Estate to ensure maintenance of first aid equipment conducted with proper records available to avoid any expired or insufficient items in future. 2. All first aid box inspection program by respective person in charge has to be properly documented and recorded for future reference. 3. Record should be verified by the manager with easy retrieval during audit or by any visitors or authorities. 	

MSPO Public Summary Report
Revision 0 (Aug 2017)

	4.Documented recording on the first aid box, inventory inspection program shall be submitted to Internal Auditor (SQD) for evidence of improvement
Assessment Conclusion:	The corrective action plan is accepted. Effectiveness of corrective action taken will be further verified in the next audit.

Noteworthy Positive Comments	
1	Good positive comments from stakeholders.
2	Good commitment from estate management and Kulim SQD's team.

3.3 Status of Nonconformities Previously Identified and OFI

No NC raised during main assessment. Only one (1) OFI raised.

Finding Reference	1694583-201806-I1	Certificate Reference	MSPO 697947
Certificate Standard	MS 2530:2013 Part-4	Clause	4.5.3.3
Category	Opportunity for Improvement		
Area/Process:	Sedenak POM and supply base		
Details	SOP for handling of used chemical is referred to SDM/WI/5, Labeling, Handling, Storage and Disposal of Scheduled Waste dated 1/7/2007. However, the procedure has yet to incorporate the new eSWIS reporting process for improvement.		
Verification :	Status will be further verified during next surveillance audit for MS2530-4:2013 audit.		

3.4 Issues Raised by Stakeholders

IS #	Description
1	Feedbacks Workers' Representative – They have been treated equally without any discrimination. Their salary was according to Minimum Wage Order 2016 and 2018 (starting January 2019). Free housing was provided to them with subsidized of water and electricity.
	Management Responses: The management will continue to treat all the workers equally and comply with the regulations.
	Audit Team Findings: No further issue
2	Feedbacks: Village Representative (Kg Olak Batu, Kg Parit Hj Talib, Kg Ayer Hitam) Good cooperation given by the estate management. Not only management, estates staff and workers also involved with the community's religious activities, sports event etc.
	Management Responses: All stakeholders whom being invited and attended stakeholder consultation meeting were briefed on company policy and procedures on request and response. Villages representative were attended the meeting as well however no any request received so far
	Audit Team Findings: Verification of records of request and response shown no records of request from the villages.
3	Feedbacks: FFB transporter (Anika Pusaka Sdn Bhd, Razali Mohamad Kadir)

	No problem with the contract and payment. All contract is valid for 4 years.
	Management Responses: Positive feedback noted.
	Audit Team Findings: No further issue.
4	Feedbacks: Suppliers (Edaran Baiduri Sdn Bhd) Good prompt payment received from company upon invoicing.
	Management Responses: Positive feedback noted.
	Audit Team Findings: No further issue.

3.5 Summary of the Nonconformities and Status

CAR Ref.	CLASS	ISSUED	STATUS
1778445-201905-N1	Minor	23/5/2019	Will be further verified in the next audit
1778445-201905-N2	Minor	23/5/2019	Will be further verified in the next audit

3.6 Summary of the findings by Principles and Criteria

Malaysian Sustainable Palm Oil Part 3: General principles for Plantations and Organized Smallholders

Criterion / Indicator		Assessment Findings	Compliance
4.1 Principle 1: Management commitment & responsibility			
Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy			
4.1.1.1	A policy for the implementation of MSPO shall be established. - Major compliance -	Kulim (M) Berhad has established a policy on sustainable palm oil production signed by Executive Director, Mr Zulkifli Zakariah dated 1/5/18. The policy was written in bi-lingual (english and national language) available at pertinent location in the estate compound.	Yes
4.1.1.2	The policy shall also emphasize commitment to continual improvement. - Major compliance -	The established policy has emphasized on the commitment to comply with all applicable legal requirements, contribute to local community development, and environmental consideration with the objective of improving the milling and estate operation.	Yes
Criterion 4.1.2 – Internal Audit			
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - Major compliance -	Assam Bubok Estate: The first internal audit for MSPO was conducted 11/4/19. The internal audit had covered all the MSPO MS2530 elements specifically on part 3. Bkt Layang Estate : Latest audit was carried on 11/4/19	Yes
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and	Kulim (M) Berhad has established procedure, Sustainable Management System, Internal Audit : SQD/SMS/5.0, issue: 1 dated 1/7/18 . The procedure is designed	Yes

MSP0 Public Summary Report
Revision 0 (Aug 2017)

	<p>root causes of nonconformities, in order to implement the necessary corrective action.</p> <p>- Major compliance -</p>	<p>for all applicable sustainability standards requirements such as ISCC, RSPO, MSP0 and management guideline to be used as audit criteria.</p> <p>The procedure has incorporated the internal auditor competency requirement. Based on the procedure, internal audit is to be carried out at least once a year. 4 major NC were raised during last audit. All finding has been followed up and closed by lead auditor on 23/4/19.</p>	
4.1.2.3	<p>Report shall be made available to the management for their review.</p> <p>- Major compliance -</p>	<p>The internal audit report has distributed to the estate’s management and reported to Kulim (M) Berhad management. Refer to internal audit report dated 8/8/18.</p>	Yes
Criterion 4.1.3 – Management Review			
4.1.3.1	<p>The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSP0 and decide on any changes, improvement and modification.</p> <p>- Major compliance -</p>	<p>The latest management review was conducted on 25th April 2019 for Asam Bubok and Bkt Layang Estate. The management review has included internal and external sustainable palm oil audit results review. The status of the correction and preventive actions are being discuss and reviewed. The meeting was chaired by Estate Manager and attended by HODs.</p>	Yes
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	<p>The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.</p> <p>- Major compliance -</p>	<p>The Continual Improvement Plan for Assam Bubok Estate & Bkt Layang Estate are available. Among the sampled document reviewed:</p> <ul style="list-style-type: none"> i) Housing repair and repainting ii) Rewiring and drainage repair iii) Establishment of buffer zone as per DID requirements 	Yes

		iv) Signages installation at work station and conservation area v) Upgrading of chemical store.	
4.1.4.2	The company shall establish a system to improve practices in line with new information and techniques or new industry standards and technology (where applicable) that are available and feasible for adoption. - Major compliance -	Introduction of projects and innovation by Kulim group of estates were evident. Among completed projects: 1. In-Field Data Execution & Analytics Solution (IDEAS). 2. Inovative project SPC 2014/18: Tapak Bracket Belting Mechanical Buffalo (evaluation date – 19/9/18)	Yes
4.1.4.3	An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established. - Major compliance -	The action plan are available as per progress report for the projects. Sighted the scenario, issue, recommendation and benefits of the projects.	Yes
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes. - Major compliance -	Kulim (Malaysia) Sdn Bhd has developed a Communication Procedure V2.0 dated November 2009 where the objective of the procedure is to effectively communicate with internal and external stakeholders on matter pertaining to social and environmental aspect and impacts, performance and safety & health issue. The modes for internal and external communication are such as muster call, meeting with representatives, inspections, suggestion boxes, memo, stakeholder meeting and etc.	Yes

<p>4.2.1.2</p>	<p>Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</p> <p>- Major compliance -</p>	<p>There is a SPO Transparency Program under Kulim Malaysia Berhad. The procedure is to ensure that documents if to be release and made publicly available are readily available. The Corporate Dept will ensure that the following documents are available if requested and they do not impinge on confidentiality and will not cause detrimental sustainability or social outcoments.</p> <p>Among the documents that were made available for viewin are:</p> <ul style="list-style-type: none"> • Land title (held as hard copy by the property department) • Health and safety plan • Plans and impact assessment- environmental & social • Pollution prevention plans • Details of complaints and grievances • Negotiation procedures • Continuous improvement plan • Biodiversity plans • Policy documents (sustainability handbook) <p>In addition to the website, the policies were also displayed at various locations at the operating units including the main notice boards of the estates, mill offices and muster ground notice boards for employees and visitors to view</p>	<p>Yes</p>
<p>Criterion 4.2.2 – Transparent method of communication and consultation</p>			

MSP0 Public Summary Report
Revision 0 (Aug 2017)

<p>4.2.2.1</p>	<p>Procedures shall be established for consultation and communication with the relevant stakeholders.</p> <p>- Major compliance -</p>	<p>There is also a "Whistleblowing Policy" dated 2/10/17; refer to agency secular 3/2017. Report should be directed straight to Executive Director /Chairman of Kulim.</p> <p>Sighted records of "Penerangan kepada kontraktor bagi mamenuhi standard persijilan RSPO, ISCC, MSPO" dated 3/9/2018</p>	<p>Yes</p>
<p>4.2.2.2</p>	<p>A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit.</p> <p>- Minor compliance -</p>	<p>Regional Head from Plantation Operation of Kulim (Malaysia) Berhad has issued a letter dated 23/10/2016 to inform that all Executive Regional Controller of each complex has been automatically appointed as Social person-in-charge.</p> <p>The head of audit, risk management and compliance has appointed the regional controller executive to be the Social Person In Charge Refer to letter ref: (15)RMC/COM/GM/18/10 dated 27/6/18.</p>	<p>Yes</p>
<p>4.2.2.3</p>	<p>List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained.</p> <p>- Major compliance -</p>	<p>The estates has developed a stakeholder list that consisted of internal and external stakeholders such as contractors and suppliers, local communities, government authorities, buyers and etc.</p> <p>The latest stakeholder meeting was conducted on 26/4/2019 with stakeholders (FFB transporter, supplier and neighboring villages). No issue was raised during the meeting. Meeting minutes was sighted.</p> <p>The mill has sent the invitation letter to stakeholders such as local communities' representatives, schools' representatives and contractor to attend stakeholder meeting on 26/4/2019.</p>	<p>Yes</p>
<p>Criterion 4.2.3 – Traceability</p>			
<p>4.2.3.1</p>	<p>The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for</p>	<p>The traceability SOP; Sustainable Management System, Traceability, Doc: No: SQD/SMS/1.2 Date 01.07.2018 available and outlines the preparations, dispatch and receive of FFB, CPO, Kernel and other by products at KULIM's estate and</p>	<p>Yes</p>

	traceability of the relevant product(s). - Major compliance -	mill, job assignments and recordings of transport productivity for payment purpose and statistics.	
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	Traceability records is maintained by each estates by using delivery note which include information such as lorry number, field/block number, numbers of bunches. This will be check by field supervisor or estate assistant prior to delivery. Daily inspection and checking is done to cross check the bunch count records and mill's weighbridge ticket information to ensure daily production data is consistent and tally. Refer to crop book, updated 20/5/19.	Yes
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system. - Minor compliance -	PIC for traceability system is head of operating unit, refer to letter from Head of Plantation ref: SQD/ADMIN/005/2019 dated 8/5/19.	Yes
4.2.3.4	Records of sales, delivery or transportation of FFB shall be maintained. - Major compliance -	Records of sales and delivery checked. <u>Asam Bubok Estate</u> Date of delivery: 20/5/19, D/O# 155106, vehicle : JPH 4452, weight: 33.13 mt <u>Bkt Layang Estate</u> Date of delivery: 1/5/19, D/O# 223859, vehicle :JDA8701, weight: 7.33 mt	Yes
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			

