

**RSPO PRINCIPLE AND CRITERIA
4TH ANNUAL SURVEILLANCE ASSESSMENT (ASA4_1)
Public Summary Report**

Kulim (Malaysia) Berhad
Head Office: Kulim (Malaysia) Berhad K.B 705 80990 Johor Bahru Johor, Malaysia
Sindora Palm Oil Mill and Supply Base KB 501 86009 Kluang Johor, Malaysia

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Section 1: Scope of the Certification Assessment

1. Company Details			
RSPO Membership Number	1-0080-09-000-00	Date	Member since: 15 June 2009
Company Name	Kulim (Malaysia) Berhad		
Address	Head Office : K.B 705, 80990 Johor Bahru, Johor, Malaysia		
Mill Address	Certification Unit : Sindora Palm Oil Mill, K.B. 501, 86009 Kluang, Johor, Malaysia		
Subsidiary of (if applicable)	Johor Corporation		
Contact Name	Mrs Salasah Elias		
Website	www.kulim.com.my	E-mail	salrasah@kulim.com.my
Telephone	+607 8611611	Facsimile	+607 8631084

2. Certification Information			
Certificate Number	RSPO 612392	Original Certification Date	23/01/2009
		Expiry Date	22/01/2019
Scope of Certification	Production of Palm Oil and Palm Kernel from Sindora Palm Oil Mill and Supply Base (Sindora Estate, Sungai Papan Estate, REM Estate)		
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
A76503	MS 1500:2009	JAKIM	15/06/2019
AR1825	ISO 9001:2008	SIRIM	21/11/2018
EU-ISCC-Cert-DE119-60182024	ISCC EU	ASG CERT	12/03/2019
MPOB/COP/MF/0003-2	Code Good Milling Practise	MPOB	20/07/2019

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3. Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base)	Location [Map Reference #]	GPS	
		Easting	Northing
Sindora Palm Oil Mill	Kluang, Johor, Malaysia	103° 27' 44.32"	1° 59' 7.34"
Sindora Estate	Kluang, Johor, Malaysia	103° 28' 17.98"	1° 57' 48.11"
Sungai Papan Estate	Kota Tinggi, Johor, Malaysia	104° 6' 21.81"	1° 31' 1.25"
REM Estate	Kota Tinggi, Johor, Malaysia	103° 52' 54.96"	1° 42' 12.41"

4. Description of Supply Base							
Estate	Mature (ha)	Immature (ha)	Infras & Other (ha)	HCV (ha)	Total Planted (ha)	Total Hectarage	% of Planted
Sindora Estate	2,203.86	1,194.57	502.50	18.13	3,398.43	3,919.06	86.71
Sungai Papan Estate	2,477.5	136.57	400.32	11.49	2,614.07	3,025.88	86.39
REM Estate	1,314.7	434.91	469.75	21.75	1,749.61	2,241.11	78.07
Total	5,996.06	1,766.05	1,375.66	51.37	7,762.11	9,186.05	84.50

Note: Infras = infrastructure

*HCV area reduced due to de-classification of HCV based on latest HCV report.

5. Plantings & Cycle								
Estate	Age (Years)					Tonnage / Year		
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30	Estimated (Nov 2016 – Oct 2017)	Actual (Oct 2016 – Sept 2017)	Forecast (Oct 2017 – Sept 2018)
Sindora Estate	1,194.57	1,204.30	617.09	0	382.47	30,815	37,612.67	36,155
Sungai Papan Estate	136.57	499.85	1,977.65	0	0	53,457	60,560.37	59,784
REM Estate	434.91	217.41	1,097.29	0	0	28,113	32,177.09	25,798
Total	1,766.05	1,921.56	3,692.03	0	382.47	112,385	130,350.13	121,737

6. Certified Tonnage of FFB (Own Certified Scope)			
Estate	Tonnage / year		
	Estimated (Nov 2016 – Oct 2017)	Actual (Oct 2016 – Sept 2017)	Forecast (Oct 2017 – Sept 2018)
Sindora Estate	30,815	37,612.67	36,155
Sungai Papan Estate	53,457	60,560.37	59,784
REM Estate	28,113	32,177.09	25,798
Total	112,385	130,350.13	121,737

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7. Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) if applicable			
Independent FFB Supplier	Tonnage / year		
	Estimated (Nov 2016 – Oct 2017)	Actual (Oct 2016 – Sept 2017)	Forecast (Oct 2017 – Sept 2018)
Outside crop	94,143	85,996.53	95,015

8. Certified Tonnage									
Sindora Palm Oil Mill	Estimated (Nov 2016 – Oct 2017)			Actual (Oct 2016 – Sept 2017)			Forecast (Oct 2017 – Sept 2018)		
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
Own Estate	112,385	42,261	11,426	130,350.13	28,317.98	7,539.82	121,737	25,899.84	6,906.68
*Others	-	-	-	8,179.3			-	-	-
Total	112,385	42,261	11,426	138,529.43	28,317.98	7,539.82	121,737	25,899.84	6,906.68

*Forecast OER: 21.27%, KER: 5.67%

*Others: Crop diversion from other certified management unit Sedenak (RSPO 537873 valid until 22/1/19), Pasir Panjang (RSPO 657192 valid until 8/3/2022)

Section 2: Assessment Process

Certification Body:

BSI Services Malaysia Sdn Bhd,
(ASI Accreditation Number: RSPO-ACC-19)
Unit 3, Level 10, Tower A
The Vertical Business Suites, Bangsar South
No. 8, Jalan Kerinchi
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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. BSI is ASI Accredited (RSPO-ACC-19) to conduct RSPO assessment since 31/10/2014 with accredited office located at Kuala Lumpur, Malaysia. BSI is accredited for RSPO Supply Chain Certification Systems (SCCS) and Principles & Criteria for Sustainable Palm Oil Production (P&C, Single Site & Group) certification Worldwide.

Assessment Methodology, Programme, Site Visits

This on-site 4th Annual Surveillance Assessment was conducted from 15-17 October 2017. The audit programme is included as Appendix D. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates (Sindora Estate & Sungai Papan Estate). A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families and external stakeholders, review of documentation and monitoring data. RSPO P&C MYNI-2014 and RSPO Supply Chain Certification Standard 2014 were 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 approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. The mill was audited together with the estates (or smallholders) of its supply base. The estates sample were determined based on formula $N = 0.8\sqrt{y}$ where y is the number of estates while when applicable, the smallholders sample were determined following the RSPO Certification Requirement for Group Certification Standard 2016. The sampling of smallholders were based on the formula $(0.8\sqrt{y}) \times (z)$; where y is total number of independent group member and where z is the multiplier defined by the risk assessment. The sampled smallholder (when applicable) is listed in Appendix J.

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

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

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

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

1. Assessment Program					
Name (Mill / Supply Base)	Year 1 (Certification)	Year 2 (ASA 1)	Year 3 (ASA 2)	Year 4 (ASA 3)	Year 5 (ASA 4)
Sindora Palm Oil Mill	√	√	√	√	√
Sindora Estate	√		√	√	√
Sungai Papan Estate	√	√	√		√
REM Estate		√		√	

Tentative Date of Next Visit: October 15, 2018 – October 17, 2018

Total No. of Mandays: 9 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 14001, OHSAS 18001, MSPO and RSPO in his previous certification body. He completed the ISO 9001 Lead Auditor Course, ISO 14001 Lead Auditor Course and OHSAS 18001 Lead Auditor Course in 2012, Endorsed RSPO P&C Lead Auditor Course in 2013, MSPO Awareness Training in 2014 and Endorsed RSPO SCCS Lead Auditor Course in 2015. He had been involved in RSPO auditing since May 2012 in more than various companies in Malaysia. During this assessment, he assessed on the aspects of legal, mill best practices, safety and health, environmental and workers and stakeholders consultation.

Mohd Hafiz Mat Hussain – Team Member

He holds Bachelor Degree in Plantation Technology and Management, graduated from University Technology Mara (UiTM) on 2009. He has 4 years working experience in oil palm plantation industry. He also has the experiences as an auditor for several standards including ISO 9001, ISO 14001, OHSAS 18001, MSPO and RSPO in his previous certification body. He completed the ISO 9001 Lead Auditor Course, ISO 14001 Lead Auditor Course and OHSAS 18001 Lead Auditor Course in 2013, Endorsed RSPO P&C Lead Auditor Course in 2014 and MSPO Awareness Training in 2014. He had been involved in RSPO auditing since May 2013 in more than various companies in Malaysia. During this assessment, he assessed on the aspects of legal, mill best practices, estate best practices, safety and health, environmental and workers and stakeholders consultation.

Hu Ning Shing- Team Member

She holds Bachelor Degree in Science majoring in Applied Chemistry, graduated from University of Malaya on 2011. She has 5 years working experience in rubber and palm oil industry. She also has the experiences as auditor for several standards including ISO 9001, MSPO and RSPO in his previous certification body. She completed the ISO 9001 Lead Auditor Course on 2016, Endorsed RSPO P&C Lead Auditor Course in 2012 and Endorsed RSPO SCCS Lead Auditor Course in 2015. She had been involved in RSPO auditing since November 2015 in more than various companies in Malaysia. During this assessment, she assessed on the aspects of social. She is fluent in Bahasa Malaysia and English languages.

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.

- Kulim (Malaysia) Berhad Time Bound Plan
- RSPO Group Certification Standard 2016 Checklist
- RSPO P&C for Smallholders TH-WG 2012 Checklist
- RSPO P&C GN-NIWG 2010 Checklist
- RSPO P&C INA-NIWG 2016 Checklist
- RSPO P&C PNG-NIWG 2016 Checklist
- RSPO P&C SI-NIWG 2010 Checklist
- RSPO P&C MY-NIWG 2014 Checklist
- RSPO P&C TH-WG 2011 Checklist
- RSPO Supply Chain Certification Checklist November 2014
- RSPO P&C 2013 Generic Checklist

3.2 Progress against Time Bound Plan

Kulim (Malaysia) Berhad divestment from New Britain (NBPOL) was completed on 26 February 2016. Tunjuk Laut Palm Oil Mill and Supply Base but since October 2013 this has been leased to third party operator (Awan Timur Resources) and Kulim (Malaysia) Berhad no longer manages the operations. Siang Estate previously supplies FFB to Siang Palm Oil Mill which was previously certified under Johor Corporation and now managed by third party. It is not within Kulim (Malaysia) Berhad's management control. Siang Estate is now under Pasir Panjang Palm Oil Mill supply base and certified under Pasir Panjang POM certification unit.

Kulim (Malaysia) Berhad has 100% ownership in Mahamurni Plantations Sdn Bhd. Mahamurni Plantations Sdn Bhd have 3 palm oil mills i.e.: Sedenak Palm Oil Mill, Palong Cocoa Palm Oil Mill, and Pasir Panjang Palm Oil Mill. Mahamurni Plantations Sdn Bhd also has 9 estates: Sedenak Estate, Sungai Papan which supply to certified Sedenak Palm Oil Mill; Mungka Estate, Kemedak Estate, Palong Estate, Ladang UMAC which supply to certified Palong Cocoa Palm Oil Mill; Rengam Estate supply to certified Sindora Palm Oil Mill. Pasir Panjang Estate will supply to Pasir Panjang Palm Oil Mill, which was certified in March 2017. Kulim (Malaysia) Berhad has 100% ownership in Kulim Plantations (Malaysia) Sdn Bhd. Kulim Plantations (Malaysia) Sdn Bhd has Tereh Palm Oil Mill and 2 estates i.e. Tereh Utara Estate and Tereh Selatan Estate which supply to certified Tereh Palm Oil Mill. Kulim (Malaysia) Berhad has 100% ownership in Selai Sdn Bhd. Selai Sdn Bhd has Selai Estate and Enggang Estate, both supply to certified Tereh Palm Oil Mill. Kulim (Malaysia) Berhad has 100% ownership in Sindora Berhad. Sindora

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Berhad has Sindora Estate, supply to certified Sindora Palm Oil Mill and Sungai Tawing Estate, supply to certified Tereh Palm Oil Mill. Kulim (Malaysia) Berhad has 94.49% ownership in Kumpulan Bertam Plantations Berhad. Kumpulan Bertam Plantations Berhad has Sepang Loi Estate supply to certified Palong Cocoa Palm Oil Mill. Kulim (Malaysia) Berhad itself has 7 estates: Basir Ismail Estate, Ulu Tiram Estate, Kuala Kabong Estate supply to certified Sedenak Palm Oil Mill; Sungai Sembrong Estate and Mutiara Estate supply to certified Tereh Palm Oil Mill; REM Estate will supply certified Sindora Palm Oil Mill; Labis Bahru Estate supply to certified Palong Cocoa Palm Oil Mill. BSi concludes that Kulim has completed all of the commitments of its Time Bound Plan that relate to company owned and managed Palm Oil Mills and Estates. During this annual surveillance assessment;

1. There is no any other isolated lapse in Time Bound Plan.
2. No systematic failures to proceed with implementation of the Time Bound Plan since first certified.
3. No changes in the Time bound Plan for Kulim (M) Berhad as to date

At the time of preparation of this Report, BSI is not aware of any new issues involving:

- a. Any unresolved significant land disputes;
- b. Any replacement of primary forest or loss of HCVs;
- c. Any labour disputes that are not being resolved through an agreed process;
- d. Any evidence of noncompliance with any law at any of the landholdings. BSI considers that Kulim (Malaysia) Berhad complies with the RSPO requirements for Partial Certification rules.

Time Bound Plan		
Requirement	Remarks	Compliance
Summary of the Time Bound Plan		
Does the plan include all subsidiaries, estates and mills?	<p><u>Malaysia</u> The time bond plan includes all OUs in Malaysia, The Kulim OUs have 32 units and 6 units successfully certified for 2017.</p> <p><u>Indonesia (PT WIN and AMARA)</u> For the Indonesia plantation have in preparation to undergo the RSPO Certification process is in progress. Now under rehabilitation for two years.</p>	Yes

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<p>Is the time bound plan challenging?</p> <ul style="list-style-type: none"> • Age of plantations. • Location. • POM development • Infrastructure. • Compliance with applicable law. 	<p>Kulim (Malaysia) Berhad has in 2015 continued to operate in a dynamic and volatile environment, characterised by abundant of supplies and lower price of CPO globally.</p> <p>Being one of the lowest price for the commodity, this much affected to the plantation margins. The industry was also impacted by growing strength of US Dollar adding the downward pressure of the price</p> <p>The divestment from New Britain (NBPOL) was completed on 26 February 2016, operationally at the year ended as at October 2017, Kulim have plantation operations in Peninsular Malaysia and Indonesia for a total of 50 999 ha in Malaysia and 40,646 ha of land in Indonesia. The planting of new palm is ongoing albeit at a slower pace, Kulim have some 307 ha been planted.</p> <p>Age profile ranging from 0 – 23 years of age. The group remains committed to improving the age profile, during which a total of 1155 ha been replanted. Average age profile has improved to 11.72 years. The group has acquired Pasir Panjang Palm Oil Mill through Mahamurni Plantation Sdn Bhd in March 2015 and successfully RSPO Certified in 2017</p>	<p>Yes</p>
<p>Have there been any changes since the last audit? Are they justified?</p>	<p>No changes since the last audit</p>	<p>Yes</p>
<p>If there have been changes, what circumstances have occurred?</p>	<p>KULIM is now corporatized under Johor Corporation but at the same time both are still a members of RSPO.</p>	<p>Yes</p>
<p>Have there been any stakeholder comments?</p>	<p>So far there no comments received.</p>	<p>Yes</p>
<p>Have there been any newly acquired subsidiaries?</p>	<p>In Indonesia, Kulim is currently involve in Kalimantan Tengah (PT WIN) for planted area of 307 ha. For PT RAJ and PT TPR were officially acquired in June 2016. Currently the area is still under rehabilitation for 2 - 3 years.</p>	<p>Yes</p>
<p>Have there been any isolated lapses in implementation of the plan?</p>	<p>There is no isolated lapse in Time Bound Plan except for smallholder proposed certification program that halted due to unstable supply to our mill.</p>	<p>Yes</p>
<p>Un-Certified Units or Holdings</p>		
<p>Did the company conduct an internal audit? If so, has a positive assurance statement been produced?</p>	<p>RSPO internal audit assessment for all certified units been conducted and the report had been submitted to all unit for improvement plan</p>	<p>Yes</p>

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<p>No replacement after dates defined in NIs Criterion 7.3:</p> <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	<p>So far no new planting that replaced primary forest.</p>	<p>Yes</p>
<p>Any new plantings since January 1st 2010 must comply with the RSPO New Plantings Procedure.</p>	<p>No new planting activities within uncertified unit.</p>	<p>Yes</p>
<p>Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.</p>	<p>No land conflict</p>	<p>Yes</p>
<p>Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.</p>	<p>No labour dispute</p>	<p>Yes</p>
<p>Did the company conduct an internal audit? If so, has a positive assurance statement been produced?</p>	<p>RSPO internal audit assessment for all certified units been conducted and the report had been submitted to all unit for improvement plan.</p>	<p>Yes</p>
<p>Any Legal non- compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.</p>	<p>No legal non compliance</p>	<p>Yes</p>

3.3 Details of findings

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

During the 4th Annual Surveillance Assessment there were three (3) major nonconformities raised. The Sindora Palm Oil Mill Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

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The implementation of the Corrective Actions for the Major Nonconformity(ies) has been verified for its effectiveness and closed accordingly.

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1543271-201709-M1	<p>Requirements: Indicator 6.5.1 Documentation of pay and conditions shall be available.</p>	Major
	<p>Evidence of Nonconformity: Interviewed with the following workers (harvesters) in both estates found that they were worked on rest day (Saturday) for month July - September 2017 were not paid twice his ordinary rate per piece as per the Employment Act 1955, Subsection 60 (3) (d) as below: Sindora Estate Employee No.: 680333, Employee No.: 680229, Employee No.: 680355, Employee No.: 680442 Sg Papan Estate Employee No.: 625889, Employee No.: 625955, Employee No.: 626018, Employee No.: 626049, Employee No.: 626063, Employee No.: 625683, Employee No.: 625798, Employee No.: 625901, Employee No.: 625902, Employee No.: 626002</p> <p>In addition, document reviewed on the Harvesting Interval Record Book in Sungai Papan Estate found that they harvested on the following field on the respective rest day: July 2017 – 8/7/2017 (P13, P04), 15/7/2017 (P08A, P03) and 22/7/2017 (P03, P09A) August 2017 – 12/8/2017 (P14, P09A, P05), 19/8/2017 (P08A, P03, P09A) and 26/8/2017 (P08A, P12, P03, P09A) September 2017 – 9/9/2017 (P05) and 16/9/2017 (P14, P03, P04, P09A)</p> <p>However, in the checkroll attendance book and payslip found that they were not recorded for the turned up of work on rest day. The tonnage they harvested on rest day were brought forward to Sunday which paid as normal rate but were not paid twice his ordinary rate per piece even though they harvested on rest day. Besides, in the employment contract signed by workers under Clause 2 (iv) has stated if they work on rest day, they are entitled with double of their rate</p>	
	<p>Statement of Nonconformity: The harvesters who worked on rest day (Saturday) were not paid twice his ordinary rate per piece as per Employment Act 1955.</p>	
	<p>Correction: 1. Company will issue out circular on offering work during weekly day of rest. 2. The estate management shall communicate the information to all workers during Muster, acknowledged by all workers and record to be kept in file.</p>	
	<p>Corrective Actions: 1. Estate management shall advise and brief the workers earlier should there' any need for work on weekly day of rest. 2. The communication will be informed and communicated through morning muster and recorded in the Muster Training Book 3. All authorized work on rest day shall be done through the Form Authorisation of Overtime/Work on rest Day/ Public Holiday which will be mutually agreed and signed by both employer and employee(s). 4. Plantation Operation Department (POD to brief/ communicate the implementation</p>	

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	<p>guideline to all Regional Coordinator and estates' manager.</p> <p>Assessment Conclusion:</p> <ul style="list-style-type: none"> i) Briefing to workers during muster dated 12/12/17 (Sindora Estate) and 15/12/17 (Sg Papan Estate) verified. ii) Memorandum for working on weekly day of rest dated 11/12/17 by GM, Estate Operation Department. iii) Agency Circular #5/2017 by dated 11/12/17 from Head of Plantation Division regarding working on weekly day of rest. iv) Management decision (extract of meeting notes) - working on rest day (resolution dated 4 December 2017) v) Authorization of work on rest day implementation <ul style="list-style-type: none"> Sindora Estate <ul style="list-style-type: none"> - Man day analysis December 2017 @ Muster chit dated 9/12/17 for harvester gang H06 at P88/06 - Authorization form dated 9/12/17 for harvester gang H06 - Harvester Crop Summary - December 2017, specific date 9/12/17 Sg Papan Estate <ul style="list-style-type: none"> - Attendance list for November 2017. No rest day work offered. <p>Corrective action taken has been effectively implemented, thus the major NC is closed on 16/12/17. Continuous implementation will be further verified in the next assessment.</p>	
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Non-Conformity		
NCR #	Description	Category (Major / Minor)
1543271-201709-M2	<p>Requirements: Indicator 6.12.3 Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented.</p> <p>Evidence of Nonconformity: Kulim (Malaysia) Berhad has developed Kulim Sustainability Handbook and policies which included the following aspects: The company will treat their people with respect, dignity and fairness stated in People Policy and will not engage in nor support discrimination in any form stated in Rights of Employee Policy. The company will puts high priority on employees' trainings and educations stated in the Handbook and provide induction training stated in the Procedure of Receiving New Foreign Workers at Operating Unit. The company will provide housing and basic amenities according to the minimum statutory requirements stated in Handbook. However, there was no specific policy and procedures stated no contract of substitution was practice in the company</p> <p>Statement of Nonconformity: Specific policy and procedures stated that the company has practice of no contract of substitution was not available.</p>	Major

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	<p>Correction: SD, EOD & HRD to come out with draft policy for consideration and management approval.</p> <p>Corrective Actions:</p> <ol style="list-style-type: none"> Briefing on new established policy to respective interested party i.e. estate and mill management. Approved Policy and Procedures will be published and communicated to all operating units. <p>Assessment Conclusion:</p> <ol style="list-style-type: none"> KULIM (MALAYSIA) BERHAD "Buku Panduan Pekerja-pekerja Buruh Am Di bawah Pengurusan Kulim (Malaysia) Berhad / EPA Management Sdn Bhd" (Revised date : November 2017) has include a clause on contract substitution under section G, "Pekerja Bukan Warga Negara". Timeline for "Buku Panduan Pekerja Buruh Am 2017/2018 by HCMD. Roll out programme will be on February and March 2018. <p>Corrective action taken has been effectively implemented, thus the major NC is closed on 16/12/17. Continuous implementation will be further verified in the next assessment.</p>	
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Non-Conformity		
NCR #	Description	Category (Major / Minor)
1543271-201709-M3	<p>Requirements: Indicator 6.1.3 Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation</p> <p>Evidence of Nonconformity: Sindora POM & Sindora Estate: The mill and estate has generated a management plan for Y2017 on 1/10/2017 and 12/12/2017 respectively. Negative impacts were identified and mitigating action were included in the plan. However, the plan has yet to include the promotion of the positive impacts.</p> <p>Statement of Nonconformity: Promotion of positive impacts was not available in the management plan.</p> <p>Correction: The promotion of positive impacts in management plan will be work-out and included into the current social register of respective operating units involved</p> <p>Corrective Actions: Approved revisit management plan for Y2017 will be communicated to all operating units accordingly</p> <p>Assessment Conclusion:</p> <ol style="list-style-type: none"> Verified updated management plan dated 1/11/17 which has include the positive impact on social. <p>Corrective action taken has been effectively implemented, thus the major NC is closed on 16/12/17. Continuous implementation will be further verified in the next assessment</p>	Major

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Observation	
OBS #	Description
Nil	Nil

Positive Findings	
PF #	Description
1	Mill and estates maintain good relationship with the stakeholders. Positive feedbacks given by the stakeholders (villages, contractors, adjacent estates etc) based on stakeholder consultation session.
2	Budget allocation for CAPEX toward environmental compliance; EQA 1974, Clean Air Regulation 2014 emission limit and new control system (ESP installation)

Issues raised by Stakeholders	
<p>Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone to arrange meetings at a location convenient to them to discuss Sindora Palm Oil Mill Certification Unit's environmental and social performance, legal and any known dispute issues.</p> <p>Meetings were conducted with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and later was verified with the management team. These have been incorporated into the assessment findings.</p> <p>Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix E.</p>	
IS #	Description
1	<p>Issues: Suppliers & Contractors – They are well aware of the RSPO requirements. They informed that the payment was made promptly after they sent the invoice to the management. They have good relationship with the management where they are happy to work with the management. They also need to wear PPE whenever they entered to the mill compound.</p> <p>Management Responses: The management will ensure the suppliers and contractors are comply with RSPO requirements and ensure payment was made promptly.</p> <p>Audit Team Findings: No further issue.</p>
2	<p>Issues: NUPW representatives – He informed that the management has treated all the workers equally does not based on nationalities, gender or race. They were paying according to Minimum Wage Order 2016. For the work on rest day or public holiday, they will paid according to Employment Act 1955. Housing was provided free of charge and subsidized of water and electricity was supplied.</p> <p>Management Responses: The management will ensure they are comply with all the regulations and requirements.</p>

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	<p>Audit Team Findings: Document reviewed on the payslip found that they are achieved Minimum Wage Order 2016.</p>
3	<p>Issues: Indonesian Workers – He informed that his salary was achieved Minimum Wage Order 2016. Treatment from the management was equal to all the workers and provide equal opportunities. He informed that he surrendered the passport voluntarily to the management for safe keeping.</p> <p>Management Responses: The management will continue to respect and treated all the workers without any discrimination.</p> <p>Audit Team Findings: No other issue.</p>
4	<p>Issues: Neighbouring Plantations (FELDA settlers) – No land dispute has been highlighted. Boundary stones were sighted and the management has constructed the trenches to maintain the legal ownership of land. They have good relationship with the management. Support was given whenever they requested.</p> <p>Management Responses: The management will maintain the boundaries always and provide any assistance whenever requested.</p> <p>Audit Team Findings: No other issue.</p>
5	<p>Issues: Women OnWards (WOW) Representative – No issue of sexual harassment or violence reported. They are well understood their rights and the procedure if there is any grievances or sexual harassment case reported.</p> <p>Management Responses: The management will ensure the estate’s compounds are free from any sexual harassment or violence.</p> <p>Audit Team Findings: No further issue.</p>
6	<p>Issues: Local Villager (Kg. Muhibbah) – Trenches were constructed to separate the land of the management and the villagers. No any land dispute case was reported. He has good relationship with the management where the management will provide assistance whenever they requested.</p> <p>Management Responses: The management will continue to maintain good relationship with the local villagers.</p> <p>Audit Team Findings: No further issue.</p>

3.3.1 Status of Nonconformities Previously Identified and Observations

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1413166M1	<p>Requirements: Indicator 2.1.1 Evidence of compliance with relevant legal requirements shall be available. F.M (Noise Exposure) Regulation 1989, Sect. 23:Retest. If the registered medical practitioner, after reviewing the annual and baseline audiograms of the employee and after taking into consideration the effect of temporary threshold shift, is of an opinion that a standard threshold shift has occurred, he shall notify the occupier and the occupier shall retest the employee within three months from the date of the last audiometric test.</p>	Major

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	<p>Evidence of Nonconformity: Audiometric testing was conducted on 22/5/16 by Industrial Safety Management Services. However, No retest was conducted to the worker/operator that was found with standard threshold shift during audiometric test. 1. 790827016107 (Boilerman)</p> <p>Statement of Nonconformity: Retest audiometric for worker/operator who was found with STS (Standard Threshold Shift) was not conducted accordingly.</p> <p>Correction: 1. KSTS to ensure all the findings from audiometric test report will be briefed accordingly to the operating units – to emphasis on the requirement of followup assessment/ re-test if there' any. 2. Special arrangements was made for the retest of said worker by previous service provider. 3. The re-test was conducted on 1/12/16 and report was issued on the same day.</p> <p>Corrective Action: 1. Mill management has declared and submit the retest result to JKKP through JKKP 7 form on 15/12/16 2. The communication/briefing was conducted on 31/1/2017 by the management of Kulim (M) Berhad at Kulim training centre. 3. Periodical follow up and monitoring by KSTS on any follow-up assessment/retest cases.</p> <p>Assessment Conclusion: Audiometric testing was conducted on 21/5/2017 by Junpec Audiometry and Safety Services Sdn Bhd. Total workers tested were 45. From the report, 15 workers were found with standard threshold shift. Retest was conducted on 20/7/2017 and found 7 workers were found hearing impairment caused by noise. JKKP 7 was sent to DOSH accordingly on 2/8/17. Thus, major NCR raised during previous assessment is remain closed.</p>	
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Non-Conformity		
NCR #	Description	Category (Major / Minor)
1413166M2	<p>Requirements: Indicator 7.3.2 A comprehensive HCV assessment, including stakeholder consultation, shall be conducted prior to any conversion or new planting. This shall include a land use change analysis to determine changes to the vegetation since November 2005. This analysis shall be used, with proxies, to indicate changes to HCV status.</p> <p>Evidence of Nonconformity: No evidence to show that the new planting/conversion plot P14 and P15B incorporated in the new HCV assessment especially on land use change analysis.</p> <p>Statement of Nonconformity: HCV assessment was not comprehensively conducted.</p>	Major

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	<p>Correction: 1. SSD to come out with SOP for conversion area, to be included and communicated to all Operating Units and respective supervising departments. The Standard Operating Guidelines For Conversion of Old Crops Other Than Oil Palm To oil Palm (Dated:January 2017) was sighted.</p> <p>Corrective Action: 1. Communication/ briefing was carried out for all operating units. The briefing was conducted on 31/1/2017 by the management of Kulim (M) Berhad at Kulim training centre. 2. Estate with assistance of AASD was provided land satellite image (LUCA) (dated:25/01/17) of respective ex-rubber area (conversion area) for the duration of; a) before 2005 b) during the conversion / felling c) current status of the said converted area to oil palm</p> <p>Assessment Conclusion: High Conservation Value (HCV) assessment was carried on 24/1/17 – 1/5/17 for the proposed conversion area at P17A and P17B by Malaysian Environmental Consultants Sdn Bhd (MEC). Refer to report dated 1/3/2017. Land use change was conducted for the conversion area (P17A and P17B) by Agronomy Advisory & Services Department on 27/2/2017. Refer to the report namely "Ladang Sindora Landuse change", it can conclude that there was no destruction of primary forest or HCV area during 2016 replanting program. Classification result clearly shows that the current landcover for the conversion area (rubber to oil palm) is indeed rubber, instead of primary forest or HCV area. The report was made available at estate office. Thus, major NCR raised during previous assessment is remain closed.</p>	
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Non-Conformity		
NCR #	Description	Category (Major / Minor)
1413166M3	<p>Requirements: Indicator 7.8.1 The carbon stock of the proposed development area and major potential sources of emissions that may result directly from the development shall be identified and estimated.</p> <p>Evidence of Nonconformity: No evidence of carbon stock assessment analysis was conducted for the conversion plot P14 and P15B.</p> <p>Statement of Nonconformity: The carbon stock assessment analysis was not comprehensively conducted.</p> <p>Correction: 1. SSD to come out with SOP for conversion area, to be included and communicated to all Operating Units and respective supervising departments.</p> <p>Corrective Action: 1. SSD to come out with SOP for conversion area, to be included and communicated to all Operating Units and respective supervising departments.</p>	Major

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	<p>2. Communication/ briefing was carried out for all operating units. The briefing was conducted on 31/1/2017 by the management of Kulim (M) Berhad at Kulim training centre.</p> <p>3. SSD to identify and initiate the carbon assessment for the area by using RSPO Palm GHG tools and at the same time to also seek assistance from MEC (Malaysian Environmental Consultant) as to streamline the assessment and the result. The assessment report, dated: 31/1/17 was sighted.</p>	
	<p>Assessment Conclusion: Verified carbon stock assessment for P16 and P17 dated 1/3/17. Continuous implementation has been in place for the said new planting plot. Thus, the major NC is remained closed.</p>	