<p>4.3.1.1</p>	<p>All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.</p> <p>- Major compliance -</p>	<p>Sampled of licenses and permits:</p> <p><u>Asam Bubok Estate</u></p> <p>a) MPOB license 501796602000 valid from 1/10/18 – 20/9/19 b) Nursery license, 541112011000 valid from 20/5/18 – 31/7/19. c) Diesel permit, ref. no. (14)PPDNKK/J/BP/PNK 0156 serial no.: J034063 for 10,000 liter valid until 31/7/19. e) JTK permit for Khairat Keluarga (PP3/29/051/2009) from 15 November 2009. g) JTK permit for water and electricity deduction dated 1 June 2009, serial no.: PP3/29/023/2009</p> <p><u>Bkt Layang Estate</u></p> <p>a) MPOB license 592627002000 valid from 1/1/2019 to 31/12/2019 b) Diesel license, KPDNKK.J/KTG/permit 0334 (PD), serial no. J033025, diesel: 5,460 liter BLESS renewal process on 26/1/19 and still pending for approval. c) Water Abtraction License, license no.:07/A/K/026, no. file:BAKAJ/334/300/05/08/07/23, maximum abstraction volume per day: 20 m³/day valid until 31/12/19 d) Electrical Installation license, license no.:2018/03161, serial no. 31246 for 59.5 kW valid until 15/8/2019 e) SPAN license, private water supply system, license class no.: SPAN/EKS/(PT)/800-4(1)9/14 (class 1&2) valid until 25/8/20.</p>	<p>Yes</p>
<p>4.3.1.2</p>	<p>The management shall list all laws applicable to their operations in a legal requirements register.</p> <p>- Major compliance -</p>	<p>Kulim Group Compliance Framework dated 12/3/19 for Sedenak Complex was made available for review. The new Minimum Wages Order 2018 has been incorporated in the list.</p>	<p>Yes</p>
<p>4.3.1.3</p>	<p>The legal requirements register shall be updated as and when there are any new</p>	<p>The new Minimum Wages Order 2018 has been incorporated in Kulim Group Compliance Framework dated 12/3/19.</p>	<p>Yes</p>

	amendments or any new regulations coming into force. - Major compliance -		
4.3.1.4	The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements. - Minor compliance -	Sighted letter dated 27/6/18, for the appointment of RC executive as the Person In-Charge for updating changes in Laws and compliance monitoring. For Sedenak Complex, the person in charge is Regional Controller executive. Refer to appointment letter, ref: (15)RMC/COM/GM/18/10. Tracking system available to identify changes in the relevant regulations through head office under Risk Management and Compliance Department and site representative. Tracking system on any changes in the law been well implemented.	Yes
Criterion 4.3.2 – Lands use rights			
4.3.2.1	The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users. - Major compliance -	The usage of all land titles are for agriculture purposes and no land encroachment occur.	Yes
4.3.2.2	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land. - Major compliance -	<u>Asam Bubok Estate:</u> Documents showing legal ownership with total of 5 titles were checked. Quit rent for 2019 was paid by Asam Bubk Estate, refer to payment voucher, 19000085 dated 4/3/2019. Sighted samples: 1. Title # HSD: 58550 ; Mukim: Tanjung Sembrong; Lot # PTD 19084; Area: 32.688 ha; land use type: agriculture, land tenure: leased for 99 years ended on 23 May 2108. 2. Title # HSD: 58579 ; Mukim: Tanjung Sembrong; Lot # PTD 19085; Area: 374.69 ha; land use type: agriculture, land tenure: leased for 99 years ended on 15 June 2108.	Yes

		<p>3. Title # HSD: 58551 ; Mukim: Tanjung Sembrong; Lot # PTD 19086; Area: 44.897 ha; land use type: agriculture, land tenure: leased for 99 years ended on 23 May 2108.</p> <p>4. Title # HSD: 58580 ; Mukim: Tanjung Sembrong; Lot # PTD 19086; Area: 115.758 ha; land use type: agriculture, land tenure: leased for 99 years ended on 15 June 2108.</p> <p>5. Title # HSD: 58581 ; Mukim: Tanjung Sembrong; Lot # PTD 19088; Area: 213.58 ha; land use type: agriculture, land tenure: leased for 99 years ended on 15 June 2108.</p> <p><u>Bkt Layang Estate:</u> Total of 12 land titles registred under Kulim (M) Berhad. Legal ownership is under Kulim (M) Berhad where all the land titles are freehold and actual use of land is for agriculture. Sample of land title checked: i) Grant no. 105393, Mukim Sg Tiram , lot no. 712 total hectare: 34.5753 ha ii) Grant no. 105390, Mukim Sg Tiram , lot no. 713 total hectare: 120.672 ha</p>										
<p>4.3.2.3</p>	<p>Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.</p> <p>- Major compliance -</p>	<p>Legal boundaries were marked clearly using wooden pegs (red and white) at all visited estates. Sighted at Asam Bubok and Bukit Layang estates the following markers that were visibly maintained:</p> <table border="1" data-bbox="882 1008 1494 1286"> <thead> <tr> <th>Estate name</th> <th>Plot No. / Block</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>Asam Bubok</td> <td>P16A/01</td> <td>Borders with small holder Kg Olak Batu.</td> </tr> <tr> <td>Bkt Layang</td> <td>P00/02</td> <td>Borders Sg Layang Estate</td> </tr> </tbody> </table>	Estate name	Plot No. / Block	Remarks	Asam Bubok	P16A/01	Borders with small holder Kg Olak Batu.	Bkt Layang	P00/02	Borders Sg Layang Estate	<p>Yes</p>
Estate name	Plot No. / Block	Remarks										
Asam Bubok	P16A/01	Borders with small holder Kg Olak Batu.										
Bkt Layang	P00/02	Borders Sg Layang Estate										
<p>4.3.2.4</p>	<p>Where there are, or have been, disputes, documented proof of legal acquisition of land title and fair compensation that have been or</p>	<p>So far there has no issue on land dispute at the visite estates and verified through stakeholder’s consultation and documentation of land ownership. However, management has the SOP – SPO negotiations concerning</p>	<p>Yes</p>									

	are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC). - Minor compliance -	compensation program dated 04 Sept 2007 to ensure that any negotiations with regards to compensation for loss of local rights are dealt with fairly.	
Criterion 4.3.3 – Customary rights			
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. - Major compliance -	The estate lands are legally owned by the company. Interview with the surrounding communities and stakeholders confirm no disputes.	Yes
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights land, if any, should be made available. - Minor compliance -	The estate lands are legally owned by the company. Interview with the surrounding communities and stakeholders confirm no disputes.	Yes
4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. - Major compliance -	The estate lands are legally owned by the company. Interview with the surrounding communities and stakeholders confirm no disputes.	Yes
4.4 Principle 4: Social responsibility, health, safety and employment condition			
Criterion 4.4.1: Social Impact Assessment (SIA)			
4.4.1.1	Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.	Social impact has been identified based on consultative process to to mitigate the negative impacts and promote the positive one. Based on the social impact improvement plan, total of 1 negative impact and 4 positive impacts identified with proposed mitigation plan for improvement.	Yes

	- Minor compliance -		
Criterion 4.4.2: Complaints and grievances			
4.4.2.1	A system for dealing with complaints and grievances shall be established and documented. - Major compliance -	There is Communication and Consultation Management Guideline, communication procedure V2.0 available in Sedenak Estate. The aims are to effectively communicate the social and environmental aspects and impacts, social and environmental performance and OHS.	Yes
4.4.2.2	The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties. - Major compliance -	Any grievance (social and environmental issues) shall also be recorded in the Enquiry Register (acted upon within 7 working days) and responded by following the Kulim's grievance.	Yes
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint. - Minor compliance -	The complaint form is made available together with the Enquiry Register Record in the suggestion box in front of office and compiled in Enquiry Register Book. The form is made for complaint, requisition or visit/inspection.	Yes
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. - Minor compliance -	The complaints and feedback has been communicated to all stakeholders through the stakeholder's meeting conducted by SQD. The stakeholder meeting has been conducted on 26/4/19.	Yes
4.4.2.5	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request.	Sighted the record for complaints and feedbacks available since 2019 in Enquiry Register Book/Records.	Yes

	- Major compliance -		
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	Growers should contribute to local development in consultation with the local communities. - Minor compliance -	The Estate management have made contribution to both internal and external stakeholders. Records of contribution to the communities such as donation to Persatuan Veteran ATM (PVATM), internal programme such as Sedenak Complex Sports Carnival 2019 were sighted. Seen the petty cash vouchers for all the donation made.	Yes
Criterion 4.4.4: Employees safety and health			
4.4.4.1	An occupational safety and health policy and plan shall be documented, effectively communicated and implemented. - Major compliance -	An Occupational Safety & Health Policy had been established and implemented. The policy was signed by the Managing Director of Kulim (Malaysia) Berhad on 1 January 2008 and is displayed prominently on notice boards in Bahasa Malaysia An OSH Plan had been established and Implemented. <u>Chemical Health Risk Assessment (CHRA)</u> In Asam Bubuk, CHRA conducted on 19 April 2018 – 13 August 2018 by registered assessor, Noormahani Harun, JKPP HQ/03/ASS/00/154 & Zairulakmar Mosmin (JKPP HQ/07/ASS/00/236) of QMSPRO Sdn Bhd on the CHRA. In Bkt Layang estate, CHRA conducted on 13 September 2018 – 20 September 2018 by registered assessor, Noormahani Harun, JKPP HQ/03/ASS/00/154 & Zairulakmar Mosmin (JKPP HQ/07/ASS/00/236) of QMSPRO Sdn Bhd on the CHRA.	Yes
4.4.4.2	The occupational safety and health plan shall cover the following:	a) The safety and health policy, was communicated and implemented through daily tool box meetings/briefings and trainings. The briefing includes among others to priorities safety, execute work safely, adherence to all safety rules and regulations and to target for zero accident. The policy has been communicated	No