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1413166M4	<p>Requirements: Indicator 6.5.2 Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.</p> <p>Evidence of Nonconformity: Sindora Estate: The employment contract for the contractors' workers were not stated the terms and conditions such as annual leave and public holiday leave entitlement, overtime rate, dismissal reason and etc. Sampled contracts as below: a) Passport No.: B4359426 who joined on 8/11/2016 (Sindora Estate Contractor's Worker) b) Passport No.: A7959982 who joined on 21/6/2016 (Sindora Estate Contractor's Worker) c) Passport No.: B2359522 who joined on 1/11/2016 (Sindora Estate Contractor's Worker) d) I/C No.: 57XXXX-XX-6803 who joined on 15/2/2016 (Sindora Estate Contractor's Worker)</p> <p>Statement of Nonconformity: Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) for contractors' workers were not implemented effectively.</p> <p>Correction: Contractors involved :- Agro Sakthi Enterprise, TBK Plantation Works and Lai Brothers Development has revised their employment contract with their workers and includes details in their terms and conditions such as annual leave, public holiday leave entitlement, overtime rate, dismissal reason and etc. as per attachment</p> <p>Corrective Action:</p>	Major

	<p>1. Purchasing and Contract Department to have "Standard Standing Instruction and compliance commitment" with regards to Contractors' commitment and acknowledgements on statutory Compliance to all relevant laws and regulations. company, amongst other things to be included are :</p> <p>a) Worker' employment contract b) Workers' Insurance Coverage c) Permit to Work conditions.</p> <p>2. Communication/ briefing was carried out for all operating units. The briefing was conducted on 31/1/2017 by the management of Kulim (M) Berhad at Kulim training centre.</p> <p>3. The Commitment should be acknowledged by all contractors before approving any new contract or any extension of contract.</p>	
	<p>Assessment Conclusion: Employment contracts are available in language that understood by contractor's workers. The contract has detailing the payments whereas the employment conditions such as period of working, working hour, medical assistance, holiday and annual leave, termination of services and etc. The contract was signed by the workers and sampled as below:</p> <p>a. I.C No.: 75XXXX-XX-6475 (SE Contractor's Worker) b. I.C No.: 60XXXX-XX-5877 (SE Contractor's Worker) c. Passport No.: B5784785 (SE Contractor's Worker) d. Passport No.: A7959982 (SE Contractor's Worker) e. Passport No.: AT 945127 (SPE Contractor's Worker) f. Passport No.: AU 057213 (SPE Contractor's Worker)</p> <p>Thus, the major non-conformance raised during the last assessment was verified and continuous implementation was found effective. The major non-conformance is remained closed.</p>	

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1413166M5	<p>Requirements: Indicator 6.9.2 A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce.</p> <p>Evidence of Nonconformity: All operating units: Kulim (M) Berhad did not develop policy to protect the reproductive rights of all.</p> <p>Statement of Nonconformity: Policy to protect the reproductive rights of all, especially of women was not available.</p> <p>Correction: 1. The policy' review will be communicated to all OUs, Road show and training will be carried out to all level of employers and this will be included in our yearly training programme.</p> <p>Corrective Action:</p>	Major

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	<p>1. The policy' review will be communicated to all OUs, Road show and training will be carried out to all level of employers and this will be included in our yearly training programme.</p> <p>2. Communication/ briefing was carried out for all operating units. The briefing was conducted on 31/1/2017 by the management of Kulim (M) Berhad at Kulim training centre</p> <p>3. Review will be carried out to ensure the inclusion of reproductive right in the respective policy.</p> <p>4. Submission of improvement time line has been approved by KULIM 236 EXCO Meeting.</p> <p>5. The policy which was signed by Executive Director of Kulim (Malaysia) Berhad was sighted.</p>	
	<p>Assessment Conclusion: Kulim (Malaysia) Berhad has implemented Right of Employees Policy dated 8/1/2017 where the company recognizes and respects the rights of employees of their rights and freedoms relating to reproduction and reproductive health that will include the right to make decision concerning reproduction; free of discrimination, coercion and violence as long as it is not against the law, rules and regulations of the country. The policy has been displayed at the notice board and briefed to all the employees during Weekly Morning Assembly. Thus, the major non-conformance raised during the last assessment was verified and continuous implementation was found effective. The major non-conformance is remained closed.</p>	

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1413166M6	<p>Requirements: Indicator 5.2.2 Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through a management plan.</p> <p>Evidence of Nonconformity: As recommended in the Sindora Estate HCV assessment report table 6.1, activities such as review of HCV management capacity, planning, implementation and monitoring HCV Management at a group level did not implement accordingly.</p> <p>Statement of Nonconformity: The HCV management plan did not implement effectively.</p> <p>Correction: 1. Estate with assistance of AASD to provide land satellite image of respective exrubber area for the duration of; a) before 2005 b) during theconversion / felling c) current status of the said converted area to oil palm</p> <p>Corrective Action:</p>	Major

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	<p>1. SSD to come out with SOP for conversion area, to be included and communicated to all Operating Units and respective supervising departments. The Standard Operating Guidelines For Conversion of Old Crops Other Than Oil Palm To oil Palm (Dated:January 2017) was sighted.</p> <p>2. Communication/ briefing was carried out for all operating units. The briefing was conducted on 31/1/2017 by the management of Kulim (M) Berhad at Kulim training centre.</p> <p>3. Estate with assistance of AASD was provided land satellite image (LUCA) (dated:25/01/17) of respective ex-rubber area (conversion area) for the duration of; a) before 2005 b) during the conversion / felling c) current status of the said converted area to oil palm</p>	
	<p>Assessment Conclusion: Land use change and biodiversity management plan for 2017 has been established and has incorporated all conversion plots. The plan was implemented and monitored as per schedule and verified during onsite visit. Thus, the corrective action is effective and major NC is remained closed.</p>	

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1413166N1	<p>Requirements: Indicator 4.7.5 Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed.</p> <p>Evidence of Nonconformity: The inventories for first aid boxes at the Sindora Estate were insufficient.</p> <ol style="list-style-type: none"> 1. Harvesting at P08/1 2. Spraying at P10/5 3. Manuring P15A <p>Statement of Nonconformity: The emergency procedure is not implemented effectively.</p> <p>Correction:</p> <ol style="list-style-type: none"> 1. KSTS to conduct a refresher training on the said requirements and to ensure standard understanding of all HA' on the First Aid requirement. 2. Monitoring of first aid kit and inventory check by HA on monthly basis, to be recorded and verified by manager <p>Corrective Action:</p> <ol style="list-style-type: none"> 1. KSTS to conduct a refresher training on the said requirements and to ensure standard understanding of all HA' on the First Aid requirement. 2. Monitoring of first aid kit and inventory check by HA on monthly basis, to be recorded and verified by manager. 	Minor

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	<p>Assessment Conclusion: Sindora POM</p> <ol style="list-style-type: none"> 1. The training related to the first aid was conducted on 13/7/2017 by HA 2. First aid box inspection was conducted on monthly basis, sighted the record of inspection which was last done on 11/9/2017 by HA. <p>Sg Papan Estate/Sindora Estate</p> <ol style="list-style-type: none"> 1. The training related to the first aid was conducted on 6/4/2017 (SPE) and 13/7/2017 (SE) by HA 2. First aid box inspection was conducted on monthly basis, sighted the record of inspection which was last done on 1/9/2017 by HA. <p>Thus, the minor NC raised during previous assessment was effectively closed on 16/10/17.</p>	
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Non-Conformity		
NCR #	Description	Category (Major / Minor)
1413166N2	<p>Requirements: Indicator 7.1.2 Appropriate management planning and operational procedures shall be developed and implemented to avoid or mitigate identified potential negative impacts.</p> <p>Evidence of Nonconformity: The operational procedures have not been developed for conversion of rubber to oil palm (P14 and P15B).</p> <p>Statement of Nonconformity: The operational procedure for conversion of rubber to oil palm was not developed and implemented accordingly.</p> <p>Correction: Correction and corrective action: 1. Annual Refresher to be conducted to all OUs and respective departments involved. 2. SOP Completion by 1st quarter of 2017.</p> <p>Corrective Action: Correction and corrective action: 1. Annual Refresher to be conducted to all OUs and respective departments involved. 2. SOP Completion by 1st quarter of 2017.</p> <p>Assessment Conclusion: A Standard Operating Guidelines for Conversion of Old Crops other than Oil Palm to Oil Palm, Ref. No. SSD: CONVERSION GUIDELINES dated January 2017. The procedure's guidelines outlined the sustainability and agricultural activities in the removal of old crop stands (Other than oil palm), preparation in getting the land ready for new planting of young oil palm trees. The company shall decide on the need to replant or convert of any old crops area to oil palm stands on the estate and the decision shall be discussed through annual replanting committee. Besides, Kulim (Malaysia) Berhad also developed a SOP for New Planting Plans version SSD,</p>	Minor

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	<p>Jan 2017 Appendix A. Impacts of all major planned activities are included into the procedure. Thus, the minor non-conformance raised during last assessment was verified and found implemented effectively. The minor non-conformance was closed on 16/10/2017.</p>	
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Non-Conformity		
NCR #	Description	Category (Major / Minor)
1413166N3	<p>Requirements: Indicator 7.8.2 There shall be a plan to minimise net GHG emissions which takes into account avoidance of land areas with high carbon stocks and/or sequestration options.</p> <p>Evidence of Nonconformity: No plan was established to minimise GHG emissions for conversion of rubber to oil palm (P14 and P15B)</p> <p>Statement of Nonconformity: No plan to minimise net GHG emissions was established at Sindora Estate.</p> <p>Correction:</p> <p>Corrective Action: Correction and corrective action: 1. SSD to come out with SOP of conversion area. Completion by end of March 2017</p> <p>Assessment Conclusion: SOP of conversion area has been established. Standard Operating Guidelines for Conversion of Old Crops other than Oil Palm to Oil Palm, Ref. No. SSD: CONVERSION GUIDELINES dated January 2017. Noted that there were conversion plots developed in 2016 and 2017 and according to the established guidelines. GHG emission management and mitigation plan has been established for (P14 & P15) and (P16 and P17). Refer document dated 31/3/17 and 1/3/17. Implementation of plan was verified and still on going until end of 2017. Thus, the minor NC is effectively closed on 16/10/17. Continuous implementation will be further verified in the next assessment.</p>	Minor

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1413166N4	<p>Requirements: Indicator 4.7.6 All workers shall be provided with medical care, and covered by accident insurance.</p> <p>Evidence of Nonconformity: Sindora Estate:</p>	Minor

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	<p>3 contract workers' from TBK Plantation Works: 1. B2359522 2. AS011362 3. A7959982</p>	
	<p>Statement of Nonconformity: At Sindora Estate, three foreign workers were found not covered by accident insurance (foreign workers compensation scheme).</p>	
	<p>Correction: 1. SSD to conduct stakeholders / contractors awareness program to refresh the RSPO awareness to all company contractors. 2. Operating Unit to ensure all the contractors provide them a copy of passport, work permit, contract agreement and workers insurance coverage of all contractors' foreign workers before work commencement.</p> <p>Corrective Action: Correction and corrective action: 1. SSD to conduct stakeholders / contractors awareness program to refresh the RSPO awareness to all company contractors. 2. Operating Unit to ensure all the contractors provide them a copy of passport, work permit, contract agreement and workers insurance coverage of all contractors' foreign workers before work commencement.</p>	
	<p>Assessment Conclusion: At Sindora Estate, there are 2 contractors that work as an employment contract (supply workers) which are TBK Plantation Work and A) TBK Plantation Works 1. A7959982 (insured under Zurich Insurance Malaysia Berhad-531700012192-00, expired on 21/6/18) 2. B5784785 ((insured under Zurich Insurance Malaysia Berhad-531700008132-00, expired on 27/4/2018) B) Agro Sakthi Enterprise 1. B5784785 ((insured under AIG Malaysia Insurance Berhad-AH00006416, expired on 6/4/2018) 2. 600822-01-5877 (insured under AIG Malaysia Insurance Berhad-AH00006415, expired on 6/4/2018) Thus, the minor NC raised during previous assessment has been closed effectively on 16/10/17.</p>	

Observation	
OBS #	Description
	Nil

3.3.2 Summary of the Nonconformities and Status

CAR Ref.	CLASS	ISSUED	STATUS
CR01	Minor	24/07/2008	Closed on 21/01/2010

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CR03	Minor	27/07/2008	Closed on 21/01/2010
CR05	Minor	21/01/2010	Closed on 13/01/2011
CR06	Minor	13/01/2011	Closed on 05/11/2011
CR07	Minor	12/11/2012	Closed on 03/12/2013
CR10	Major	10/12/2013	Closed on 06/02/2014
CR11	Minor	10/12/2013	Closed on 25/01/2014
1123525M1	Major	13/11/2014	Closed on 10/01/2015
1123525M2	Major	13/11/2014	Closed on 10/01/2015
1413166M1 – 2.1.1	Major	02/12/2016	Closed on 01/02/2017
1413166M3 – 7.3.2	Major	02/12/2016	Closed on 01/02/2017
1413166M4 – 7.8.1	Major	02/12/2016	Closed on 01/02/2017
1413166M5 – 6.5.2	Major	02/12/2016	Closed on 01/02/2017
1413166M6 – 6.9.2	Major	02/12/2016	Closed on 01/02/2017
1413166M7 – 5.2.2	Major	02/12/2016	Closed on 01/02/2017
1413166N1 – 4.7.5	Minor	02/12/2016	Closed on 16/10/2017
1413166N2 – 7.1.2	Minor	02/12/2016	Closed on 16/10/2017
1413166N3 – 7.8.2	Minor	02/12/2016	Closed on 16/10/2017
1413166N4 – 4.7.6	Minor	02/12/2016	Closed on 16/10/2017
1543271-201709-M1 – 6.5.1	Major	17/10/2017	Closed on 16/12/2017
1543271-201709-M2 – 6.12.3	Major	17/10/2017	Closed on 16/12/2017
1543271-201709-M3 – 6.1.3	Major	17/10/2017	Closed on 16/12/2017

Assessment Conclusion and Recommendation:

Acknowledgement of Assessment Findings	Report Prepared by
Name: Puan Salasah Elias	Name: Mr Mohamed Hidhir Zainal Abidin
Company name: Kulim (Malaysia) Berhad Sindora Palm Oil Mill Certification Unit	Company name: BSI Services Malaysia Sdn Bhd
Title: Head of Sustainability Department	Title: Lead auditor
Signature:  Date: 28 th March 2018	Signature:  Date: 20th March 2018

Appendix A: Summary of Findings

Criterion / Indicator	Assessment Findings	Compliance	
Principle 1: Commitment to Transparency			
Criterion 1.1:			
Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.			
1.1.1	<p>There shall be evidence that growers and millers provide adequate information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making.</p> <p>- Minor compliance -</p>	<p>Adequate information covering on environmental, social and legal issues which are relevant to RSPO Criteria and relevant to stakeholders is shared for effective participation and decision making. Information on environmental, social and legal issues relevant to RSPO Criteria was made available to relevant stakeholders for effective participation in decision making.</p> <p>In company website (http://www.kulim.com.my/), publicly available documents such as OSH plan, HCV documents, negotiation procedure, complaint records, sustainability handbook and report, EIA, Management Plans & Continuous Improvement Plans. Other sensitive information such as land title and etc will be provided upon request.</p>	Complied
1.1.2	<p>Records of requests for information and responses shall be maintained.</p> <p>-Major compliance</p>	<p>Records such as enquiry register and record of government visit documented the visit or request from the stakeholders. Based on Annual Inspection Book of Jabatan Keselamatan & Kesihatan Pekerjaan (JKKP), officer inspected the mill for certification of machinery on 11/09/2017. There is no issue raised by the DOSH officer. DOSH log book was maintained and available at mill office</p>	Complied
Criterion 1.2:			
Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.			