<p>a) A safety and health policy, which is communicated and implemented.</p> <p>b) The risks of all operations shall be assessed and documented.</p> <p>c) An awareness and training programme which includes the following requirements for employees exposed to pesticides:</p> <ul style="list-style-type: none"> i. all employees involved shall be adequately trained on safe working practices ii. all precautions attached to products shall be properly observed and applied <p>d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).</p> <p>e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</p>	<p>to the staff and workers. On site supervisors and estate assistant managers ensure the implementation of it.</p> <p>b) A Hazard Identification Risk Assessment and Risk Control (HIRARC) document for Asam Bubuk estate and Bkt Layang estate cooperation was made available. Risk assessment was carried on activities such as spraying, fertilizer, harvesting, pruning and other activities. The latest annual review was done in 28 October 2018.</p> <p>c) Awareness training programme was established and workers involved with chemical handling were trained. Chemicals were arranged and segregated accordingly in the chemical store. The CCDS/SDS for chemicals available at point of use. In addition to specific training courses, safety briefings are given during muster to reinforce awareness, such as correct wearing of PPE.</p> <p>d) During the audit it was noted that all employees were provided with and were wearing appropriate personal protective equipment (PPE). Records were available of PPE issued to individual workers, including signatures to confirm receipt. PPE issued was based on CHRA assessor's recommendation, HIRARC and SOPs.</p> <p>e) The management had established Standard Operating Procedure for handling of chemicals, Doc SDM / WI / 9 Rev 0 dated 01.07.2017 to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labelling) Regulation 1997 Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</p> <p>Chemicals were handled as per the requirements in SDS/CSDS, CHRA, HIRARC and SOP (Doc SDM / WI / 9 Rev 0 dated 01.07.2017).</p>	
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MSP0 Public Summary Report
Revision 0 (Aug 2017)

	<p>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements.</p> <p>g) The management shall conduct regular two-way communication with their employees where issues affecting their business such as employee's health, safety and welfare are discussed openly. Records from such meeting are kept and the concerns of the employees and any remedial actions taken are recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>Medical Surveillance in Bkt Layang estate already been sent on 29 July 2018 by Dr Muhammad Sayuti Bin Zakaria(HQ/17/DOC/00/00053) from Klinik FALCK Bestari, from result all fit to work with chemical.</p> <p>g) Records showed that in 2018 OSH committee meetings were conducted on 27 September 2018, 28 November 2018 and 15 Feb 2018. These meetings were to conduct regular two-way communication with their employees.</p> <p>i) The estate had employees trained in First Aid present at all asam bubuk operations worksites. First Aid equipment was available at each worksite however however found expired iodine and other items in first aid box at Fertilizer application site. Thus a minor NC was issued.</p> <p>j) Records of all accidents were kept and reviewed periodically at OSH meetings. The JKPP 8 sent to DOSH on 31.01.2019 showed that in 2018 there were 1 accident cases. JKPP 6 for accidents that took place on Dec 2018 sent to DOSH was sighted.</p>	
Criterion 4.4.5: Employment conditions			
4.4.5.1	The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy	Kulim (M) Berhad had established and implemented good social practice regarding human rights in respect of industrial harmony. The practice was mentioned in the Mission Policy, Core Labour Standard Policy, People Policy and Ethics Policy. All the policies were dated 01 May 2018 and signed by the	Yes

	shall be signed by the top management and effectively communicated to the employees. - Major compliance -	Executive Director. These policies were communicated to all employees through trainings and briefings due muster/roll calls.													
4.4.5.2	The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics. - Major compliance -	Both Asam Bubok and Bukit Layang Estates had employed Migrant Indonesian and Local workers. Migrant Indonesian workers were recruited on a 2 years contract basis while Local workers were employed on a long-term basis. Both Migrant and Local workers were provided with the wage structure, amenities, etc. Both estates had adhered to the policy “KULIM will not engage in nor support discrimination in any form” as stated in the Core labour Standard policy and no discrimination was noted. Job opportunities and amenities such as free housing, water and medical care are given to all employees without discrimination.	Yes												
4.4.5.3	Management shall ensure that employees’ pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage. - Major compliance -	<p>All the workers are under direct employment. The payslip has included basic income, allowance pay, working days, medical leave, and deduction of salary and others as per employment contract. The payroll for the following sampled workers for December 2018 were verified to be consistent with the Minimum Wages Order 2016. For the new Minimum Wages Order 2018 implementation, Sampled payslips (December 2018 and April 2019) of workers verified are:</p> <p>Asam Bubok Estate</p> <table border="1"> <thead> <tr> <th>Passport/NRIC No.</th> <th>Employee no.</th> </tr> </thead> <tbody> <tr> <td>AU 253707</td> <td>639216</td> </tr> <tr> <td>B5755312</td> <td>639215</td> </tr> <tr> <td>AU443585</td> <td>639230</td> </tr> <tr> <td>AT746136</td> <td>639231</td> </tr> <tr> <td>AU187808</td> <td>639217</td> </tr> </tbody> </table>	Passport/NRIC No.	Employee no.	AU 253707	639216	B5755312	639215	AU443585	639230	AT746136	639231	AU187808	639217	Yes
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<p>4.4.5.4</p>	<p>Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p>- Minor compliance -</p>	<p>There are total of 6 contractor’s workers under SOKO SK Enterprise for contract harvesting at P14 for 78.75 ha. The payslips for April 2019 of workers checked:</p> <p>i)Passport no. B4065850, total working days (26 days), FFB external records (15 days working).</p> <p>ii)Passport no. C0817589, total working days (26 days), FFB external records (15 days working).</p> <p>iii)Passport no. B292085, total working days (26 days), FFB external records (15 days working).</p> <p>The is no effective mechanism used by the estate to monitor and ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p>Thus , a minor NC was issued</p>	<p>No</p>								

<p>4.4.5.5</p>	<p>The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p> <p>- Major compliance -</p>	<p>The workers master list was reviewed. The list includes names, NRIC & Passports numbers, Expiry dates of Passports & Work Permits, date of birth, date joined, gender etc.</p>	<p>Yes</p>																
<p>4.4.5.6</p>	<p>All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records.</p> <p>- Major compliance -</p>	<p>Employees had been provided with fair contracts that have been signed by both employee and employer. Foreign migrant Indonesian workers are recruited with 2 years contract. Local workers are on a long-term employment basis.</p> <p>The following contracts has been verified to confirm that workers have binding working agreement with the company:</p> <p>Asam Bubok Estate</p> <table border="1" data-bbox="882 903 1485 1193"> <thead> <tr> <th>Passport/NRIC No.</th> <th>Employee no.</th> </tr> </thead> <tbody> <tr> <td>AU 253707</td> <td>639216</td> </tr> <tr> <td>B5755312</td> <td>639215</td> </tr> <tr> <td>AU443585</td> <td>639230</td> </tr> <tr> <td>AT746136</td> <td>639231</td> </tr> <tr> <td>AU187808</td> <td>639217</td> </tr> </tbody> </table> <p>Bukit Layang Estate:</p> <table border="1" data-bbox="882 1289 1485 1377"> <thead> <tr> <th>Passport/NRIC No.</th> <th>Employee no.</th> </tr> </thead> <tbody> <tr> <td>AU 066554</td> <td>619088</td> </tr> </tbody> </table>	Passport/NRIC No.	Employee no.	AU 253707	639216	B5755312	639215	AU443585	639230	AT746136	639231	AU187808	639217	Passport/NRIC No.	Employee no.	AU 066554	619088	<p>Yes</p>
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		Interview with the workers confirmed that they had a copy of the employment contract and that they understood the conditions stated in the contract.					
4.4.5.7	<p>The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer.</p> <p>- Major compliance -</p>	<p>The management of Asam Bubok Estate has established a time recording system that makes working hours and overtime transparent. No pocket check roll was used for daily attendance recording. Instead the Estates used the I-Plant System, from which it is down loaded in the computers. Sighted the I-Plant system records for December 2018 and April 2019.</p> <p>For Bkt Layang Estate, the new IDEAS system is being used. Records for December 2018 and April 2019 available for verification.</p>	Yes				
4.4.5.8	<p>The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement.</p> <p>- Major compliance -</p>	<p>The management of both estates had informed all workers the working hours and breaks times. The working hours and break times complied with legal regulations and collective agreements. The working hours and break times was exhibited on notice boards. Working time was from 6.30am to 2.30pm while the break time was from 11.00am to 11.30am.</p>	Yes				
4.4.5.9	<p>Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.</p>	<p>The payslip and the inputs were reviewed to confirm the wages and overtime is in line with legal requirements of Employment Act 1955 and worker's employment contract.</p>	Yes				

	<p>- Major compliance -</p>	<p>Sampled payslips (December 2018 and April 2019) of workers verified are:</p> <p>Asam Bubok Estate</p> <table border="1" data-bbox="882 459 1485 746"> <thead> <tr> <th>Passport/NRIC No.</th> <th>Employee no.</th> </tr> </thead> <tbody> <tr> <td>AU 253707</td> <td>639216</td> </tr> <tr> <td>B5755312</td> <td>639215</td> </tr> <tr> <td>AU443585</td> <td>639230</td> </tr> <tr> <td>AT746136</td> <td>639231</td> </tr> <tr> <td>AU187808</td> <td>639217</td> </tr> </tbody> </table> <p>Bukit Layang Estate:</p> <table border="1" data-bbox="882 842 1485 1034"> <thead> <tr> <th>Passport/NRIC No.</th> <th>Employee no.</th> </tr> </thead> <tbody> <tr> <td>AU 066554</td> <td>619088</td> </tr> <tr> <td>AU 091274</td> <td>619097</td> </tr> <tr> <td>AU 040655</td> <td>619102</td> </tr> </tbody> </table>	Passport/NRIC No.	Employee no.	AU 253707	639216	B5755312	639215	AU443585	639230	AT746136	639231	AU187808	639217	Passport/NRIC No.	Employee no.	AU 066554	619088	AU 091274	619097	AU 040655	619102	
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<p>4.4.5.1 0</p>	<p>Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions.</p> <p>- Minor compliance -</p>	<p>The company provides free medical benefit and free housing to foreign workers. In addition, there is free school bus provided for local's children to go and back from school, football field, mosque, community hall were provided.</p>	<p>Yes</p>																				