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Criterion / Indicator	Assessment Findings	Compliance
<p>1.2.1</p> <p>Publicly available documents shall include, but are not necessary limited to:</p> <ul style="list-style-type: none"> • Land titles/user rights (Criterion 2.2); • Occupational health and safety plans (Criterion 4.7); • Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8); • HCV documentation (Criteria 5.2 and 7.3); • Pollution prevention and reduction plans (Criterion 5.6); • Details of complaints and grievances (Criterion 6.3); • Negotiation procedures (Criterion 6.4); • Continual improvement plans (Criterion 8.1); • Public summary of certification assessment report; • Human Rights Policy (Criterion 6.13). <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. 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>Complied</p>
<p>Criteria 1.3: Growers and millers commit to ethical conduct in all business operations and transactions.</p>		
<p>1.3.1</p> <p>There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations.</p> <p>-Minor compliance</p>	<p>Kulim (Malaysia) Berhad has developed Ethics Policy dated 1/1/2008 where the company will run the business with ethic and integrity. They will kept every record of activities and transactions. Besides, the company has implemented No Gift and Entertainment Policy dated 1/2/2015. The company will not receive any gift or entertainment for personal from any interested parties. In addition, the company also developed Corporate Integrity Policy dated 7/1/2014 where the Managing Director has pledged on behalf of all the Kulim (Malaysia) Berhad’s employees that they will not accept any corruption and will comply with the government’s act.</p> <p>All the policies were displayed at the notice board in front of office. Furthermore, the policies will be briefed during Weekly Morning Assembly. Seen the records of minutes and attendance of the employees. The last briefing was conducted on 1/10/2017.</p>	<p>Complied</p>
<p>Principle 2: Compliance with applicable laws and regulations</p>		
<p>Criterion 2.1: There is compliance with all applicable local, national and ratified international laws and regulations.</p>		

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Criterion / Indicator	Assessment Findings	Compliance
<p>2.1.1 Evidence of compliance with relevant legal requirements shall be available. - Major compliance -</p>	<p>Legal register covering the applicable local and international laws and regulations are available. Compliance to each applicable law and regulation is monitored by the operating units and head office sustainability team. Sample of licences and permits checked at visited operating units:</p> <p>Sindora Palm Oil Mill 1)MPOB license 500263204000; expiring in 30 June 2018 2)DOE Licence: No License 004718 (validity period 1/7/2017 - 30/6/2018) for 40MT/hr and method of POME discharge is furrow system with BOD 100mg/l final discharge limit and composting. 3)BAKAJ- River water extraction license permit (No: 08/A/Klg/041) , file# BAKAJ/334/300/05/07/08/16 valid until 31/12/17. 4)SPAN Water treatment License (Lincese no: SPAN/EKS/PT/800-4(1)/7/15, valid until 22/4/18. 5) Certified environmental professional in the treatment of palm oil mill effluent (CePPOME/16254). Field Training Report (FTR), submitted on 31/5/17 to EIMAS. 6) Certified environmental professional in schedule waste management (CePSWaM/00066), 5 September 2017. 8) Permit Barang Kawalan Berjadual- Storage of Diesel (no: J030643), ref: BPGK JH (KLU) 1820 SK valid until 7/10/18 9) Electricity Installation License, serial# 22980, license# 2017/02080, capacity: 2610 kW and valid until 10/8/18. 10) Permit to purchase, store and use of Sodium Hydroxide, register# JC166/2017 valid until 31/12/17. 11) Certificate of Fitness of UPV and SB checked: - Steam Boiler (JH PMD 2038) valid until 20/6/18. - Steam Vertical Separator (JH PMT 20896) valid until 26/2/18 - Steam Boiler (JH PMD 1436) valid until 26/2/18. 12) Authorized Gas Tester and Entry Super Visor for Confined Space, NW-HQ-AGT-1362-O valid until 24/10/18, NW-NJHR-AGT-0001-O valid until 20/1/18. 13) Authorized Entrant and Standby Person (AESP), NW-NMLK-AE-1213-O valid until 27/9/18</p> <p>Sindora Estate i) Permit Barang Kawalan Berjadual- Storage of Diesel (no: J025068), quantity: 15,000 litre, valid until 26 February 2018. ii) MPOB license 501863602000; expiring in 30 Nov 2017 iii) Compressor License: PMT JHT117884; expiring 03 Jan 2018</p> <p>Sg Papan Estate b) MPOB license 570243002000 valid until 29/2/18. c) Peraturan- Peraturan Kawalan Bekalan 1974 Peraturan 9(2) – Diesel Permit valid until 23/2/18.</p>	<p>Complied</p>

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Criterion / Indicator	Assessment Findings	Compliance
2.1.2 A documented system, which includes written information on legal requirements, shall be maintained. - Minor compliance -	All operating units maintain documented system for identifying, evaluating, reviewing and updating applicable regulations and other requirements. Legal and Other Requirement Register dated 1/10/17 was sighted at the visited operating units. As to date there was no changes of legal incorporated in the register.	Complied
2.1.3 A mechanism for ensuring compliance shall be implemented. - Minor compliance -	Evaluation of legal requirements and compliance status with legal requirement is monitored by operating units, Sustainability Team, OHS Department and head office audit Department. Evaluation of compliance is part of the audit checklist as the sustainability team was assigned to cover RSPO P&C requirements. The latest internal audit was conducted on 8/8/2017 (SPOM) and 16/8/17 (Sg Papan Est). Internal audit reports available for review.	Complied
2.1.4 A system for tracking any changes in the law shall be implemented. - Minor compliance -	Tracking system available to identify changes in the relevant regulations through head office, sustainability team, website information and the information are communicated from the Head Office. Kulim (Malaysia) Berhad have centralised system for tracking any changes in the law.	Complied
Criterion 2.2: The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.		

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Criterion / Indicator	Assessment Findings	Compliance																												
<p>2.2.1 Documents showing legal ownership or lease, history of land tenure and the actual legal use of the land shall be available. - Major compliance -</p>	<p>Documents showing legal ownership or lease, history of land tenure and the actual legal use of the land was made available during audit. Verified sample of land titles at Sindora Estate:</p> <table border="1" data-bbox="659 533 1297 1176"> <thead> <tr> <th>Land title</th> <th>Legal ownership</th> <th>Land tenure</th> <th>Land use type</th> </tr> </thead> <tbody> <tr> <td>HSD17659, Mukim Renggam, PTD 4434</td> <td>Sindora Berhad, subsidiary of Kulim (M) Berhad</td> <td>Leasehold, 99 years tenure, 24/1/2086</td> <td>Oil palm cultivation</td> </tr> <tr> <td>HSD17660, Mukim Renggam, PTD 4435</td> <td>Sindora Berhad, subsidiary of Kulim (M) Berhad</td> <td>Leasehold, 99 years tenure, 24/1/2086</td> <td>Oil palm cultivation</td> </tr> <tr> <td>HSD17661, Mukim Renggam, PTD 4436</td> <td>Sindora Berhad, subsidiary of Kulim (M) Berhad</td> <td>Leasehold, 99 years tenure, 24/1/2086</td> <td>Oil palm cultivation</td> </tr> <tr> <td>HSD17662, Mukim Renggam, PTD 447</td> <td>Sindora Berhad, subsidiary of Kulim (M) Berhad</td> <td>Leasehold, 99 years tenure, 24/1/2086</td> <td>Oil palm cultivation</td> </tr> </tbody> </table> <p>Sungai Papan Estate</p> <p>Total of 26 lease hold land titles. Sample of land title checked:</p> <table border="1" data-bbox="659 1339 1297 1592"> <thead> <tr> <th>Land title</th> <th>Legal ownership</th> <th>Land tenure</th> <th>Land use type</th> </tr> </thead> <tbody> <tr> <td>No.HSD 13177, HSD13163, HSD 13176.</td> <td>Mahamurni Plantations Sdn Bhd subsidiary of Kulim (M) Berhad</td> <td>Leasehold</td> <td>Oil palm cultivation</td> </tr> </tbody> </table>	Land title	Legal ownership	Land tenure	Land use type	HSD17659, Mukim Renggam, PTD 4434	Sindora Berhad, subsidiary of Kulim (M) Berhad	Leasehold, 99 years tenure, 24/1/2086	Oil palm cultivation	HSD17660, Mukim Renggam, PTD 4435	Sindora Berhad, subsidiary of Kulim (M) Berhad	Leasehold, 99 years tenure, 24/1/2086	Oil palm cultivation	HSD17661, Mukim Renggam, PTD 4436	Sindora Berhad, subsidiary of Kulim (M) Berhad	Leasehold, 99 years tenure, 24/1/2086	Oil palm cultivation	HSD17662, Mukim Renggam, PTD 447	Sindora Berhad, subsidiary of Kulim (M) Berhad	Leasehold, 99 years tenure, 24/1/2086	Oil palm cultivation	Land title	Legal ownership	Land tenure	Land use type	No.HSD 13177, HSD13163, HSD 13176.	Mahamurni Plantations Sdn Bhd subsidiary of Kulim (M) Berhad	Leasehold	Oil palm cultivation	<p>Complied</p>
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<p>2.2.2 Legal boundaries shall be clearly demarcated and visibly maintained. - Minor compliance -</p>	<p>The legal boundaries were clearly demarcated at Sindora Estate and Sg Papan Estate. During site visit, it was found that:</p> <ol style="list-style-type: none"> At Sindora Estate, the boundary was marked accordingly with colour peg (blue and white) at P16B (boundary with BAKAJ) and P17B (boundary with Hutan Rizab Kluang). At Sg Papan Estate, the boundary was marked accordingly with colour peg (red and white) at P04 (boundary with Kg Muhibah). 	<p>Complied</p>																												

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Criterion / Indicator	Assessment Findings	Compliance
2.2.3 Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC). - Minor compliance -	There is no land dispute in the Sindora Certification Unit at the time of audit. The lands are belong to Sindora Berhad which under Johor Corporation for Sindora Estate and belong to Perbadanan Kemajuan Ekonomi Negeri Johor (Johor Corporation) through verified with the land titles. The surrounding are owned by other plantation companies, FELDA settlers and local communities. Interviewed with the settlers, local villagers and neighbouring plantations confirmed that no encroachment of land by the Sindora Certification Unit.	Complied
2.2.4 There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved. -Major compliance	There is no land dispute in the Sindora Certification Unit at the time of audit. The lands are belong to Sindora Berhad which under Johor Corporation for Sindora Estate and belong to Perbadanan Kemajuan Ekonomi Negeri Johor (Johor Corporation) through verified with the land titles. The surrounding are owned by other plantation companies, FELDA settlers and local communities. Interviewed with the settlers, local villagers and neighbouring plantations confirmed that no encroachment of land by the Sindora Certification Unit.	Complied
2.2.5 For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable). -Minor compliance	There is no land dispute in the Sindora Certification Unit at the time of audit. The lands are belong to Sindora Berhad which under Johor Corporation for Sindora Estate and belong to Perbadanan Kemajuan Ekonomi Negeri Johor (Johor Corporation) through verified with the land titles. The surrounding are owned by other plantation companies, FELDA settlers and local communities. Interviewed with the settlers, local villagers and neighbouring plantations confirmed that no encroachment of land by the Sindora Certification Unit.	Complied
2.2.6 To avoid escalation of conflict, there shall be no evidence that palm oil operations have instigated violence in maintaining peace and order in their current and planned operations. -Major compliance	There is no land dispute in the Sindora Certification Unit at the time of audit. The lands are belong to Sindora Berhad which under Johor Corporation for Sindora Estate and belong to Perbadanan Kemajuan Ekonomi Negeri Johor (Johor Corporation) through verified with the land titles. The surrounding are owned by other plantation companies, FELDA settlers and local communities. Interviewed with the settlers, local villagers and neighbouring plantations confirmed that no encroachment of land by the Sindora Certification Unit.	Complied
Criterion 2.3: Use of the land for oil palm does not diminish the legal rights, customary or user right of other users without their free, prior and informed consent.		
2.3.1 Maps of an appropriate scale showing the extent of recognized legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities).. - Major compliance -	Seen the surrounding stakeholder map and boundary map confirmed that only local village and neighbouring plantations such as FELDA Ulu Belitong, Tabung Haji Plantation and Nilai Megah Sdn Bhd are next to the estates. The estate lands are legally owned and leased by the company. The existing estates are not encumbered by any customary land rights. Interviewed with the neighbouring plantations, settlers and local villagers found that no land dispute was reported.	Complied

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2.3.2 Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include: a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making; b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken; c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land. - Minor compliance -	The estate lands are legally owned and leased by the company. The existing estates are not encumbered by any customary land rights. Interviewed with the neighbouring plantations, local villagers and settlers found that no land dispute was reported.	Complied
2.3.3 All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements. -Minor compliance	The estate lands are legally owned and leased by the company. The existing estates are not encumbered by any customary land rights. Interviewed with the neighbouring plantations, local villagers and settlers found that no land dispute was reported.	Complied
2.3.4 Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel. -Major compliance	The estate lands are legally owned and leased by the company. The existing estates are not encumbered by any customary land rights. Interviewed with the neighbouring plantations, local villagers and settlers found that no land dispute was reported.	Complied
Principle 3: Commitment to long-term economic and financial viability		
Criterion 3.1: There is an implemented management plan that aims to achieve long-term economic and financial viability.		

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Criterion / Indicator	Assessment Findings	Compliance									
3.1.1 A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders. - Major compliance -	Sindora Palm Oil Mill (SPOM) and supply bases have established and implemented its commitment to long term sustainability and improvements through a capital expenditure programme. Budget and 5 years management plan (projections 2017- 2021) was verified during the audit. Sindora Palm Oil Mill and supply bases have made progress towards achieving their performance production targets for the current financial year. Sample of CAPEX for 2017: i) Sindora POM – new ECS/ESP system for boiler to comply with Clean Air Regulation 2014 emission standard. Concrete Hardstanding - Hammer mill/shredding plant (pollution prevention for leachate containment and channelling) ii)Sindora Estate – Mini tractor/mechanical buffalo (MB) L70	Complied									
3.1.2 An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available. - Minor compliance -	The replanting programme was established. Sighted Replanting Programme 2016-2041: <table border="1" data-bbox="660 882 1137 972"> <thead> <tr> <th>Year</th> <th>Estate</th> <th>Ha</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>Sindora</td> <td>438.59</td> </tr> <tr> <td>2018</td> <td>Estate</td> <td>382.62</td> </tr> </tbody> </table> <p>There is increasing of 165.49 Ha for replanting at Sindora Estate due to revise replanting programme by HQ. At Sg Papan Estate, there is no replanting until 2027.</p>	Year	Estate	Ha	2017	Sindora	438.59	2018	Estate	382.62	Complied
Year	Estate	Ha									
2017	Sindora	438.59									
2018	Estate	382.62									
Principle 4: Use of appropriate best practices by growers and millers											
Criterion 4.1: Operating procedures are appropriately documented, consistently implemented and monitored.											

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<p>4.1.1 Standard Operating Procedures (SOPs) for estates and mills are documented - Major compliance -</p>	<p>SPOM continued to maintain its documentation. Quality & Environmental Management Manual (SM/QEMM), dated:19/7/16, Procedure Manual (SM/PM), dated:19/7/16, Working Instruction (SM/WI), dated:25/10/16 and Safe Operating Procedure (MKT/IM), dated: 18/9/2009 for SPOM was established to cover all the station. Sighted some of the procedure related to loading ramp, sterilization station, threshing and press station, clarification station, kernel station, depericarper station, kernel station, effluent treatment plant, boiler house, power house, water treatment plant and others.</p> <p>Work Instructions have been derived from SOPs and it were displayed at work stations at the mill and at certain locations at the estates, such as the Muster Notice Boards. Eg: SM/WI/10: Boiler Station, SM/WI/12: Power House, SM/WI/13: Laboratory Manual, SM/WI/22: Waste Management, SM/WI/23: Handling chemicals, SM/WI/25: Usage of hearing protection device, SM/WI/29: Emergency Response Procedure, SM/WI/30: Maintenance and servicing of oil trap, SM/WI/34: Confined Space Management, SOP Harvesting, SOP Spraying,SOP:Manuring, SOP: Workshop, SOP: Working at Height, SOP: Oxy-Acetylene Set, SOP: Welding, SOP:Mechanical Buffalo, and others.</p> <p>Kulim (M) Berhad Agricultural Manual has established covers Replanting, roads drains Bridges culverts and fences, construction of estate building, manuring including POME and Bio compost, harvesting, pruning and ablation, soil conservation, justification of chemical use, weed management, integrated pest management and plant diseases. There are 19 SOPs and 18 WI's covering all aspects of oil palm management including composting site operation.</p>	<p>Complied</p>

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Criterion / Indicator	Assessment Findings	Compliance									
<p>4.1.2</p> <p>A mechanism to check consistent implementation of procedures shall be in place. - Minor compliance -</p>	<p>Internal Audit was conducted twice a year by Sustainability department, the latest internal audit was conducted on 8/8/2017 (SPOM) and 16/8/17 (Sg Papan Est) to cover the entire criterion stated in the standard.</p> <p>Mill Inspectorate Visit for Sindora Palm Oil Mill (SPOM) was conducted on 13/9/2017 by Hj Mohd Jaafar Abu Bakar (Mill Inspector).</p> <p>Plantation Inspectorate visit at Sg Papan Estate was conducted on 31/7/17-1/8/17 by Tn. Hj Samsuddin Saha.</p> <p>3rd party bi-annual compliance audit was carried by DOE registered consultant, EA0067, Cesswi cert# 3299) in 2016 and 2017.</p> <table border="1" data-bbox="660 837 1299 1238"> <thead> <tr> <th data-bbox="660 837 874 909">Date of assessment</th> <th data-bbox="874 837 1082 909">Report reference</th> <th data-bbox="1082 837 1299 909">Compliance Status</th> </tr> </thead> <tbody> <tr> <td data-bbox="660 909 874 1072">2nd half 2016, 11/12/16.</td> <td data-bbox="874 909 1082 1072">Consultant: EHS Alliance Sdn Bhd, report dated 23/12/16</td> <td data-bbox="1082 909 1299 1072">No non-conformity raised. 10 observation raised.</td> </tr> <tr> <td data-bbox="660 1072 874 1238">1st half of 2017</td> <td data-bbox="874 1072 1082 1238">Consultant: EHS Alliance Sdn Bhd, report dated 23/12/16</td> <td data-bbox="1082 1072 1299 1238">No non-conformity raised, 2 observation raised.</td> </tr> </tbody> </table> <p>Based on the latest compliance audit results, Sindora POM has continuously complied with the requirements under "Jadual Pematuhan". Observation raised in the previous compliance audit has been rectified resulting improvement of OBS raised in the recent audit.</p>	Date of assessment	Report reference	Compliance Status	2 nd half 2016, 11/12/16.	Consultant: EHS Alliance Sdn Bhd, report dated 23/12/16	No non-conformity raised. 10 observation raised.	1 st half of 2017	Consultant: EHS Alliance Sdn Bhd, report dated 23/12/16	No non-conformity raised, 2 observation raised.	<p>Complied</p>
Date of assessment	Report reference	Compliance Status									
2 nd half 2016, 11/12/16.	Consultant: EHS Alliance Sdn Bhd, report dated 23/12/16	No non-conformity raised. 10 observation raised.									
1 st half of 2017	Consultant: EHS Alliance Sdn Bhd, report dated 23/12/16	No non-conformity raised, 2 observation raised.									
<p>4.1.3</p> <p>Records of monitoring and any actions taken shall be maintained and available, as appropriate. - Minor compliance -</p>	<p>All records related to Internal Audit, Mill Inspector and Estate Inspector Visit was maintained and available at Mill and Estate Office.</p>	<p>Complied</p>									
<p>4.1.4</p> <p>The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB). - Major compliance -</p>	<p>Perniagaan Seri Misan – annual revision, refer 15/11/16 and valid for one year, 31/12/17. MPOB license (buy, sell and transport) 537918015000, valid until 31/3/18. Weighbridge records, DO#14740, lorry: JNR4116, dated 13/10/17, weight: 23.06 mt.</p> <p>Eng Lee Heng Trading - annual revision, refer 15/11/16 and valid for one year, 31/12/17. MPOB license (buy, sell and transport) 538454015000, valid until 31/3/18. Weighbridge records, DO#14740, lorry: JKU4430, dated 13/10/17, weight: 18.12 mt.</p>	<p>Complied</p>									
<p>Criterion 4.2: Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.</p>											

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Criterion / Indicator	Assessment Findings	Compliance
<p>4.2.1</p> <p>There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. - Minor compliance -</p>	<p>Kulim (M) Berhad Agriculture Manual has established covers Replanting, roads drains Bridges culverts and fences, construction of estate building, manuring, harvesting, pruning and ablation, soil conservation, justification of chemical use, weed management, integrated pest management and plant diseases. There are 19 SOPs and 18 WI's covering all aspects of oil palm management. The related SOP, namely Leaf and Soil Sampling Notes procedure was sighted.</p> <p>All estates operate in accordance with the Agriculture Manual and standard operating procedures. The practices consistently monitored by estate operation management and estate inspectorate. The recommendations for improvements are given to maintain the sustainable practices.</p>	<p>Complied</p>
<p>4.2.2</p> <p>Records of fertiliser inputs shall be maintained. - Minor compliance -</p>	<p>Fertilizers are applied as per agronomist recommendation. Record shows application date, filed number, dosage applied per palm, type of fertilizer and number of applicators.</p> <p><u>Sindora Estate</u> Agronomist report by R&D department dated 27/12/2016, fertilizer recommendation 2016 was done by agronomist :</p> <ol style="list-style-type: none"> 1. AS : 257.72 mt 2. ERP: 293.54 mt 3. HGFB: 9.35 mt 4. KKS44B: 838.39 mt 5. MIX 1: 458.17 mt 6. MIX2+ B: 174.85 mt 7. MOP: 193.62 mt <p>The latest application was carried out at P08 (SE) for HGFB (0.1kg/palm).</p> <p><u>Sg Papan Estate</u> Agronomist report by R&D department dated 1/11/2016, fertilizer recommendation 2016 was done by agronomist :</p> <ol style="list-style-type: none"> 1. AS : 443.03 mt 2. CPD 44: 600.29 mt 3. ERP: 89.03 mt 4. KIE: 138.55 mt 5. MIX2+ B: 1769.57 mt 6. MOP: 256.94 mt <p>The latest application was carried out at P07 for MIX2+ B (3kg/palm).</p>	<p>Complied</p>

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Criterion / Indicator	Assessment Findings	Compliance																														
4.2.3 There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. - Minor compliance -	Sindora Estate/Sg Papan Estate Internal Agronomist from Agronomy Advisory and Services Department visited estates on 11/9/17 (SE) and 1/8/16 (SPE) to carry out foliar sampling prior to the fertilizer recommendation for 2017. Leaf and soil nutrient analysis are commonly used in the diagnosis of fertilizer requirements in oil palms. The frequency for leaf sampling must be conduct for every year while for soil analysis, the frequency for soil sampling is conducted at 5 years intervals (Leaf and Soil Sampling Notes Procedure-Kulim (M) Bhd). The foliar analysis result and fertilizer recommendation dated 29/12/2016 was sighted. Soil sampling was carried out in on 10 -20 June 2015 (SE) and 3-20/4/14 (SPE) and is scheduled to be repeated every 5 years. Sighted Soil analysis report which was conducted on 17/10/16 by UTCL Laboratory. The soil analysis reports (SI/1610/0288-0295, 0300-0303 dated 27/10/16-Sindora Estate and S/1404/LSP/0153-0156 dated 21/4/14) was sighted.	Complied																														
4.2.4 A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting. - Minor compliance -	POME and composting were applied as per agricultural manual: 1. D05: EFB Utilization at rate 50mt/ha. 2. D06:POME Utilization using tractor tanker and furrow system at 17mt/ha or 125kg/palm 3. D08: Biocompost application at the rate of 7mt/ha or 50kg/palm on selected area. <table border="1" data-bbox="660 1160 1299 1294"> <thead> <tr> <th>Month</th> <th>Amount</th> <th>Type</th> <th>Remark</th> </tr> </thead> <tbody> <tr> <td>Sept 17</td> <td>4411.80 m³</td> <td>Furrow</td> <td>SPOM</td> </tr> <tr> <td>Sept 17</td> <td>914.27 mt</td> <td>Biocompost</td> <td>SE</td> </tr> </tbody> </table> There is no application of EFB and Bio-compost at Sg Papan Estate.	Month	Amount	Type	Remark	Sept 17	4411.80 m ³	Furrow	SPOM	Sept 17	914.27 mt	Biocompost	SE	Complied																		
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Sept 17	914.27 mt	Biocompost	SE																													
Criterion 4.3: Practices minimise and control erosion and degradation of soils.																																
4.3.1 Maps of any fragile soils shall be available. - Major compliance -	Soil series map available for both estates visited. No other soil categorised as problematic or fragile soil. Sighted the type of soil available at SE and Sg Papan Estate. <table border="1" data-bbox="660 1518 1299 1973"> <thead> <tr> <th>No.</th> <th>Type of Soil</th> </tr> </thead> <tbody> <tr><td>1</td><td>Kompleks Aluvium Sungai</td></tr> <tr><td>2</td><td>Siri Rengam</td></tr> <tr><td>3</td><td>Siri Batu Lapan</td></tr> <tr><td>4</td><td>Siri Bungor</td></tr> <tr><td>5</td><td>Siri Gong Chenak</td></tr> <tr><td>6</td><td>Siri Jelutong</td></tr> <tr><td>7</td><td>Siri Padang Besar</td></tr> <tr><td>8</td><td>Siri Tok Yong</td></tr> <tr><td>9</td><td>Siri Tai Tak</td></tr> <tr><td>10</td><td>Siri Tebok</td></tr> <tr><td>11</td><td>Siri Sabrang</td></tr> <tr><td>12</td><td>Siri Keranji</td></tr> <tr><td>13</td><td>Siri Holyrood</td></tr> <tr><td>14</td><td>Siri Lanchang</td></tr> </tbody> </table>	No.	Type of Soil	1	Kompleks Aluvium Sungai	2	Siri Rengam	3	Siri Batu Lapan	4	Siri Bungor	5	Siri Gong Chenak	6	Siri Jelutong	7	Siri Padang Besar	8	Siri Tok Yong	9	Siri Tai Tak	10	Siri Tebok	11	Siri Sabrang	12	Siri Keranji	13	Siri Holyrood	14	Siri Lanchang	Complied
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Criterion / Indicator		Assessment Findings	Compliance
4.3.2	A management strategy shall be in place for plantings on slopes above a certain limit (this needs to be soil and climate specific). - Minor compliance -	Sighted slope map (Slope Classification Map). Slope area constructed with terrace and stop bund. Planting terraces had been constructed where slope >7°. Fields are established with cover crops such as mucunna and others.	Complied
4.3.3	A road maintenance programme shall be in place. - Minor compliance -	Estates has implemented annual road and bridges programme. Example of programme checked at Sindora and Sg Papan estates shows the file road programme indicating road repairs and maintenance for the whole estate roads includes grading, compacting and to strengthen the road surface with crusherun.	Complied
4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. - Minor compliance -	There is no peat soil or soil categorised as problematic or fragile soil at both estates.	Complied
4.3.5	Drainability assessments shall be required prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. - Minor compliance -	There is no peat soil or soil categorised as problematic or fragile soil at both estates.	Complied
4.3.6	A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils). - Minor compliance -	There is no peat soil or soil categorised as problematic or fragile soil at both estates.	Complied
Criterion 4.4: Practices maintain the quality and availability of surface and ground water.			

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Criterion / Indicator	Assessment Findings	Compliance
<p>4.4.1</p> <p>An implemented water management plan shall be in place. - Minor compliance -</p>	<p>Sindora Certification Unit has established and implement water management plan monitor water quality of outgoing waters to identify any adverse effect from the mill and estate activities. The plan takes into account the efficient use of resources, ensure amongst other that the use of water did not impact on other users, avoid contamination of ground and surface water, and appropriate treatment of mill effluent. The sampling analysis has been conducted for both outgoing water and drinking water. Among management plan implemented for 2017:</p> <p>i)To monitor water pollution Upstream and downstream river water analysis – once in every license period. Monitoring of Sungai Mengkibol was done on 8/8/17, refer to report no. WI/1708/0780-0783 dated 23/8/17. All parameters tested are within the standard as per Compliance Schedule.</p> <p>Drinking water sampling was done for raw & treated water Quality and taken at 2 sampling points; DW-R Drinking Water Collected at Inlet (Raw) and DW-T Drinking Water Collected at Outlet (Treated). Refer to report, LW/560/17 dated 7/6/17. All parameter tested are in compliance with NWQS.</p> <p>The mill has maintained monitoring records of water usage which recorded every day and summarised on monthly basis including the monitoring of rainfall water, which has been an alternative source of water as mitigation plan during draught season</p> <p>Rainfall data analysed and used as basis for establishment of water management plan. Rationing during drought season was identified and necessary plan was developed accordingly. Sindora Estate: 1799 mm as at 8th October 2017.</p>	<p>Complied</p>

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Criterion / Indicator	Assessment Findings	Compliance
<p>4.4.2</p> <p>Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated. - Major compliance -</p>	<p>Based on the company’s Agricultural Manual (Section A: Replanting, A17-Protection of Natural Water Courses, Updated on 1/7/2013), established river buffer zones as per MPOB’s guideline:</p> <ul style="list-style-type: none"> i) River width > 40m; river buffer = 50m ii) River width 20 - 40m; river buffer = 40m iii) River width 10 -20m; river buffer = 20m iv) River width 5 - 10m; river buffer = 10m v) River width < 5m; river buffer = 5m <p>Buffer zones had been maintained on both sides of rivers/streams in the estates as verified during on-site field inspection. There was no evidence of spraying around palms marked as boundary for the buffer zones. There was also no construction of bunds/ weirs/dams across the main rivers or waterways passing through the estates.</p> <p>All the estates assessed has prepared map showing riparian buffer zones and demarcated the areas prior to replanting for all the estates. Field inspection confirmed that the buffer zone beside the stream has been demarcated clearly and maintained. River water analysis was carried out to check ensure protection of water course within estates.</p> <p><u>Sindora Estate</u></p> <p>Water analysis (4 monitoring points) Sungai Sembrong Kiri (in-coming), sampling point P16 Sungai Sembrong Kiri (out-going), sampling point P06</p> <p>Sungai Sembrong Kiri (in-coming), sampling point P13 Sungai Sembrong Kiri (out-going), sampling point P07</p> <p>All parameter tested were in compliance with National Water Quality Standard, Class III.</p> <p>Test report, WI/1710/0925-0928 sampling date 24/9/17 Date of reporting: 3/10/17</p>	<p>Complied</p>

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Criterion / Indicator	Assessment Findings	Compliance						
<p>4.4.3</p> <p>Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD), shall be in compliance with national regulations (Criteria 2.1 and 5.6). - Minor compliance -</p>	<p>Treatment of mill effluent carried out as per SOP and DOE license requirements with regular monitoring of discharge quality; especially Biochemical Oxygen Demand (BOD) is monitored. Results of BOD monitoring as per stipulated frequency was in compliance as follows:</p> <p>i)Storm water retention pond analysis (BOD analysis fortnightly)</p> <p>Latest monitoring by UTCL Laboratory, dated 30/8/17, report ref#EI/1708/0882-0884, BOD: 68 mg/l. Sampling date 23/8/17</p> <p>Latest monitoring by UTCL Laboratory, dated 23/08/17, report ref#EI/1708/0807-0810, BOD: 40 mg/l. Sampling date 8/8/17</p> <p>Latest monitoring by UTCL Laboratory, dated 3/10/17, report ref#EI/1710/0943-0946, BOD: 76 mg/l. Sampling date 13/9/17</p> <p>ii)Quarterly return via Online Environmental Reporting (OER) and monthly effluent analysis</p> <p>Latest quarter, June – September 2017, submitted on 9/10/17. 1st(11/7/17), 5th (8/8/17) and 9th (13/9/17)week analysis results were submitted no off-limit parameter recorded.</p> <p>Latest monitoring by UTCL Laboratory, dated 3/10/17, report ref# EI/1710/0943-0946. Sampling date 13/9/17. 7 parameter tested (BOD, COD, AN, TN, SS, TS, pH are within the regulatory limit under mill’s compliance schedule</p>	<p>Complied</p>						
<p>4.4.4</p> <p>Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. - Minor compliance -</p>	<p>Sindora POM monitored its water consumption on monthly basis for the source of water supply for its mill process usage. Summary of water consumption as per below:</p> <table border="1" data-bbox="660 1368 1300 1482"> <thead> <tr> <th data-bbox="660 1368 986 1397">Year</th> <th data-bbox="991 1368 1300 1397">Water consumption ratio</th> </tr> </thead> <tbody> <tr> <td data-bbox="660 1404 986 1433">2016</td> <td data-bbox="991 1404 1300 1433">1.36 m3/mt</td> </tr> <tr> <td data-bbox="660 1440 986 1469">2017 to date</td> <td data-bbox="991 1440 1300 1469">1.13 m3/mt</td> </tr> </tbody> </table>	Year	Water consumption ratio	2016	1.36 m3/mt	2017 to date	1.13 m3/mt	<p>Complied</p>
Year	Water consumption ratio							
2016	1.36 m3/mt							
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Criterion 4.5:

Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.