<p>4.4.5.1 1</p>	<p>In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation.</p> <p>- Major compliance -</p>	<p>Estate worker lived in 1 house with 3 rooms, which shared 2 person in a room (maximum 6 person per dwelling)</p> <p><u>Asam Bubok Estate</u></p> <p>Water for domestic usage is provided from SAJ and Tenaga Nasional Berhad with subsidize rate as per agreement which is 50 kWh per month for electric and 35 gallon/people.</p> <p><u>Bukit Layang Estate</u></p> <p>No electricity and water supply from government and estate totally rely on own water treatment and genset supply. Water analysis tested on 6 monthly basis as per SPAN requirements.</p> <p>1st half of 2018 : date of monitoing – 21/5/18, report ref: LW/346/18 dated 6/6/18.</p> <p>2nd half of 2018 : date of monitoing – 21/11/18, report ref: LW/686/18 dated 12/12/18</p> <p>Alll parameter tested complied with National Drinking Water Standard.</p>	<p>Yes</p>
<p>4.4.5.1 2</p>	<p>The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace.</p> <p>- Major compliance -</p>	<p>The Sexual Harassment Policy dated 01 may 2018 and signed by the Executive Director defined sexual harassment and mentioned that the company endeavour to prevent sexual harassment and all other forms of violence against women and workers in the workplace or in the course of an employee's work.</p> <p>On both Estates, a Gender committee named "Women OnWards" (WOW) had been established.</p> <p>Latest WOW meeting was carried out on 25/1/19. Sighted munite of meeting which chaired by the chairlady, Puan Zarawati Yusoff.</p> <p>At Bkt Layang Estate, the latest meeting was conducted on 15/1/19.</p>	<p>Yes</p>

<p>4.4.5.1 3</p>	<p>The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.</p> <p>- Major compliance -</p>	<p>The management respected the right of all employees to form and join trade union and allow workers' own representative(s) to facilitate collective bargain in accordance with applicable laws and regulations.</p> <p>This was mentioned in the Core Labour Standard Policy dated 01 May 2018 and signed by the Executive director.</p> <p>The workers have their freedom to join the NUPW. This was evident form NUPW membership subscription deductions made in the pay slips.</p> <p>During the interview with workers, there no evidence to show that the management had restricted its workers and staff from joining a trade union.</p>	<p>Yes</p>
<p>4.4.5.1 4</p>	<p>Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children is acceptable on family farms, under adult supervision, and when not interfering with their education programmes. Children shall not exposed to hazardous working conditions.</p> <p>- Major compliance -</p>	<p>The Core Labour Standard Policy dated 01 May 2018 and signed by the Executive director covered the commitment not to engage in or use of Child Labour. The master list of employees of both Asam Bubok and Estates were verified and no children or young persons had been employed.</p>	<p>Yes</p>
<p>Criterion 4.4.6: Training and competency</p>			
<p>4.4.6.1</p>	<p>All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular</p>	<p>The training program included all aspects of RSPO Principles and Criteria, RSPO Supply Chain and MSPO standards. The records included the title of training, name and signature of the attendees, name of the trainer, time and venue.</p>	<p>Yes</p>

	<p>assessment of training needs and documentation, including records of training shall be kept.</p> <p>- Major compliance -</p>	<p>Some of the trainings verified were:</p> <table border="1" data-bbox="882 411 1487 1214"> <thead> <tr> <th>Trainings</th> <th>Date of training</th> <th>No. of Participants</th> </tr> </thead> <tbody> <tr> <td>Fertiliser Training</td> <td>11 Jan 2019</td> <td>2</td> </tr> <tr> <td>Scheduled waste training</td> <td>15 Feb 2019</td> <td>5</td> </tr> <tr> <td>Spraying training</td> <td>8 Feb 2019</td> <td>6</td> </tr> <tr> <td>Tractor training</td> <td>4 May 2019</td> <td>11</td> </tr> <tr> <td>MSP0 & OSH training to contractor</td> <td>26 April 2019</td> <td>21</td> </tr> <tr> <td>Triple Rinsing and Scheduled waste</td> <td>24 April 2019</td> <td>2</td> </tr> <tr> <td>ERP training</td> <td>25 Feb 2019</td> <td>19</td> </tr> <tr> <td>Harvesting training for contractor workers</td> <td>11 April 2019</td> <td>8</td> </tr> </tbody> </table>	Trainings	Date of training	No. of Participants	Fertiliser Training	11 Jan 2019	2	Scheduled waste training	15 Feb 2019	5	Spraying training	8 Feb 2019	6	Tractor training	4 May 2019	11	MSP0 & OSH training to contractor	26 April 2019	21	Triple Rinsing and Scheduled waste	24 April 2019	2	ERP training	25 Feb 2019	19	Harvesting training for contractor workers	11 April 2019	8	
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<p>4.4.6.2</p>	<p>Training needs of individual employees shall be identified prior to the planning and</p>	<p>Training needs of individual employees had been identified prior to the planning and implementation of the training programmes. This was in order to provide</p>	<p>Yes</p>																											

	<p>implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.</p> <p>- Major compliance -</p>	<p>the specific skill and competency required to all employees based on their job description. The training matrix for 2019 "Annual Awareness Program 2019" doc no SQD/SMS/3.</p>	
4.4.6.3	<p>A continuous training programme should be planned and implemented to ensure that all employees are well trained in their job function and responsibility, in accordance to the documented training procedure.</p> <p>- Minor compliance -</p>	<p>It was evident that from the training matrix for 2019 and Refresher & Awareness Program 2019, the training records for 2018/2019 that all trainings had been planned and implemented to ensure that all employees are well trained in their job function and responsibility.</p>	Yes
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services			
Criterion 4.5.1: Environmental Management Plan			

<p>4.5.1.1</p>	<p>An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented.</p> <p>- Major compliance -</p>	<p>The new revised Environmental Policy dated 1/5/18 signed by Kulim's (M) Bhd Executive Director . The policy has emphasis commitment towards protecting the environment and conserving biodiversity through sustainable development.</p>	<p>Yes</p>
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<p>4.5.1.2</p>	<p>The environmental management plan shall cover the following:</p> <ul style="list-style-type: none"> a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations. <p>- Major compliance -</p>	<p>The environment management plan dated 2018 has included all pertinent environmental receptors and in lined with company's policy and legal requirement as per EQA 1974.</p> <p>Documented Environmental Risk Assessment Form (Form No: EPA-LAB-2019; Activity code: ER003–ER014; Rev. 1/2019) available. Register dated 15 March 2019 verified. Aspects and impacts analysis of all operations during normal/abnormal/emergency situation were identified.</p>	<p>Yes</p>
<p>4.5.1.3</p>	<p>An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored.</p> <p>- Major compliance -</p>	<p>Environmental management plan for 2018 (Pollution & Emission) available. Significant environmental issues identified:</p> <ol style="list-style-type: none"> 1. Buffer zone 2. Chemical handling 3. Domestic waste 4. Scheduled waste 5. Zero burning <p>Assistant manager has been appointed to monitor the overall implementation of the management plan.</p>	<p>Yes</p>
<p>4.5.1.4</p>	<p>A programme to promote the positive impacts should be included in the continual improvement plan.</p> <p>- Minor compliance -</p>	<p>Programmed to promote positive impacts on environment was verified example such as Programme of Solid waste management and 3R have been done on 12 Feb 2019.</p>	<p>Yes</p>

<p>4.5.1.5</p>	<p>An awareness and training programme shall be established and implemented to ensure that all employees understand the policy and objectives of the environmental management and improvement plans and are working towards achieving the objectives.</p> <p>- Major compliance -</p>	<p>A training program is available in Training Plan updated on a yearly basis or revised as per the management requirement. Included in this programme are subjects related to environment e.g environmental, safety & health policy, scheduled waste management, environmental responsibility, HCV & Biodiversity training.</p>	<p>Yes</p>
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<p>4.5.1.6</p>	<p>Management shall organize regular meetings with employees where their concerns about environmental quality are discussed.</p> <p>- Major compliance -</p>	<p>Latest environmental meeting was done on 15 May 2019 at Asam Bubuk Estate Office. This meeting discuss regarding to their concerns about environmental quality</p>	<p>Yes</p>										
<p>Criterion 4.5.2: Efficiency of energy use and use of renewable energy</p>													
<p>4.5.2.1</p>	<p>Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period.</p> <p>- Major compliance -</p>	<p>The record of Diesel usage was available for Asam Bubuk estate and Bkt Layang estate. All electrical power at the visited estates are supplied through national electricity grid. Diesel at estates are consumed by farm tractors. The tractor servicing period is monitored to ensure its operating efficiency, thus less consumption of diesel fuel. Similarly, planting of beneficial plants reduce the usage of fuel (and chemical) by motorize spray</p>	<p>Yes</p>										
<p>4.5.2.2</p>	<p>The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations.</p> <p>- Major compliance -</p>	<p>Kulim (M) Berhad estates has maintained records of energy usage, which is compiled on monthly basis for monitoring. The use of the fossil fuel against the FFB production is being monitored. For example;</p> <table border="1" data-bbox="880 1078 1491 1305"> <thead> <tr> <th>Estate</th> <th>Year</th> <th>Diesel/ mt FFB</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Sedenak Estate</td> <td>2017</td> <td>1.06 litre/mt</td> </tr> <tr> <td>2018 todat e</td> <td>1.29 litre/mt</td> </tr> <tr> <td>2017</td> <td>0.82 litre/mt</td> </tr> </tbody> </table>	Estate	Year	Diesel/ mt FFB	Sedenak Estate	2017	1.06 litre/mt	2018 todat e	1.29 litre/mt	2017	0.82 litre/mt	<p>Yes</p>
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4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	The is no potential of renewable energy usage at both visited estates	Yes													
Criterion 4.5.3: Waste management and disposal																

<p>4.5.3.1</p>	<p>All waste products and sources of pollution shall be identified and documented.</p> <p>- Major compliance -</p>	<p>All waste and pollution are identified and documented in the Waste & Pollution Management Plan 2018 made on the Regional level.</p> <p>a) Details of waste generated from the estates/mill activities among others as shown below;</p> <table border="1" data-bbox="1032 555 1662 884"> <thead> <tr> <th>No</th> <th>Type of waste</th> <th>Location</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Domestic waste rubbish</td> <td>Line sites, office complex</td> </tr> <tr> <td>2</td> <td>Industrial waste-fertilizer bags</td> <td>Empty bags store</td> </tr> <tr> <td>3</td> <td>Disposed containers, bags, equipment contaminated with chemicals, pesticides, SW,</td> <td>Scheduled waste store</td> </tr> </tbody> </table>	No	Type of waste	Location	1	Domestic waste rubbish	Line sites, office complex	2	Industrial waste-fertilizer bags	Empty bags store	3	Disposed containers, bags, equipment contaminated with chemicals, pesticides, SW,	Scheduled waste store	<p>Yes</p>
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<p>4.5.3.2</p>	<p>A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for:</p> <ul style="list-style-type: none"> a) Identifying and monitoring sources of waste and pollution b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products <p>- Major compliance -</p>	<p>The waste management plan was available. Waste been identified and monitoring by estate such as Domestic waste Collection/disposal min 2x-3x /week internally. The record of collection was available latest is on 17 May 2019.</p>	<p>Yes</p>
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<p>4.5.3.3</p>	<p>The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal.</p> <p>- Major compliance -</p>	<p>The procedures for handling used chemicals classified under Environment Quality Regulation (Scheduled Waste) 2005, Environmental Quality Act, 1974 are available prepared on Group level by SQD and implemented in all estates and mills for all the applicable practices. The operational control procedures provide guidelines as follows ;</p> <p>a) Management of class 2 (and higher) chemical containers</p> <p>b) Management of fertilizer bags</p> <p>Latest disposal referred consignment dated 10 May 2019 at Kualiti Alam Sdn Bhd for SW 305 and 306.</p>	<p>Yes</p>
<p>4.5.3.4</p>	<p>Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer’s labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers.</p> <p>- Major compliance -</p>	<p>Empty pesticide container was been triple rinsing and dispose at G – Planters. Latest record disposal dated 4 April 2019 with total 166 pieces have been dispose.</p>	<p>Yes</p>
<p>4.5.3.5</p>	<p>Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.</p> <p>- Minor compliance -</p>	<p>Domestic waste disposal for the Asam Bubuk estate has been made simpler through the collection and disposal to the estate landfill situated in field no P12/01. Collection 2 to 3 times a week.</p>	<p>Yes</p>
<p>Criterion 4.5.4: Reduction of pollution and emission</p>			

<p>4.5.4.1</p>	<p>An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent.</p> <p>- Major compliance -</p>	<p>The assessment of GHG, scheduled waste and solid waste was available under aspect and impact assessment dated October 2018.</p> <p>The assessment of all polluting activities is defined in the Estate – Pollution & Emission Plan endorsed on 01/8/18. Details as provided therein among others as given below:</p> <p>a) Asam Bubuk Estates</p> <table border="1" data-bbox="882 651 1794 928"> <thead> <tr> <th>No</th> <th>Emission</th> <th>Source</th> <th>Frequency</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Dark smoke</td> <td>Running vehicles</td> <td>Daily</td> </tr> <tr> <td rowspan="2">2</td> <td rowspan="2">Noise</td> <td>Diesel engine</td> <td>Operational hours</td> </tr> <tr> <td>Running vehicles</td> <td>Daily</td> </tr> <tr> <td rowspan="2">3</td> <td rowspan="2">Air pollution</td> <td>Diesel engine</td> <td>Operational hours</td> </tr> <tr> <td>Running vehicles</td> <td>Operational hours</td> </tr> <tr> <td rowspan="2">4</td> <td rowspan="2">Waste water</td> <td>PCD</td> <td>Scheduled inspection</td> </tr> <tr> <td>Septic tank spillage</td> <td>Weekly inspection</td> </tr> </tbody> </table>	No	Emission	Source	Frequency	1	Dark smoke	Running vehicles	Daily	2	Noise	Diesel engine	Operational hours	Running vehicles	Daily	3	Air pollution	Diesel engine	Operational hours	Running vehicles	Operational hours	4	Waste water	PCD	Scheduled inspection	Septic tank spillage	Weekly inspection	<p>Yes</p>
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<p>4.5.4.2</p>	<p>An action plan to reduce identified significant pollutants and emissions shall be established and implemented.</p> <p>- Major compliance -</p>	<p>The management action plan is documented under Environmental Management Plan (Emission and Pollution) for 2019. Implementation of management plan will be reviewed every quarter environmental meeting. Details of action plan for identified pollutants as shown below and is a continuation from the 4.5.4.1 above.</p> <table border="1" data-bbox="880 568 1731 1150"> <thead> <tr> <th>No</th> <th>Emission</th> <th>Action Plan</th> <th>PIC</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Dark smoke</td> <td>Inspection of vehicle condition</td> <td>Exec/staff</td> </tr> <tr> <td rowspan="2">2</td> <td rowspan="2">Noise</td> <td>Scheduled maintenance</td> <td>Exec/staff</td> </tr> <tr> <td>Inspection of vehicle inspection</td> <td>Exec/staff</td> </tr> <tr> <td rowspan="2">3</td> <td rowspan="2">Air pollution</td> <td>Routine maintenance as schedule</td> <td>Exec/staff</td> </tr> <tr> <td>Inspection of vehicle condition</td> <td>Exec/staff</td> </tr> <tr> <td rowspan="4">4</td> <td rowspan="4">Waste water</td> <td>Inspection of PCD for functional</td> <td rowspan="4">Exec/staff/foreman</td> </tr> <tr> <td>Adherence to SW guidelines</td> </tr> <tr> <td>Weekly line site inspection</td> </tr> <tr> <td>Appropriate action on spillage</td> </tr> </tbody> </table>	No	Emission	Action Plan	PIC	1	Dark smoke	Inspection of vehicle condition	Exec/staff	2	Noise	Scheduled maintenance	Exec/staff	Inspection of vehicle inspection	Exec/staff	3	Air pollution	Routine maintenance as schedule	Exec/staff	Inspection of vehicle condition	Exec/staff	4	Waste water	Inspection of PCD for functional	Exec/staff/foreman	Adherence to SW guidelines	Weekly line site inspection	Appropriate action on spillage	<p>Yes</p>
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<p>Criterion 4.5.5: Natural water resources</p>																														
<p>4.5.5.1</p>	<p>The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface</p>	<p>The Water Management Plan for the estates has been established. On Asam Bubuk Estate the focus was:</p> <ul style="list-style-type: none"> • Buffer Zone management – No spraying and manuring • Carry out water analysis • Follow SOPs to avoid water pollution by schedule waste 	<p>Yes</p>																											

	<p>and ground water). The water management plan may include:</p> <ol style="list-style-type: none"> Assessment of water usage and sources of supply. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate’s current activities. Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.). Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate. Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented. Where bore well is being use for water supply, the level of the ground water table should be measured at least annually. <p>- Major compliance -</p>	<ul style="list-style-type: none"> Rain water harvesting Obtain water from other estates during shortage/draughts. Monitor domestic water consumption Educate workers to conserve water Monitor leakages and periodic maintenance of piping/equipment Keep drains clean and to have bunds to conserve/retain water <p>Water courses and wetlands are protected including maintaining and restoring appropriate riparian buffer zones. The guidelines are detailed in the SOP No 12: Protection of River Reserves (Riparian & Buffer Zone).</p> <p>Asam Bubuk Estate monitored the water entering small stream through water sampling for Nitrate Nitrogen and Phosphate. This was done in months when fertilisers were applied. Water analysis was done by UTCL Laboratory in Kota Tinggi.</p> <p>Report Nos. WI/1904/0339-0343 dated 8/4/2019</p> <p>of test results of samples from in and out points were verified.</p> <p>Bkt Layang Estate monitored the drinking water. Water analysis was done by Decagon Lab & Analytical Testing Sdn Bhd.</p> <p>Report No. LW/346/18 dated 21 May 2018 and LW/868/18 dated 21 nov 2018</p> <p>of test results of samples from in and out points were verified.</p>	
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<p>4.5.5.2</p>	<p>No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.</p> <p>- Minor compliance -</p>	<p>At time of visit no bunds, weirs and dams were observed across waterways passing through both estates.</p>	<p>Yes</p>
<p>4.5.5.3</p>	<p>Water harvesting practices should be implemented (e.g. water from road-side drains can be directed and stored in conservation terraces and various natural receptacles).</p> <p>- Minor compliance -</p>	<p>During the site visit it was observed that water harvesting was practised. Surface run of waters were directed into field drains, conservation terraces and moisture pits.</p>	<p>Yes</p>
<p>Criterion 4.5.6: Status of rare, threatened, or endangered species and high biodiversity value</p>			
<p>4.5.6.1</p>	<p>Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover:</p> <ul style="list-style-type: none"> a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities. b) Conservation status (<i>e.g.</i> The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be 	<p>HCV assessment was conducted in 16 October 2008 covering Asam Bubuk estates and 14 March 2019 for Bkt Layang in Johor that include Sedenak Estate's complex. The assessment was conducted by Muhammad Syam Zakaria. The report has identified the list of natural habitats that is possible present in the operating units. The report details the findings of a rapid appraisal of the biodiversity in the estates and addresses the RSPO P&C relevant to biodiversity conservation and HCV. Therein being provided details relating to the following;</p> <ul style="list-style-type: none"> a) General biodiversity issues b) Watercourses and drainage c) Habitats natural and man-made d) Wildlife e) Ponds and reservoirs f) Wetlands /watercourses g) Legal aspects h) Immediate and long term effect. 	<p>Yes</p>