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Criterion / Indicator	Assessment Findings	Compliance																
4.5.1 Implementation of Integrated Pest Management (IPM) plans shall be monitored. - Major compliance -	IPM Manual includes the planting of beneficial plants and control of damage by rodents, leaf-eaters, orytes and natural enemies. Beneficial plants such as Turnera subulata, Antigonon Leptopus and Cassia Cobanensis are grown in the estates. Records of planting of new areas and maintenance of existing areas of beneficial plants, location maps and barn owl census are available. <table border="1" data-bbox="660 629 1297 730"> <thead> <tr> <th></th> <th>Distance</th> <th>Estate</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Beneficial Plant</td> <td>176 chain</td> <td>SE</td> </tr> <tr> <td>250 chain</td> <td>SPE</td> </tr> </tbody> </table> The occupancy rate for Barn owl box on Sept 2017. <table border="1" data-bbox="660 790 1297 880"> <thead> <tr> <th></th> <th>Occupancy rate</th> <th>Estate</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Barn owl</td> <td>52 %</td> <td>SE</td> </tr> <tr> <td>60 %</td> <td>SPE</td> </tr> </tbody> </table>		Distance	Estate	Beneficial Plant	176 chain	SE	250 chain	SPE		Occupancy rate	Estate	Barn owl	52 %	SE	60 %	SPE	Complied
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4.5.2 Training of those involved in IPM implementation shall be demonstrated. - Minor compliance -	Training for those involve with IPM implementation was conducted accordingly. Training records for staff and workers on IPM implementation were available and verified to be satisfactory during on-site assessment. # cross refer with indicator 4.8.2	Complied																
Criterion 4.6: Pesticides are used in ways that do not endanger health or the environment																		
4.6.1 Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available. - Major compliance -	Justification of pesticides applied is available in the agriculture manual. Refer to agriculture manual 21/10/2015, H01: Justification of Chemical Use. The use of pesticide is specific to the target pest, weed and disease. Justification takes consideration to minimize effect on non-target species.	Complied																
4.6.2 Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided. - Major compliance -	Records of pesticides and their active ingredients used, LD50, area treated, amount of a.i. applied per ha, and number of applications was maintained. <table border="1" data-bbox="660 1525 1254 1704"> <thead> <tr> <th></th> <th>2015 % a.i/ha</th> <th>2016 % a.i/ha</th> <th>Todate 2017 % a.i/ha</th> </tr> </thead> <tbody> <tr> <td>SE</td> <td>1.68</td> <td>2.30</td> <td>0.97</td> </tr> <tr> <td>SPE</td> <td>0.11</td> <td>0.84</td> <td>0.75</td> </tr> </tbody> </table> There is increasing of a.i/ha due to increase of immature area.		2015 % a.i/ha	2016 % a.i/ha	Todate 2017 % a.i/ha	SE	1.68	2.30	0.97	SPE	0.11	0.84	0.75	Complied				
	2015 % a.i/ha	2016 % a.i/ha	Todate 2017 % a.i/ha															
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4.6.3 Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines. - Major compliance -	The quantity of agrochemicals required for various field conditions are documented and justified in Kulim's Agriculture Manual. The implementation in the field is consistent with the manual. There is no prophylactic use of pesticides.	Complied																

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Criterion / Indicator	Assessment Findings	Compliance
4.6.4	Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in national Best Practice guidelines. The use of such pesticides shall be minimised and eliminated as part of a plan, and shall only be used in exceptional circumstances. - Minor compliance -	Kulim (M) Bhd has stopped paraquat usage since February 2015. Alternatives such as Glyphosate were used. The implementation in the field is consistent with the SOP. Complied
4.6.5	Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7). - Major compliance -	Pesticide operators given training on the safe handling and application of the pesticides. Suitable personal protective equipment's and application equipment provided to the operators. All precautions attached to the products explained to operators and understood by them. This was noted during the interview with workers. Complied
4.6.6	Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). - Major compliance -	The operating units comply with Regulation 9 of the Pesticides Act 1974 requiring balance of remaining solution to be kept under lock and key. During visit it was noted that all the remaining pesticides are kept in the store and securely locked and comply with regulation. Complied
4.6.7	Application of pesticides shall be by proven methods that minimise risk and impacts. - Minor compliance -	The quantity of agrochemicals required for various field conditions are documented and justified in Agriculture Manual, Section I: Weeds Management. The implementation in the field is consistent with the Agriculture Manual. Complied
4.6.8	Pesticides shall be applied aially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application. - Major compliance -	No aerial spraying at all estates. Complied
4.6.9	Maintenance of employee and associated smallholder knowledge and skills on pesticide handling shall be demonstrated, including provision of appropriate information materials (see Criterion 4.8). - Minor compliance -	There is no associated smallholder at Sindora Certification Unit. Employees handling pesticide given knowledge and skill required to cover safe handling practices and standard operating procedures. Complied

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Criterion / Indicator		Assessment Findings	Compliance																				
4.6.10	Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3). - Minor compliance -	Proper disposal of waste material is based on the established waste and pollution management plan dated 1/8/17. <table border="1"> <tr> <td>Waste Material</td> <td colspan="3">Disposal method/recycle</td> </tr> <tr> <td>Fertilizer bags</td> <td colspan="3">Composting bagging Loose fruit collection Sand bagging Domestic/food waste collection</td> </tr> <tr> <td>Empty chemical container</td> <td colspan="3">Used as pre-mix container Disposed as recycle waste</td> </tr> <tr> <td>Used PPE and work tools (knapsack pump etc)</td> <td colspan="3">Disposed as scheduled waste</td> </tr> </table>	Waste Material	Disposal method/recycle			Fertilizer bags	Composting bagging Loose fruit collection Sand bagging Domestic/food waste collection			Empty chemical container	Used as pre-mix container Disposed as recycle waste			Used PPE and work tools (knapsack pump etc)	Disposed as scheduled waste			Complied				
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4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. - Major compliance -	Annual medical surveillance for sprayers and pesticide operators were demonstrated. Medical examination programme established for sprayers which conducted by Kulim Safety Training and Services Sdn Bhd (HQ/13/DOC/00/322 and HQ/16/DOC/00/502). <table border="1"> <thead> <tr> <th>ID No</th> <th>Date of Medical check up</th> <th>Result</th> <th>Estate</th> </tr> </thead> <tbody> <tr> <td>AS040840</td> <td rowspan="3">13/5/17</td> <td>Fit to work</td> <td rowspan="3">SE</td> </tr> <tr> <td>AT451039</td> <td>Fit to work</td> </tr> <tr> <td>760515025576</td> <td>Fit to work</td> </tr> <tr> <td>AS773429</td> <td rowspan="3">5/6/17</td> <td>Fit to work</td> <td rowspan="3">SPE</td> </tr> <tr> <td>AC2945536</td> <td>Fit to work</td> </tr> <tr> <td>AT499167</td> <td>Fit to work</td> </tr> </tbody> </table>	ID No	Date of Medical check up	Result	Estate	AS040840	13/5/17	Fit to work	SE	AT451039	Fit to work	760515025576	Fit to work	AS773429	5/6/17	Fit to work	SPE	AC2945536	Fit to work	AT499167	Fit to work	Complied
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AS773429	5/6/17	Fit to work	SPE																				
AC2945536		Fit to work																					
AT499167		Fit to work																					
4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women. - Major compliance -	At Sindora Estate and Sg Papan Estate, there are no female sprayers.	Complied																				
Criterion 4.7: An occupational health and safety plan is documented, effectively communicated and implemented. The health and safety plan shall cover the following:																							

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<p>4.7.1</p> <p>A health and safety policy shall be in place. A health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored. - Major compliance -</p>	<p>SPOM and supply bases continued to maintain Occupational Safety and Health Policy which has been signed by Managing Director of Kulim Malaysia Berhad dated 1/1/2008.</p> <p>OHS plan for 2016 dated 2/1/2016 has been established. The OHS plan comprises of OSH legal compliance, emergency response plan (ERP), OSH management system, risk management and safety committee activities. Sample of OSH management system activities as follows :</p> <p>i) Chemical Health Risk Assessment (CHRA) CHRA was conducted on 10/1/2013 by QMSPRO Training & Consultancy (JKKP HIE 127/171-2(154) for SPOM. The action plan for 2016 was established through the recommendation from the assessor.</p> <p>CHRA was conducted on 10/1/2013 by QMSPRO Training & Consultancy (JKKP HIE 127/171-2(154) for SE. The action plan was established through the recommendation from the assessor. The action plan, dated: 1/1/17 was established through the recommendation from the assessor.</p> <p>CHRA was conducted in 5/2/2013 by QMSPRO Training & Consultancy (JKKP HIE 127/171-2(154) for Sg Papan Estate. The action plan for 2017 was established through the recommendation from the assessor.</p> <p>ii) Chemical Exposure Monitoring The CEM was conducted on 8/5/17 by Kulim Safety Training and Services Sdn Bhd, JKKP HIE 127/171-3/1(164)- Report No:2017/007.The results showing that all operators exposure level of n-hexane were below the PEL.</p> <p>iii) Medical Surveillance 14 workers were sent on 18/11/2016 for medical surveillance for those who are involved with chemical in SPOM; refer to medical surveillance report by registered OHD, HQ/13/DOC/00/322 under Falck Bestari Healthcare. All the operators were found normal with no occupational related illness have been detected.</p> <p>iv) Audiometric Testing Audiometric testing was conducted on 21/5/2017 by Junpec Audiometry and Safety Services Sdn Bhd. Total workers tested were 45. From the report, 15 workers were found with standard threshold shift. Retest was conducted on 20/7/2017 and found 7 workers were found hearing impairment caused by noise. JKKP 7 was sent to DOSH accordingly on 2/8/17.</p> <p>Thus, major NCR raised during previous assessment is remain closed.</p> <p>v) LEV inspection Local Exhaust Ventilation (LEV) Examination was conducted on 18/9/2017 by Kulim Safety Training and Services Sdn Bad (JKKP HIE 127/171-3/2(210)). However, from the report it was found that LEV system is not effective. The management had established the plan to install the proper LEV system (Fume Hood) which was approved by Head of Engineering on 15/10/2017.</p>	<p>Complied</p>

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4.7.2	<p>HIRARC for all activities was assessed which was based on Risk Assessment Criteria stated in the procedure (SOP) Hazard Identification, Risk Assessment and Risk Control, dated 20/11/2009- Kulim (M) Bhd. Eg: Weighbridge, Loading Ramp, Sterilizer, Threshing Station, Pressing Station, Clarification, Nut Cracking Station, Kernel Plant, Kernel Storage, CPO Storage, Boiler Station, Engine room, workshop, General-cleaning and others, Store, EFB Press, Laboratory, WTP, Sterilizer, Landfill, Manuring, Chemical mixing, spraying, trunk injection, harvesting, road maintenance, pruning, FFB transport, confined space, construction of boiler, construction of biogas plant, nursery, FFB evacuation using MB, bio-composting plant, replanting and others. The latest HIRARC review was conducted on 3/8/2017 by HIRARC team.</p>	Complied
4.7.3	<p>Observed at engine room, oil room, boiler station, spraying activity, manuring activity and harvesting activity, adequate and appropriate protective equipment was provided. Latest PPE issuance was provide on 9/8/17 for Safety Shoes, hand gloves and 19/7/17 for safety helmet (at SE)</p> <p>The training was conducted accordingly at mill and estates.</p> <p>#Cross refer with indicator 4.8.2</p>	Complied
4.7.4	<p>The responsible persons are the Manager, Assistant Manager & SHEO of the respective operating units. JKPP meeting members consist of employer & employee representatives. Records of regular meetings between the responsible person and workers were maintained. There was no major issue. Refer OHS meeting minutes :</p> <ol style="list-style-type: none"> 1. OHS meeting at Sindora POM – #3: dated 15/9/17, #2:dated 15/8/17, #1: dated 10/4/17. All the agenda was discussed accordingly during OHS meeting, eg: accident review, workplace inspection, safety improvement plan, issues from workers, training, complaints has been discussed and action to be taken. 2. OHS meeting at Sindora Estate – #3: dated 9/10/17, #2:dated 23/6/17, #1: dated 27/3/17. All the agenda was discussed accordingly during OHS meeting, eg: accident review, workplace inspection, safety improvement plan, issues from workers, training, complaints has been discussed and action to be taken 3. OHS meeting at Sg Papan Estate – #3: dated 26/9/17, #2:dated 14/6/17, #1: dated 28/3/17. All the agenda was discussed accordingly during OHS meeting, eg: accident review, workplace inspection, safety improvement plan, issues from workers, training, complaints has been discussed and action to be taken 	Complied

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Criterion / Indicator	Assessment Findings	Compliance								
<p>4.7.5</p> <p>Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed. - Minor compliance -</p>	<p>The management continued to maintained Emergency Response procedure, dated 23/8/2011 . The procedure was communicated accordingly to all workers. Fire drill been conducted on yearly basis, which the last was conducted on 28/6/2017 (SPOM and estates) . ERP organization chart, assembly area and location of fire extinguishers and contact numbers available and displayed at relevant locations. First aid equipment available at worksites e.g. at Sterilizer station, Boiler Station. First aiders competency certificate available e.g. 911104016945 (Mill Supervisor) expired on 10/8/2018</p> <table border="1" data-bbox="660 734 1273 887"> <thead> <tr> <th data-bbox="660 734 831 763">Estate/Mill</th> <th data-bbox="842 734 1273 763">First Aid Box Station</th> </tr> </thead> <tbody> <tr> <td data-bbox="660 770 831 822">SPOM</td> <td data-bbox="842 770 1273 822">Laboratory, Workshop, Engine Room, Effluent</td> </tr> <tr> <td data-bbox="660 828 831 857">SE</td> <td data-bbox="842 828 1273 857">Harvesting, Spraying, Office</td> </tr> <tr> <td data-bbox="660 864 831 887">SPE</td> <td data-bbox="842 864 1273 887">Harvesting, Office</td> </tr> </tbody> </table> <p>First aid box inspection was conducted on monthly basis, sighted the record of inspection was last done on 11/9/2017 (SPOM), 1/9/2017 (SE and SPE) by HA.</p> <p>Records of incident were available, using internal reporting system. Last accident happened on 30/4/2017 with total 8 days MC at Press Station. JKPP 6 was sent to DOSH on 4/5/2017 accordingly.</p> <p>Thus, the NCR raised during previous assessment was effectively closed.</p>	Estate/Mill	First Aid Box Station	SPOM	Laboratory, Workshop, Engine Room, Effluent	SE	Harvesting, Spraying, Office	SPE	Harvesting, Office	<p>Complied</p>
Estate/Mill	First Aid Box Station									
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Criterion / Indicator	Assessment Findings	Compliance																					
<p>4.7.6 All workers shall be provided with medical care, and covered by accident insurance. - Minor compliance -</p>	<p>All workers provided with medical care, and covered by accident insurance. Sample insurance policies and payment for SOCSO checked:</p> <table border="1" data-bbox="659 490 1291 1223"> <thead> <tr> <th>Insurance</th> <th>Period</th> <th>Remark</th> </tr> </thead> <tbody> <tr> <td>SOCSO</td> <td>Aug 17, Sept 17</td> <td>690203015212, 780317016095, 601119015925, 950201015137</td> </tr> <tr> <td>MSIG Insurance (Policy No: JB-09740029-FWC)</td> <td>4/3/17-3/3/17</td> <td>AS042957, AS042949, AS042929, AS042926</td> </tr> <tr> <td>SOCSO</td> <td>Aug 17, Sept 17</td> <td>680222016123, 750610025778, 630218015210, 740718017092</td> </tr> <tr> <td>MSIG Insurance (Policy No: 17DHQEWCM00030)</td> <td>12/10/17 - 11/10/18</td> <td>B4072527, B4072439, B4072467, B4072438</td> </tr> <tr> <td>SOCSO</td> <td>Aug 17, Sept 17</td> <td>820802015284, 610921016065, 650225015890, 630831015462</td> </tr> <tr> <td>MSIG Insurance (Policy No: 17DHQEBFE4001158)</td> <td>1/1/17-31/6/18</td> <td>AS559315, AT199537, AT501034, AT500706</td> </tr> </tbody> </table> <p>All the policies were found valid.</p>	Insurance	Period	Remark	SOCSO	Aug 17, Sept 17	690203015212, 780317016095, 601119015925, 950201015137	MSIG Insurance (Policy No: JB-09740029-FWC)	4/3/17-3/3/17	AS042957, AS042949, AS042929, AS042926	SOCSO	Aug 17, Sept 17	680222016123, 750610025778, 630218015210, 740718017092	MSIG Insurance (Policy No: 17DHQEWCM00030)	12/10/17 - 11/10/18	B4072527, B4072439, B4072467, B4072438	SOCSO	Aug 17, Sept 17	820802015284, 610921016065, 650225015890, 630831015462	MSIG Insurance (Policy No: 17DHQEBFE4001158)	1/1/17-31/6/18	AS559315, AT199537, AT501034, AT500706	<p>Complied</p>
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<p>4.7.7 Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics - Minor compliance -</p>	<p>Records of incident and accident were available, using internal reporting system. Records on Lost Time Accident (LTA) metrics had been verified to be satisfactory. Sample of accident statistic as shown below :</p> <table border="1" data-bbox="659 1397 1157 1518"> <thead> <tr> <th>Year</th> <th>SPOM</th> <th>SE</th> <th>SPE</th> </tr> </thead> <tbody> <tr> <td>2016</td> <td>48</td> <td>84</td> <td>249</td> </tr> <tr> <td>2017 (as at Sep 17)</td> <td>8</td> <td>52</td> <td>59</td> </tr> </tbody> </table> <p>*LTA is equivalent to lost man days</p>	Year	SPOM	SE	SPE	2016	48	84	249	2017 (as at Sep 17)	8	52	59	<p>Complied</p>									
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<p>Criterion 4.8: All staff, workers, smallholders and contract workers are appropriately trained.</p>																							

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4.8.1 A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme. - Major compliance -	A formal training programme on all aspects of RSPO Principles and Criteria has been established and implemented. Training for various categories of operators, including all field and office staff, with regards to individual duties and training needs had been reviewed and found to be complied. Training programme planned for year 2017 was consistently implemented. The programme includes training for all categories of workers. Evidence of adequate and appropriate training on safe working practices provided to: - workers exposed to machinery and high noise levels, - workers working in confined space, - harvesters - pesticides operators - manurers	Complied																																																				
4.8.2 Records of training for each employee shall be maintained. - Minor compliance -	The records of training were available at mill and estate office. Sample training checked: <table border="1" data-bbox="662 936 1273 1691"> <thead> <tr> <th>Date</th> <th>Training</th> <th>Remark</th> </tr> </thead> <tbody> <tr><td>26/9/17</td><td>RSPO Awareness</td><td rowspan="6">SPOM</td></tr> <tr><td>25/9/17</td><td>Contractor Mgt</td></tr> <tr><td>18/9/17</td><td>Chemical handling/WTP</td></tr> <tr><td>11/9/17</td><td>S/W Mgt</td></tr> <tr><td>11/8/17</td><td>Effluent Sample</td></tr> <tr><td>13/10/17</td><td>LOTO/Working at Height/ Confined space</td></tr> <tr><td>8/10/17</td><td>First aid</td><td rowspan="10">SE</td></tr> <tr><td>4/10/17</td><td>Landfill</td></tr> <tr><td>25/8/17</td><td>Fertilizer sampling</td></tr> <tr><td>22/8/17</td><td>Chemical handling</td></tr> <tr><td>21/8/17</td><td>ERP</td></tr> <tr><td>3/8/17</td><td>S/W Mgt</td></tr> <tr><td>8/4/17</td><td>Safety fo MB & tractor</td></tr> <tr><td>9/5/17</td><td>Bagworm control</td></tr> <tr><td>22/4/17</td><td>Harvesting</td></tr> <tr><td>8/3/17</td><td>Sprayer</td></tr> <tr><td>9/10/17</td><td>Fire drill</td><td rowspan="6">SPE</td></tr> <tr><td>11/9/17</td><td>Harvesting (Contract)</td></tr> <tr><td>20/8/17</td><td>Spraying/Chemical handling</td></tr> <tr><td>24/7/17</td><td>Manuring/buffer zone</td></tr> <tr><td>9/5/17</td><td>Bagworm control</td></tr> <tr><td>20/4/17</td><td>Rat baiting</td></tr> <tr><td>20/4/17</td><td>FFB Evacuation</td></tr> </tbody> </table>	Date	Training	Remark	26/9/17	RSPO Awareness	SPOM	25/9/17	Contractor Mgt	18/9/17	Chemical handling/WTP	11/9/17	S/W Mgt	11/8/17	Effluent Sample	13/10/17	LOTO/Working at Height/ Confined space	8/10/17	First aid	SE	4/10/17	Landfill	25/8/17	Fertilizer sampling	22/8/17	Chemical handling	21/8/17	ERP	3/8/17	S/W Mgt	8/4/17	Safety fo MB & tractor	9/5/17	Bagworm control	22/4/17	Harvesting	8/3/17	Sprayer	9/10/17	Fire drill	SPE	11/9/17	Harvesting (Contract)	20/8/17	Spraying/Chemical handling	24/7/17	Manuring/buffer zone	9/5/17	Bagworm control	20/4/17	Rat baiting	20/4/17	FFB Evacuation	Complied
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Principle 5: Environmental responsibility and conservation of natural resources and biodiversity

Criterion 5.1:

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

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Criterion / Indicator	Assessment Findings	Compliance
<p>5.1.1</p> <p>An environmental impact assessment (EIA) shall be documented. - Major compliance -</p>	<p>Sindora POM, Documented Environmental Aspects and Impacts Register (Form No.: EPA-SINPOM-2016; Activity code: ER001- ER021; Rev. 2/2017) available. Total 21 list of activities are identified in POM. As for the review process, the annual review of the EIA management review meeting and review if any new activities in POM, changes of legislation and environmental issue raise by stakeholders. Noted that the new boiler biogas construction and has been included in the register. Refer to activity code, ER021 dated 24 July 2017.</p> <p>Sindora Estate Documented Risk Assessment Form, EPA-LSN-2017, rev:1/2017 for conversion rubber to oil palm planting dated 1/3/17 was verified. Activities of tree felling, land preparation (road construction, sanitation, construction of road, terrace and platform) and planting of OP included in the register.</p>	<p>Complied</p>
<p>5.1.2</p> <p>Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons. - Minor compliance -</p>	<p>Environmental Management Plan (EMP) established is based on ISO 14001:2004 objectives and target. Environmental management programme for 2017, dated 10/1/17 was verified.</p> <p>Objective 1: prevent air by controlling boiler smoke emission and comply with DOE requirement. (black smoke , ringleman 2 @ 40% opacity, to reduce <0.2 g/Nm3</p> <p>Objective 2: to prevent land/ water pollution</p> <p>Action plan:</p> <p>i) To install 2nd stage hurricane system (Multi Dust Collector) by DOE and OSSB (technology provider) (Complete construction, waiting for commissioning and handover)</p> <p>ii)To ensure operation with consistent 2 press (GTPH – 38-40 mt) (todate GTPH – 39.55 mt/hr against rated 40 mt/hr)</p> <p>Objective 2: BOD of final discharge < 90 ppm</p> <p>Action Plan:</p> <p>i)Desludging programme for Anaerobic Pond no.3 (100% completion on 28/9/17)</p> <p>ii)Biogas project (open lagoon canvas type methane capturing) (80% completion)</p> <p>iii)Re-construct furrow for land application (</p> <p>iv)To install polishing plant. (80% completion)</p> <p>Target completion of all programme is by end of 2017.</p>	<p>Complied</p>

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Criterion / Indicator	Assessment Findings	Compliance
<p>5.1.3</p> <p>This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts.</p> <p>- Minor compliance -</p>	<p>An environmental improvement plan was implemented to monitor the effectiveness of the mitigation measures. This plan incorporated a monitoring protocol, which is adaptive to operational changes and is reviewed every year to reflect the results of monitoring operational changes that may have positive and negative environmental impacts.</p> <p>The latest online monitoring protocol was used for reporting to DOE via eSWiS (schedule waste), CEMS for smoke emission and OER @ Online Environmental Reporting for POME results and in line with mil's compliance schedule requirements. New Guided Self-Regulation was introduced by DOE to ensure all operator self-assessed the compliance status on environmental related issues. The approach is based on 7 Environmental Monitoring Tools (EMT) and implemented since June 2016. New establishment of EPMC @ Environmental Performance Monitoring Committee (operation level – mill) and ERCMC @ Environmental Regulatory Compliance Monitoring Committee (HQ level) shows the commitment towards continuous compliance.</p> <p>Latest ERCMC meeting – 27/4/17 attended by mill manager and HQ representative.</p> <p>EPMC meeting – 6/4/17, the second meeting is plan by end of 2017. The frequency is twice per year.</p>	<p>Complied</p>
<p>Criterion 5.2: The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and and operations managed to best ensure that they are maintained and/or enhanced.</p>		

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Criterion / Indicator	Assessment Findings	Compliance
<p>5.2.1</p> <p>Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). - Major compliance -</p>	<p>Information in High Conservation Value (HCV) assessment includes both the planted area itself and relevant wider landscape-level with considerations of surrounding areas. Initial HCV assessment conducted in 2007 by external consultant is reviewed annually to ensure management and monitoring plans are relevant and conducted.</p> <p>In April 2016, another HCV Assessment was conducted by Malaysia Environmental Consultant Sdn Bhd. Both lead assessor were ALS licensed assessor (ALS14023KL; ALS15035TN). Within the Sindora estate, following HCV were identified:</p> <ul style="list-style-type: none"> a. Biodiversity HCV 1 and HCV 2. The main concern is elephant using the forest inside and outside the estate. b. Biodiversity HCV 1. Wildlife corridor along Sg Sembrong c. Biodiversity HCV 3. Monitor species presence and maintain buffer with natural forest d. Stream management HCV 4. Natural bank vegetation should be allowed to regenerate e. Soil and nutrient conservation on hill slopes. HCV4 <p>The estate’s boundary shares with the Kluang Forest Reserve, and the overlapping Gunung Belumut Wildlife Reserve. It also supports a viable subpopulation of the elephant. Within the Sindora estate, there is a forest reserve which is belong to BAKAJ (Water Regulatory Bodies Johore) connect between this foraging area and the rest of the Kluang Forest Reserve. It also serve as the wildlife corridor from east to west within the estate.</p> <p>For Sg Papan Estate, a baseline HCV report title Rapid Biodiversity Assessment dated July 10, 2008 was verified. Based on the report, total 51.37 ha of HCV identified with within estate area.</p>	<p>Complied</p>

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<p>5.2.2</p> <p>Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through a management plan. - Major compliance -</p>	<p>Based on the April 2016 HCV Assessment Report of Sindora Estate, total 77 species were recorded, two (2) are listed as critical (CR), three (3) endangered species (EN), two (2) vulnerable (VU) species, four (4) near threatened (NT) species. The remaining 66 species are classed as Least Concerned (LC).</p> <p>The management plan was developed based on recommendation of HCV assessment report. Action plan such as expand the narrowest section along the wildlife corridor. Total 2 narrowest section in blocks P87/01- 42 m and blocks P87/03- <40M has been expanded to total 160m and 200m respectively. During onsite visit, electric fences already removed from the connecting road to allow unhindered passage for elephants moving east-west along the river corridor.</p> <p>HCV management plan developed for Sg Papan Estate which include:</p> <table border="1" data-bbox="662 943 1299 1568"> <thead> <tr> <th>HCV plan</th> <th>Progress</th> <th>Person In Charge</th> </tr> </thead> <tbody> <tr> <td>Boundary survey</td> <td>Land survey done by qualified surveyor.</td> <td>Property development</td> </tr> <tr> <td>Bird survey</td> <td>WCS bird survey, completed on 30/11/15</td> <td>Sustainability and estate team</td> </tr> <tr> <td>Encroachment control</td> <td>Regular patrolling</td> <td>Sustainability and estate team</td> </tr> <tr> <td>Erosion control</td> <td>Road maintenance, guatamala and vertivar planting</td> <td>Sustainability and estate team</td> </tr> <tr> <td>Restore natural vegetation</td> <td>LCC, guatamala and vertivar planting</td> <td>Sustainability and estate team</td> </tr> </tbody> </table>	HCV plan	Progress	Person In Charge	Boundary survey	Land survey done by qualified surveyor.	Property development	Bird survey	WCS bird survey, completed on 30/11/15	Sustainability and estate team	Encroachment control	Regular patrolling	Sustainability and estate team	Erosion control	Road maintenance, guatamala and vertivar planting	Sustainability and estate team	Restore natural vegetation	LCC, guatamala and vertivar planting	Sustainability and estate team	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance															
5.2.3 There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instigated in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species. - Minor compliance -	Regular awareness programme about the status of these RTE species, and appropriate disciplinary measures shall be instigated in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species. RSPO Roadshow 2017 was carried out for Sindora Complex on 29/8/17. The roadshow has incorporated HCV and Biodiversity component for all executive and staff. Verified internal training at Sindora Estate: <table border="1" data-bbox="659 678 1297 875"> <thead> <tr> <th>Training</th> <th>Date of Training</th> <th>Trainer</th> </tr> </thead> <tbody> <tr> <td>HCV briefing for flora and fauna</td> <td>5/6/17</td> <td>Senior assistant Sindora Estate</td> </tr> <tr> <td>RTE awareness</td> <td>8/6/17</td> <td>Senior assistant Sindora Estate</td> </tr> </tbody> </table> Sungai Papan Estate <table border="1" data-bbox="659 965 1297 1086"> <thead> <tr> <th>Training</th> <th>Date of Training</th> <th>Trainer</th> </tr> </thead> <tbody> <tr> <td>HCV and Biodiversity</td> <td>10/6/17</td> <td>Assistant Sindora Estate</td> </tr> </tbody> </table>	Training	Date of Training	Trainer	HCV briefing for flora and fauna	5/6/17	Senior assistant Sindora Estate	RTE awareness	8/6/17	Senior assistant Sindora Estate	Training	Date of Training	Trainer	HCV and Biodiversity	10/6/17	Assistant Sindora Estate	Complied
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5.2.4 Where a management plan has been created there shall be ongoing monitoring: <ul style="list-style-type: none"> The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; Outcomes of monitoring shall be fed back into the management plan. - Minor compliance -	Management plan is incorporated with ongoing monitoring of the status of HCV and RTE species that are affected by plantation or mill operations and reported by the Kulim SPO Team from Head Office. Outcomes of monitoring are communicated with plantation management and with management plan. HCV monitoring of monthly record by SPO Department available and animal such as wild boar, snake and elephant was still sighted. For example, sightings record verified at Sindora Estate dated 15/10/17. From the records, no sightings of RTE recorded.	Complied															
5.2.5 Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights. - Minor compliance -	There was no HCV set-aside that needs any negotiation process with the local communities.	Complied															
Criterion 5.3: Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.																	