	<p>significantly affected by the grower(s) activities.</p> <p>- Major compliance -</p>	<p>For example, in Asam Bubuk estate the following area has been identified:</p> <table border="1" data-bbox="882 427 1514 563"> <thead> <tr> <th>Conservation area</th> <th>Hectarage</th> </tr> </thead> <tbody> <tr> <td>Vacant 1</td> <td>14.38</td> </tr> <tr> <td>Vacant 2</td> <td>59.95</td> </tr> <tr> <td>Vacant 3</td> <td>13.35</td> </tr> </tbody> </table> <p>In Bkt Layang estate, no high conservation value area however the conservation have been identified from Hotspot 1 until hotspot 7 in the latest report 14 March 2019.</p>	Conservation area	Hectarage	Vacant 1	14.38	Vacant 2	59.95	Vacant 3	13.35	
Conservation area	Hectarage										
Vacant 1	14.38										
Vacant 2	59.95										
Vacant 3	13.35										
<p>4.5.6.2</p>	<p>If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:</p> <p>a) Ensuring that any legal requirements relating to the protection of the species are met.</p> <p>b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts.</p> <p>- Major compliance -</p>	<p>There is not RTE recorded. Evidence to continuously prevent and discourage illegal or hunting, fishing or collecting activities were maintained and implemented.</p> <p>a) Signage as well as routine patrolling activities were utilized as part of creating awareness among employees and maintain HCVs.</p> <p>b) The estates established a Biodiversity Improvement Plan 2019 such as briefing/training to workers on protection of river buffers for all existing and designated natural watercourses to all employees, contractors and suppliers that encroachment and hunting are not allowed.</p>	<p>Yes</p>								

<p>4.5.6.3</p>	<p>A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.</p> <p>- Major compliance -</p>	<p>The Biodiversity Improvement Plan dated 17/10/2018 had identified the plan. Among others;</p> <ul style="list-style-type: none"> a) to continue educating the workers regarding RTE. Workers interviewed confirmed that they are aware of no hunting is permitted in and within the estate. b) Regular educating the employees via morning muster briefing about the need to protect the RTE species. c) Appropriate disciplinary measures will be taken if found violated. d) Information pertaining RTE and relevant CU policies were displayed at the display boards. e) Training in relation to the RTE/Biodiversity has been organized in the following sessions. 	<p>Yes</p>
<p>Criterion 4.5.7: Zero burning practices</p>			
<p>4.5.7.1</p>	<p>Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice.</p>	<p>There is no land preparation by burning at Asam Bubuk Estate. Sustainability handbook described on Environmental policy including Zero open burning policy dated January 2008. Management complied with the Malaysian environmental law –EQA and Regulations 1974. On the 2017 replants visited on Asam Bubuk Estate it was observed that palms had been mechanically felled, chipped and windrowed; no burning was observed</p>	<p>Yes</p>

	- Major compliance -		
4.5.7.2	<p>A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop.</p> <p>- Major compliance -</p>	<p>Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting was not practised by Kulim (Malaysia) Berhad Estates. Furthermore, previous crop were not highly diseased and there was no significant risk of disease spread or continuation into the next crop.</p>	Yes
4.5.7.3	<p>Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws.</p> <p>- Major compliance -</p>	<p>Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting was not practised by Kulim (Malaysia) Berhad Estates. It was observed that palms had been mechanically felled, chipped and windrowed; no burning was observed.</p>	Yes
4.5.7.4	<p>Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched.</p> <p>- Minor compliance -</p>	<p>As observed in the 2017 replants in Asam Bubuk and 2014 replants in Bkt Layang, all previous oil palms were felled, chipped, shredded, windrowed and left to decompose.</p>	Yes
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Site Management			

<p>4.6.1.1</p>	<p>Standard operating procedures shall be appropriately documented and consistently implemented and monitored.</p> <p>- Major compliance -</p>	<p>In Kulim (Malaysia) Berhad SOPs for plantations/estates were documented in:</p> <ul style="list-style-type: none"> • Kulim (Malaysia) Berhad – Agricultural Manual – 01.07.2013 • Work Instructions – 01.04.2018 • Buku Panduan Anggota Perkerja Perladangan – 01.09.2018 • Panduan Kerja Selamat (SOP) 01.05.2009 <p>The SOPs confirmed that all activities in the estates from seedlings in nursery to planting in the fields have been included. The Agricultural Manual had chapters A to K. The chapters covered topic as follows:</p> <ul style="list-style-type: none"> A. Replanting. B. Roads, Drains, Bridges, Culverts & Fences. C. Construction of Estate Buildings D. Manuring E. Harvesting F. Pruning and Ablation G. Soil Conservation H. Justification of Chemical Use I. Weeds Management J. Integrated Pest management K. Plant Diseases <p>Standard operating procedures had been consistently implemented and monitored. On both estate’s SOPs were consistently implemented and monitored by on-site visits, inspections and discussions with relevant personnel and by conducting audits such as Internal Audits, RSPO Audits and visits by RC, PI and Agronomists and by Periodic reporting – monthly Production Statement, Labour Statement, FFB Grading, etc.</p>	<p>Yes</p>
<p>4.6.1.2</p>	<p>Where oil palm is grown within permitted levels on sloping land, appropriate soil conservation measures shall be implemented</p>	<p>Topographic Maps provided showed that the terrain was as follows:</p>	<p>Yes</p>

	<p>to prevent both soil erosion as well as siltation of drains and waterways. Measures shall be put in place to prevent contamination of surface and groundwater through runoff of either soil, nutrients or chemicals.</p> <p>- Major compliance -</p>	<p>Terrain (Degree)</p>	<p>Percentage in Sedenak Estate</p>	<p>Percentage in Ulu Tiram Estate</p>	<p>Percentage in Asam Bubuk</p>	<p>Percentage in Bkt Layang</p>		
		<p>Rata (0 – 2°)</p>	<p>9.55</p>	<p>2.57</p>	<p>Referred email from Razif Wahidon (Mapping /GIS GPS) dated 23 May 2019 declared no Slope more 25 degree and almost 774 ha(99.06%) is flat area.</p>	<p>1.99</p>		
		<p>Beralum (2° – 6°)</p>	<p>42.68</p>	<p>6.23</p>		<p>23.51</p>		
		<p>Berombak (6° -12°)</p>	<p>47.31</p>	<p>60.44</p>		<p>74.5</p>		
		<p>Berbukit (12° - 20°)</p>	<p>0.46</p>	<p>1.12</p>		<p>-</p>		
		<p>Sangat Berbukit</p>	<p>-</p>	<p>29.64</p>		<p>-</p>		
			<p>100.00</p>	<p>100.00</p>		<p>100</p>		
<p>4.6.1.3</p>	<p>A visual identification or reference system shall be established for each field.</p> <p>- Major compliance -</p>	<p>All fields were marked and identified. Information like field no, year planting and total hectare is shown in all markers. Stone boundary markers were placed at field boundaries were observed.</p>					<p>Yes</p>	
<p>Criterion 4.6.2: Economic and financial viability plan</p>								
<p>4.6.2.1</p>	<p>A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.</p>	<p>Both estates had documented annual business plan (budgets) for 2019 and projections up to 2024 The business plans were prepared as guidance for future planning. The budget contains monthly budget per operating units including FFB, CPO and PK. Component of operating expenditure includes Administration, harvesting & collection, field upkeep, transportation, road and bridges, labour</p>					<p>Yes</p>	

	- Major compliance -	overhead, EVIT (running accounts for engines, vehicles, implements & tractors. Inclusive in the business plan is also Capital Expenditure (CAPEX) includes building-general, tractors and agricultural implement, office equipment and others as per the annual budget for 2019 for estate was sighted and verified.	
4.6.2.2	Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years. - Major compliance -	Asam Bubok Estate had a long range replanting program from 2019 and projected up to the year 2044. The next replanting programme will carried out in 2024 for (P99 – 59.36 ha) For Bukit Layang Estate, the next replanting programme will be in 2026.	Yes
4.6.2.3	The business or management plan may contain: a) Attention to quality of planting materials and FFB b) Crop projection: site yield potential, age profile, FFB yield trends c) Cost of production : cost per tonne of FFB d) Price forecast e) e) Financial indicators : cost benefit, discounted cash flow, return on investment - Major compliance -	This requirement i.e crop material, crop projection, yield, production cost, are provided in the business management plan as shown in item 4.6.2.1 above.	Yes

<p>4.6.2.4</p>	<p>The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.</p> <p>- Major compliance -</p>	<p>The management plan was effectively implemented and achievements of the goals and objectives regularly monitored, periodically reviewed and documented by performance monitoring. The estates' performance was recorded in the monthly progress reports. Details on the actual vs budget i.e crop production, fixed and direct cost are shown therein. The management also provides variance report on the performance and reviewed on a monthly basis.</p>	<p>Yes</p>
<p>Criterion 4.6.3: Transparent and fair price dealing</p>			
<p>4.6.3.1</p>	<p>Pricing mechanisms for the products and other services shall be documented and effectively implemented.</p> <p>- Major compliance -</p>	<p>The pricing mechanism for the contractor are mentioned in the contract signed between Kulim and contractor.</p>	<p>Yes</p>
<p>4.6.3.2</p>	<p>All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner.</p> <p>- Major compliance -</p>	<p>On both Estates all contracts verified were fair, legal and transparent and agreed payments were made in timely manner. All contracts and purchases are documented i.e in the form of purchase orders, invoices, and contracts for the larger transaction. All documents are signed by both vendor and management.</p> <p>Asam Bubok Estate:</p> <p>Records verified:: tax invoice (001/04/19) dated 30/4/19, work distribution for April 2019</p> <p>Post verification records: Contract work (order number, 19000012 dated 30/4/19, general ledger post dated 30/4/19 and payment voucher, 19000161 dated 6/5/19. Payment was made within 30 days from invoice submission.</p> <p>Bukit Layang Estate:</p> <p>Contract No. MPSB/LBL 2/2018 for harvesting of FFB at P14 (78.75 ha)</p> <p>Contractor: SOKO SK Enterprise</p>	<p>Yes</p>