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Criterion / Indicator	Assessment Findings	Compliance
<p>5.3.1 All waste products and sources of pollution shall be identified and documented. - Major compliance -</p>	<p>Visits made to Sindora POM together with Sindora Estate and Sg Papan Estate showed that all waste products and sources of pollution were identified and documented. The documentation and identification of all the waste products based on waste type and source which review on January 2017. Waste types such as domestic, schedule waste, rubber material, scrap, mill by products, emissions, liquid waste, office and medical waste. Records on the usage and disposal were recorded. Appropriate secondary containment for the diesel skid tanks, chemical and scheduled waste storage areas was verified to be maintained.</p> <p>Scheduled Waste identified included spent hydraulic oil (SW 305), spent lubricant oil (SW 306), used chemical containers/drums (SW 409), used filters SW 410 and used batteries (SW 102). Records on the usage and disposal were well recorded and documented. Appropriate secondary containment for the diesel skid tanks, chemical and scheduled waste storage areas was verified to be maintained.</p> <p>Notification of scheduled waste, refer notification number, 23872 with was submitted on 12/2/14. No changes of waste generation reported. Type of scheduled waste generated as follows: SW 409, SW410, SW305 and SW102.</p> <p>Latest inventory of waste: refer to inventory number 0103J2024451192017 for September 2017. Date of 5th schedule submission is on 29/9/17.</p> <p>For example at Sindora Estate, notification to DEO was verified. Refer to notification number; 2017082716NKMBGH dated 27/8/17. List of schedule waste generated were SW110, SW307, SW305, SW409, SW410.</p>	<p>Complied</p>

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Criterion / Indicator	Assessment Findings	Compliance
<p>5.3.2 All chemicals and their containers shall be disposed of responsibly. - Major compliance -</p>	<p>The disposal of used chemicals and containers were done in accordance with their schedule on waste management as planned. Stores for scheduled waste were inspected at audited sites i.e. Mill and disposal was done by scheduled waste disposal company authorized and licensed by Department of Environment. e.g. for POM by Kualiti Alam Sdn Bhd and following disposal records were verified. a. Consignment note (doc no: 0108803) dated 14 October 2017; SW305 b. Consignment note (doc no: 0104203) dated 4 April 2017; SW305</p> <p><u>Sindora Estate</u> Disposal records checked on 14/10/17: i)SW409, CN# 0109398 ii)SW410, CN# 0109399 iii)SW305, CN# 0000666 iv)SW307, CN# 0000667</p> <p><u>Sg Papan Estate</u> Disposal record is based on ESWiS consignment. Consignment number# SW307, 2017100809PVNGLW dated 8/10/17 SW408, consignment# 201710080949FTH0 dated 8/10/17 SW410, consignment# 201700809PV6H74 dated 8/10/17 SW305, consignment# 2017100809YHJ0QK dated 8/10/17</p>	<p>Complied</p>
<p>5.3.3 A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented. - Minor compliance -</p>	<p>Domestic waste disposal at field 06, block 1, Sindora Estate shared with Sindora POM. Waste collection at line site carried out 3 times per week.</p> <p>Clinical waste disposed through license contractor. Latest disposal was done on 3/10/17 and collected by Kualiti Alam Sdn Bhd. Refer to consignment note# 0175917. Quantity generated and disposal records were maintained.</p> <p>Domestic waste disposal at field 03, block 3, Sg Papan Estate. Waste collection at line site carried out 3 times per week.</p> <p>Clinical waste disposed through license contractor. Latest disposal was done on 11/10/17 and collected by Kualiti Alam Sdn Bhd. Refer to consignment note# 0175917. Quantity generated and disposal records were maintained</p>	<p>Complied</p>
<p>Criterion 5.4: Efficiency of fossil fuel use and the use of renewable energy is optimised.</p>		

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5.4.1	A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored. - Minor compliance -	Plan for improving efficiency of the use of fossil fuels (diesel) and to optimise renewable energy (RE) is in place and monitored. Summary of renewable energy and fossil fuel usage recorded as below: <table border="1"> <thead> <tr> <th>Year</th> <th>RE</th> <th>Diesel</th> </tr> </thead> <tbody> <tr> <td>2017 todate</td> <td>0.36 kWh/mt</td> <td>0.46 liter/mt</td> </tr> </tbody> </table>	Year	RE	Diesel	2017 todate	0.36 kWh/mt	0.46 liter/mt	Complied
Year	RE	Diesel							
2017 todate	0.36 kWh/mt	0.46 liter/mt							
Criterion 5.5: Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice.									
5.5.1	There shall be no land preparation by burning, other than in specific situations as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Major compliance -	There is no land preparation by burning at Sindora Estate. Sustainability handbook was described on Environmental policy including Zero open burning policy dated January 2008. Management complying with the Malaysian environmental law –EQA and Regulations 1974. Site visit at P17A and P17B, the management used mechanization to do felling and chipping the palms.	Complied						
5.5.2	Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Minor compliance -	There is no land preparation by burning at Sindora Estate. Site visit at P17B, the management used mechanization to do felling and chipping the palms.	Complied						
Criterion 5.6: Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.									

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<p>5.6.1</p> <p>An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4).</p> <p>- Major compliance -</p>	<p>For Sindora Mill, Ambient Air quality monitoring and Air emission monitoring has been carried out as per required frequency stipulated in mill's compliance schedule. In addition, smoke density meters were calibrated consistently every 6 monthly. Results of monitoring as follows:</p> <p>i) Stack monitoring, twice per year</p> <p>Stack# 4: 22nd May 2017, refer to report, E/SE/1705/18261</p> <table border="1" data-bbox="660 651 1299 775"> <thead> <tr> <th>Parameter</th> <th>Result</th> </tr> </thead> <tbody> <tr> <td>Solid particle, g/Nm3 @ 12% CO2</td> <td>0.019</td> </tr> </tbody> </table> <p>Stack# 3: 26th November 2016, refer to report, E/SE/1610/16829</p> <table border="1" data-bbox="660 896 1299 1019"> <thead> <tr> <th>Parameter</th> <th>Result</th> </tr> </thead> <tbody> <tr> <td>Solid particle, g/Nm3 @ 12% CO2</td> <td>0.012</td> </tr> </tbody> </table> <p>ii) Smoke density meter calibration, twice per year (6 monthly)</p> <p>1st half: refer to calibration certificate# 16016 by Scienotech. Calibration date: 20/4/16 valid until 20/10/17</p> <p>vi) Ambient Air (quarterly) Total Suspended Particulate, TSP (limit 24hr: 150 ug/m3 as per Malaysian Recommended Air Quality Quidelines). 2 monitoring points were selected.</p> <p>21-22 August 2017: A1-87, A2-89 (refer to report# ETD/A/KSS/2017-08-/16472)</p> <p>22-23 May 2017: A1-92, A2-94 (refer to report# ETD/A/KSS/2017-05-/16026)</p> <p>Noise boundary (6 monthly frequency) done by internal team (engineering department)</p> <p>Q2 (21/6/17): 5 boundary points selected for monitoring. All monitored point in within the allowable limit of 65 dBA (day) and 55 dBA (night)</p> <p>Q1 (29/3/17): 5 boundary points selected for monitoring. All monitored point in within the allowable limit of 65 dBA (day) and 55 dBA (night)</p>	Parameter	Result	Solid particle, g/Nm3 @ 12% CO2	0.019	Parameter	Result	Solid particle, g/Nm3 @ 12% CO2	0.012	<p>Complied</p>
Parameter	Result									
Solid particle, g/Nm3 @ 12% CO2	0.019									
Parameter	Result									
Solid particle, g/Nm3 @ 12% CO2	0.012									

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5.6.2 Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. - Major compliance	Main source of significant pollutants and greenhouse gas (GHG) identified was methane (CH ₄) emission through POME treatment. Other less significant GHG emissions identified including CO _x , SO _x and NO _x from various sources including fossil fuel, chemical and fertilizer consumptions. As to reduce pollutant from boiler stack emission, CAPEX has been allocated for emission control system to further reduce the emission limit to comply with Clean Air Regulation 2014.	Complied
5.6.3 A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools. - Minor compliance -	Monitoring of the GHG quantity was done through RSPO approved calculator Palm GHG. Annual quantification of all GHG sources was input into the calculator. These calculations were done in HQ level where GHG calculations were done as per certification unit basics.	Complied
<p>Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and millers.</p>		
<p>Criterion 6.1: Aspects of plantation and mill management that have social impacts, including replanting, are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.</p>		
6.1.1 A social impact assessment (SIA) including records of meetings shall be documented. - Major compliance -	<p>Social Impact Assessment has been carried out by Sustainability team of Kulim (M) Berhad for all the complexes on 9/4/2017 and report was issued on 1/10/2017. The assessment was conducted by interview with neighbouring school representative, internal workers, sundry shop's owner and head of settlers. Seen the checklist that been utilized by the team to interview with the stakeholders based on the criteria such as child labour, discrimination, working and housing condition, safety and health issue, policies and etc.</p> <p>An additional SIA was done on 25-27/4/2016 by Malaysian Environmental Consultants Sdn Bhd in Sindora Estate. The assessment was done through interviewed with stakeholders, field observation and document review. The target groups were employees working in the plantation, contractors and suppliers, local authorities and stakeholders and etc. Seen the responses from the participated stakeholders on the issues such as housing, water and sanitation, education, medical and health facilities, OSH, pay and condition and etc.</p>	Complied
6.1.2 There shall be evidence that the assessment has been done with the participation of affected parties. - Major compliance -	Seen the interview checklist that have been utilized during the SIA process. All of them have no issue with the management. The assessment has been involved the participation of relevant stakeholders.	Complied

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6.1.3	<p>Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation.</p> <p>- Major compliance -</p>	<p>The mill has generated a management plan for Y2017 on 1/10/2017. No negative impact was highlighted by the relevant stakeholders during SIA process. However, the plan has yet to include the promotion of positive impacts.</p> <p>Sindora Estate has developed improvement plan for SIA to mitigate the negative impacts. For eg: The existing crèche is outdated and looked old, it needs repainting and maintenance. Action that has been taken are repainting of the crèche was carried out on October 2016. Verified through site visit to the crèche and found it was repainted.</p> <p>However, the plan has yet to include the promotion of positive impacts.</p> <p>Thus, a major non-conformance was raised.</p>	Major nonconformance
6.1.4	<p>The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the review has concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties.</p> <p>- Minor compliance -</p>	<p>The management plan was reviewed on yearly basis and the last review was conducted on 1/10/2017 for mill and Sg. Papan Estate and 12/12/2016 for Sindora Estate.</p>	Complied
6.1.5	<p>Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme).</p> <p>- Minor compliance -</p>	<p>No scheme smallholders involved the Sindora Certification Unit.</p>	Not applicable
<p>Criterion 6.2: There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.</p>			
6.2.1	<p>Consultation and communication procedures shall be documented.</p> <p>- Major compliance -</p>	<p>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 communication are such as muster call, meeting with representatives, inspections, suggestion boxes, memo and etc. In addition, meeting with stakeholders and telephone are the modes of communication with external stakeholders.</p>	Complied

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6.2.2 A management official responsible for these issues shall be nominated. - Minor compliance -	<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>Supervisor of the Mill has been appointed as Social Officer to in charge any issues related to social in the mill. The appointment letter dated 15/11/2016 was sighted.</p> <p>Senior Assistant Manager from Sindora Estate and Second Clerk from Sg. Papan Estate was appointed as person in charge of Social issue in the estate. The appointment letter dated 10/1/2017 and 1/1/2017 was sighted.</p>	Complied

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<p>6.2.3</p> <p>A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained. - Minor compliance -</p>	<p>Stakeholder list was generated where stakeholders such as suppliers and contractors, neighbouring plantations, government authorities and etc was included into the list. The last update of the list was on 9/8/2017.</p> <p>A combine stakeholder meeting was conducted on 11/10/2017 with the participation from stakeholders such as neighboring plantations, school’s representatives, contractors and suppliers and etc for Sindora POM and Sindora Estate. Meeting minutes and attendance list was sighted. Issues raised by the neighbouring plantations are resolved and seen the action taken as below:</p> <ul style="list-style-type: none"> a. Issue: To construct electric fencing to prevent encroachment of elephants to the plantations. Action: The management has constructed total 41.50km of electric fencing around the boundaries. Seen the mapping and the report for electric fencing system between MPOC, Wildlife Department and Felda conducted on 4/4/2017. Besides, seen the terms of installation of electric fencing issued by Suruhanjaya Tenaga with Serial No.: ST(Kaw/J)(4-15) dated 4/10/2015. In addition, contract agreement signed between the company and the contractor to install the electric fencing was sighted with Contract No.: MPSB/LSA 6/2016. b. Issue: To construct guard post to prevent stolen case of FFB. Action: Guard post was constructed on January 2017 in between the estate and neighbouring plantation. Seen the photo evident of the guard post at field P15A. <p>Besides, stakeholder meeting with the FFB suppliers was held on 23/1/2017. Issues were raised such as below:</p> <ul style="list-style-type: none"> a. FFB trader from NM requested the mill management to ensure the grading of FFB to be done in a proper way and informed the result as soon as possible. b. FFB trader MS hoped that the management will not limited the quota to send the FFB during peak crop season as it was difficult for him to send the crop and will affected the crop quality. <p>Immediate reply from the manager to the FFB suppliers was given during the meeting. Besides, action has been taken such as monitoring of grading by Assistant Manager. The mill also in progress of upgrading the throughput to 45 mt/hr in order to process more crop.</p> <p>A meeting with contractors from Sindora Estate was held on 12/10/2017. Total of 9 participants in the meeting and seen the meeting minutes. No issue was raised during the meeting. The contractors were aware of the safety and health requirements as well as RSPO requirements.</p> <p>Stakeholder meeting was conducted on 1/2/2017 with the participation from stakeholders such as contractors, clinic representative, school representatives and etc in Sg. Papan Estate. Issues raised by the stakeholder were resolved. Seen the evidence of work order and photo evident that the actions have been taken.</p>	<p>Complied</p>

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<p>Criterion 6.3: There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all effected parties.</p>		
<p>6.3.1</p>	<p>The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested. - Major compliance -</p> <p>Kulim (Malaysia) Berhad has implemented SPO Grievance Procedure dated 4/9/2007. The objective of the procedure is to ensure that Kulim has a documented system for dealing with complaints and grievances that is agreeable to all sides and accepted by all stakeholders. The management shall process and resolve the complaints within 25 work days. Extension of time limits may be authorized upon request to the Human Resources. The dispute resolution mechanisms are established through open and consensual agreements with affected parties.</p> <p>Besides, the company has developed Right of Employees Policy dated 8/1/2017 where the company will establish, implement and monitor a documented grievance procedure which will be made accessible to all our employees.</p> <p>In addition, the company also developed Grievance Policy dated 1/1/2008 where the company will resolved all the grievances and unsatisfied to ensure good relationship.</p>	<p>Complied</p>

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<p>6.3.2</p> <p>Documentation of both the process by which a dispute was resolved and the outcome shall be available. - Major compliance –</p>	<p>Enquiry Register to lodge complaints from internal and external stakeholders was implemented. No complaint was recorded since last audit for Sindora POM.</p> <p>Besides, Housing Damage report was implemented as well in the mill. The workers will reported using the form whenever they have issue on the housing such as malfunction of lamp, broken of toilet door and etc. Actions have been taken to resolve the complaints and the complainants have acknowledged on the form after the complaints have been resolved. Sampled of complaints as below:</p> <ul style="list-style-type: none"> a. House No. M 24 – Lamp at bedroom and at the front entrance was malfunction reported on 14/8/2017. The wireman has repaired the malfunction items on 16/8/2017 and seen