MSPO Public Summary Report
Revision 0 (Aug 2017)

		Records verified: tax invoice (00923) dated 31/43/19, work distribution for March 2019 Post verification records: Contract work (order number, 19000017 OC dated 31/3/19, general ledger post dated 31/3/19 and payment voucher, 19000072 dated 5/4/19. Payment was made within 30 days from invoice submission	
Criterion 4.6.4: Contractor			
4.6.4.1	Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information. - Major compliance -	The Estates had informed its contractors regarding the need to follow the MSPO requirements through MSPO training/briefing. The latest session was carried out on 26/4/19.	Yes
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	Evidence of agreed contracts with the contractors were verified. Asam Bubok Estate: Contract No. EPA/LAB1/2007 for Loading & Transportation of FFB Contractor: Anika Pusaka Sbn Bhd Validity: 1/6/19 – 30/9/19 Bukit Layang Estate: Contract No. MPSB/LBL 2/2018 for harvesting of FFB at P14 (78.75 ha) Contractor: SOKO SK Enterprise Validity: 16/6/2018 – 15/6/19	Yes
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required. - Minor compliance -	There were no objections from management to accept MSPO approved auditors to verify assessments through a physical inspection where required and written in the addendum contract. Refer to contract, MPSB/LBL 2/2018 under SOKO SK Enterprise	Yes

<p>4.6.4.4</p>	<p>The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted.</p> <p>- Major compliance -</p>	<p>All works performed at the estates are checked and verified by the estates personnel before payment been made to the contractors. Verified records were for:</p> <p>Asam Bubok Estate: Contract No. EPA/LAB1/2007 for Loading & Transporation of FFB Contractor: Anika Pusaka Sbn Bhd Records verified: tax invoice (001/04/19) dated 30/4/19, work distribution for April 2019 Post verification records: Contract work (order number, 19000012 dated 30/4/19, general legder post dated 30/4/19 and payment voucher, 19000161 dated 6/5/19. Payment was made within 30 days from invoice submission.</p> <p>Bukit Layang Estate: Contract No. MPSB/LBL 2/2018 for harvesting of FFB at P14 (78.75 ha) Contractor: SOKO SK Enterprise Records verified: tax invoice (00923) dated 31/43/19, work distribution for March 2019 Post verification records: Contract work (order number, 19000017 OC dated 31/3/19, general legder post dated 31/3/19 and payment voucher, 19000072 dated 5/4/19. Payment was made within 30 days from invoice submission.</p>	<p>Yes</p>
<p>4.7 Principle 7: Development of new planting</p>			
<p>Criterion 4.7.1: High biodiversity value</p>			
<p>4.7.1.1</p>	<p>Oil palm shall not be planted on land with high biodiversity value unless it is carried out in compliance with the National and/or State Biodiversity Legislation.</p> <p>- Major compliance -</p>	<p>No new planting was observed or planned by the management. Thus, this principle is not applicable.</p>	<p>N/A</p>

<p>4.7.1.2</p>	<p>No conversion of Environmentally Sensitive Areas (ESAs) to oil palm as required under Peninsular Malaysia’s National Physical Plan (NPP) and the Sabah Forest Management Unit under the Sabah Forest Management License Agreement. For Sabah and Sarawak, new planting or replanting of an area 500ha or more requires an EIA. For areas below 500ha but above 100ha, a Proposal for Mitigation Measures (PMM) is required.</p> <p>- Major compliance -</p>	<p>No new planting was observed or planned by the management. Thus, this principle is not applicable.</p>	<p>N/A</p>
<p>Criterion 4.7.2: Peat Land</p>			
<p>4.7.2.1</p>	<p>New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice.</p> <p>- Major compliance -</p>	<p>No new planting was observed or planned by the management. Thus, this principle is not applicable.</p>	<p>N/A</p>
<p>Criterion 4.7.3: Social and Environmental Impact Assessment (SEIA)</p>			
<p>4.7.3.1</p>	<p>A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations.</p> <p>- Major compliance -</p>	<p>No new planting was observed or planned by the management. Thus, this principle is not applicable.</p>	<p>N/A</p>

<p>4.7.3.2</p>	<p>SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations, via participatory methodology which includes external stakeholders.</p> <p>- Major compliance -</p>	<p>No new planting was observed or planned by the management. Thus, this principle is not applicable.</p>	<p>N/A</p>
<p>4.7.3.3</p>	<p>The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed.</p> <p>- Major compliance -</p>	<p>No new planting was observed or planned by the management. Thus, this principle is not applicable.</p>	<p>N/A</p>
<p>4.7.3.4</p>	<p>Where the development includes smallholder schemes of above 500ha in total or small estates, the impacts and implications of how each scheme or small estate is to be managed should be documented and a plan to manage the impacts developed, implemented, monitored and reviewed.</p> <p>- Minor compliance -</p>	<p>No new planting was observed or planned by the management. Thus, this principle is not applicable.</p>	<p>N/A</p>
<p>Criterion 4.7.4: Soil and topographic information</p>			
<p>4.7.4.1</p>	<p>Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation.</p> <p>- Major compliance -</p>	<p>No new planting was observed or planned by the management. Thus, this principle is not applicable.</p>	<p>N/A</p>

<p>4.7.4.2</p>	<p>Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure.</p> <p>- Major compliance -</p>	<p>No new planting was observed or planned by the management. Thus, this principle is not applicable.</p>	<p>N/A</p>
<p>Criterion 4.7.5: Planting on steep terrain, marginal and fragile soils</p>			
<p>4.7.5.1</p>	<p>Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws.</p> <p>- Major compliance -</p>	<p>No new planting was observed or planned by the management. Thus, this principle is not applicable.</p>	<p>N/A</p>
<p>4.7.5.2</p>	<p>Where planting on fragile and marginal soils is proposed, plans shall be developed and implemented to protect them and to minimize adverse impacts (e.g. hydrological) or significantly increased risks (e.g. fire risk) in areas outside the plantation.</p> <p>- Major compliance -</p>	<p>No new planting was observed or planned by the management. Thus, this principle is not applicable.</p>	<p>N/A</p>
<p>4.7.5.3</p>	<p>Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion.</p> <p>- Major compliance -</p>	<p>No new planting was observed or planned by the management. Thus, this principle is not applicable.</p>	<p>N/A</p>
<p>Criterion 4.7.6: Customary land</p>			

<p>4.7.6.1</p>	<p>No new plantings are established on recognised customary land without the owners' free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.</p> <p>- Major compliance -</p>	<p>No new planting was observed or planned by the management. Thus, this principle is not applicable.</p>	<p>N/A</p>
<p>4.7.6.2</p>	<p>Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites.</p> <p>- Minor compliance -</p>	<p>No new planting was observed or planned by the management. Thus, this principle is not applicable.</p>	<p>N/A</p>
<p>4.7.6.3</p>	<p>Where recognized customary or legally owned lands have been taken-over, the documentary proof of the transfer of rights and of payment or provision of agreed compensation shall be made available.</p> <p>- Major compliance -</p>	<p>No new planting was observed or planned by the management. Thus, this principle is not applicable.</p>	<p>N/A</p>
<p>4.7.6.4</p>	<p>The owner of recognised customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement.</p> <p>- Major compliance -</p>	<p>No new planting was observed or planned by the management. Thus, this principle is not applicable.</p>	<p>N/A</p>

<p>4.7.6.5</p>	<p>Identification and assessment of legal and recognised customary rights shall be documented.</p> <p>- Major compliance -</p>	<p>No new planting was observed or planned by the management. Thus, this principle is not applicable.</p>	<p>N/A</p>
<p>4.7.6.6</p>	<p>A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented.</p> <p>- Major compliance -</p>	<p>No new planting was observed or planned by the management. Thus, this principle is not applicable.</p>	<p>N/A</p>
<p>4.7.6.7</p>	<p>The process and outcome of any compensation claims shall be documented and made publicly available.</p> <p>- Major compliance -</p>	<p>No new planting was observed or planned by the management. Thus, this principle is not applicable.</p>	<p>N/A</p>
<p>4.7.6.8</p>	<p>Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development.</p> <p>- Minor compliance -</p>	<p>No new planting was observed or planned by the management. Thus, this principle is not applicable.</p>	<p>N/A</p>

Section 4: Assessment Conclusion and Recommendation

Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings	
Based on the findings during the assessment Sedenak Group Estates complies with the MS 2530-3:2013 . It is recommended that the certification of Kulim (Malaysia) Berhad – Sedenak Group Estates extension (Asam Bubok and Bukit Layang Estate) Certification Unit is approved.	
Acknowledgement of Assessment Findings	Report Prepared by
Name: SALASAH ELIAS	Name: Mohamed Hidhir Zainal Abidin
Company name: KULIM (MALAYSIA) BERHAD	Company name: BSI Services Malaysia Sdn. Bhd.
Title: HEAD OF SUSTAINABILITY & QUALITY DEPARTMENT	Title: Lead auditor

Signature:  Date: 10 June 2019	Signature:  Date: 9 th June 2019
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Appendix A: Assessment Plan

Preliminary Agenda				
Date	Time	Subjects	Hidhir	Naquiuddin
Tuesday 21/05/2019	PM	Audit team travelling to Johor Bahru and hotel check-in at Mutiara Hotel, JB	√	√
Wednesday 22/05/2019 Asam Bubok Estate	0700 am	Audit team travelling to Asam Bubok Estate		
	08.30 – 12.30	<ul style="list-style-type: none"> Opening Presentation by Audit team leader. Confirmation of assessment scope and finalize Audit Plan Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc.	√	√
	10.00 – 12.30	Stakeholder interviews (local stakeholders)		
	12.30 – 13.30	Lunch		
	13.30 – 16.30	Document review P1 – P6 (MSPO part 3), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6 : Best practices, P7: Development of New Planting (if any)	√	√
	16.30 – 17.00	Closing meeting and presentation of findings	√	√
Wednesday 23/5/2019 Bukit Layang Estate	0730 AM	Audit team travelling to Bukit Layang Estate		
	08.30 – 12.30	<ul style="list-style-type: none"> Opening Presentation by Audit team leader. Confirmation of assessment scope and finalize Audit Plan Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc.	√	√
	10.00 – 12.30	Stakeholder interviews (local stakeholders)		
	12.30 – 13.30	Lunch		
	13.30 – 16.30	Document review P1 – P6 (MSPO part 3), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement P4: Social responsibility, health safety and employment condition, P5: Environment, natural	√	√

MSP0 Public Summary Report
Revision 0 (Aug 2017)

		resources, biodiversity and ecosystem services and P6 : Best practices, P7: Development of New Planting (if any)		
	16.30 - 17.00	Interim Closing briefing.	√	√
Friday 24/5/19	AM	Audit team travelling back to Kuala Lumpur	√	√

Appendix B: List of Stakeholders Contacted

<p>Government Bodies/External Stakeholder</p> <p>Kg Olak Batu Kg Parit Haji Talib Kg Batu 3 Kg Ayer Hitam</p>	<p>Internal Stakeholders:</p> <p>Workers Representatives (Foreign Worker) Gender Committee Representative Estate workers</p>
<p>NGO:</p> <p>Nil</p>	<p>Contractors:</p> <p>FFB transporter (Sungai Rezeki, Razali, Anika Pusaka Sdn Bhd) Supplier (Edaran Badang Sdn Bhd)</p>

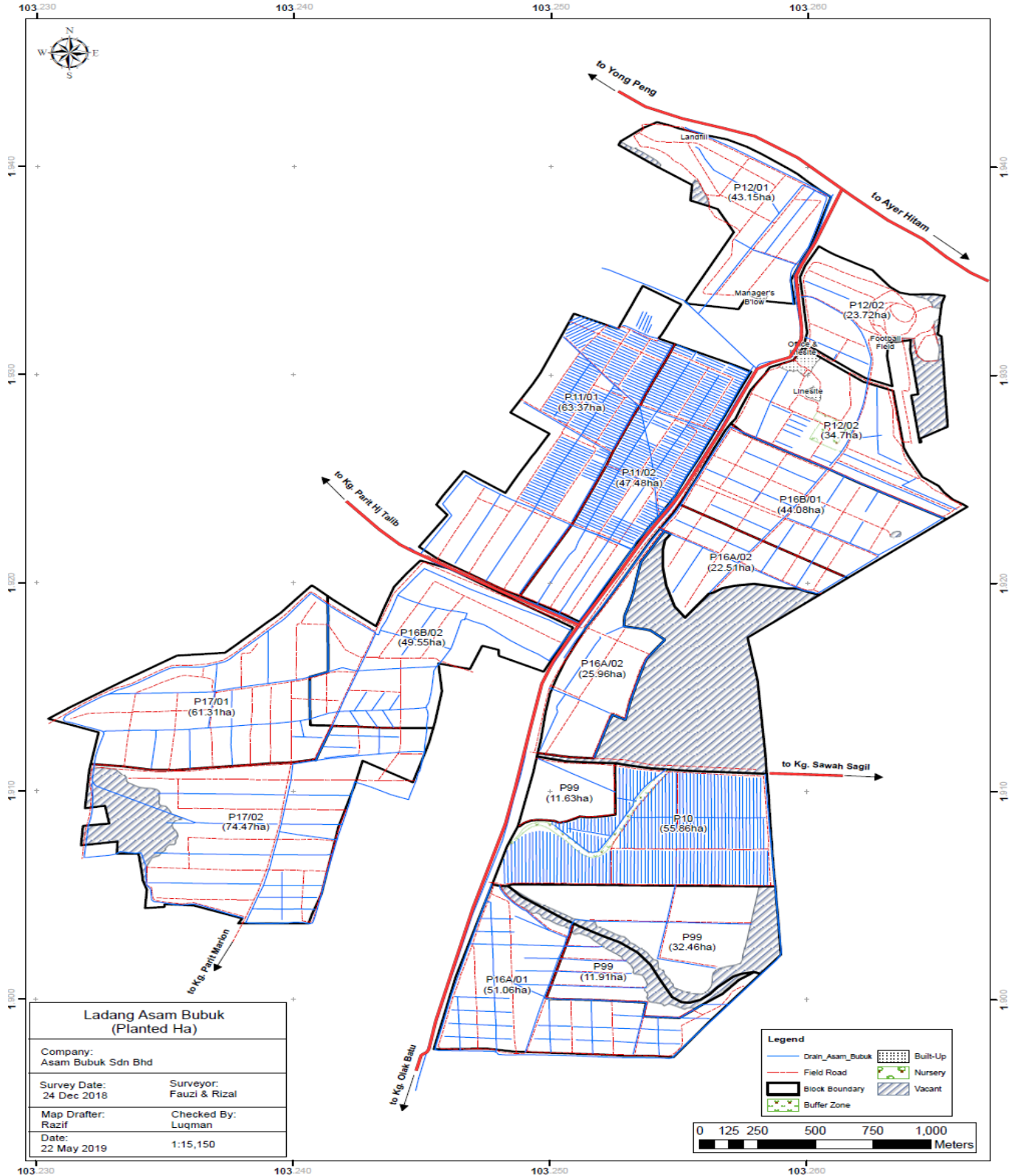
Appendix C: Smallholder Member Details

No	Name of smallholder	Year Planted	Land Area (ha)	Forecast FFB (Mt/ha/year)
1	NA. No smallholders in the scope of certification.	-	-	-
TOTAL				

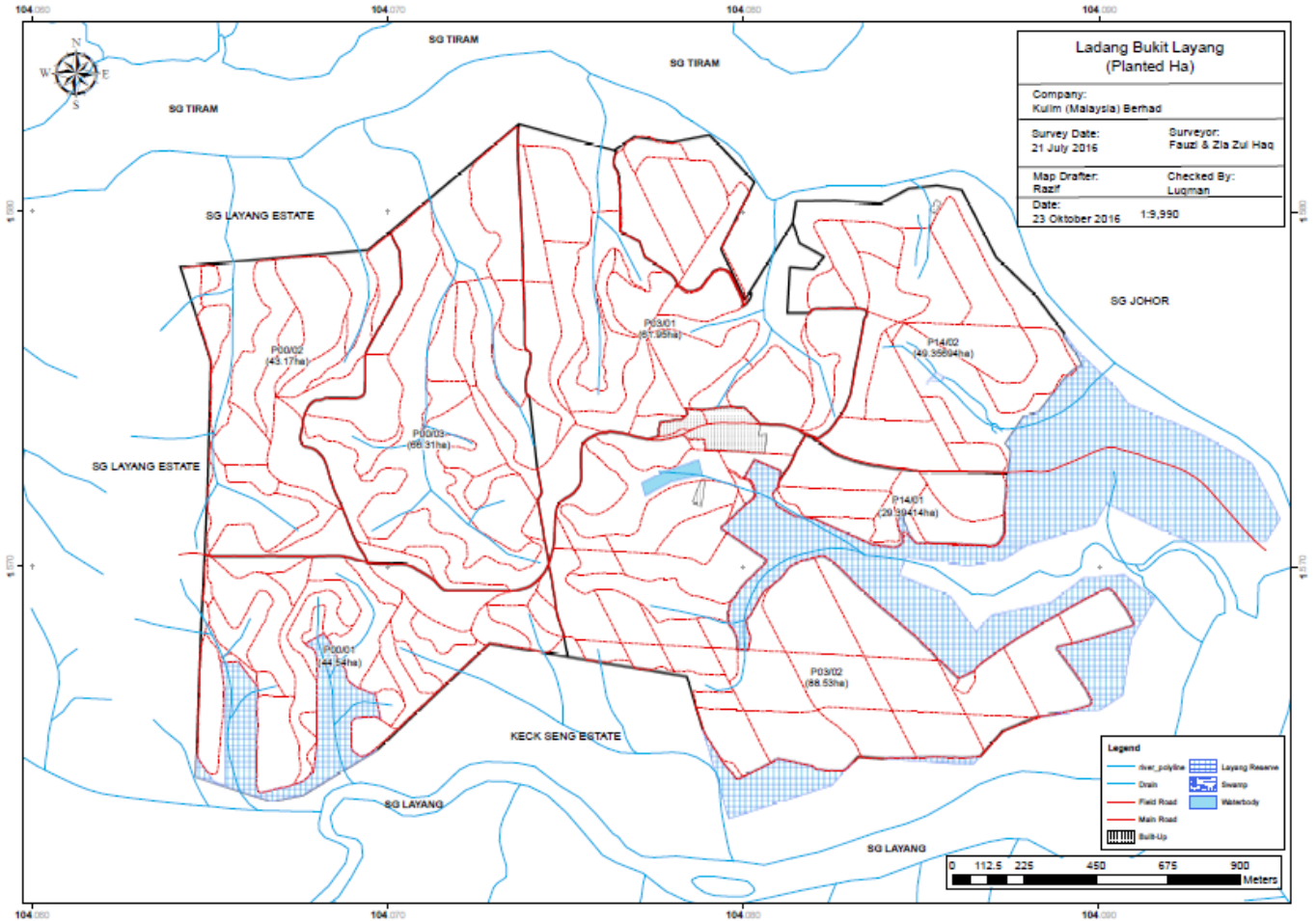
Appendix F: Location and Field Map



Asam Bubok Estate Map



Bukit Layang Estate Map



Appendix G: List of Abbreviations

BOD	Biochemical Oxygen Demand
CB	Certification Bodies
CHRA	Chemical Health Risk Assessment
COD	Chemical Oxygen Demand
CPO	Crude Palm Oil
EFB	Empty Fruit Bunch
EHS	Environmental, Health and Safety
EIA	Environmental Impact Assessment
EMS	Environmental Management System
FFB	Fresh Fruit Bunch
FPIC	Free, Prior, Informed and Consent
GAP	Good Agricultural Practice
GHG	Greenhouse Gas
GMP	Good Manufacturing Practice
GPS	Global Positioning System
HCV	High Conservation Value
IPM	Integrated Pest Management
ISCC	International Sustainable Carbon Certification
LD50	Lethal Dose for 50 sample
MSPO	Malaysian Sustainable Palm Oil
MSDS	Material Safety Data Sheet
MT	Metric Tonnes
OER	Oil Extraction Rate
OSH	Occupational Safety and Health
PK	Palm Kernel
PKO	Palm Kernel Oil
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RTE	Rare, Threatened or Endangered species
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure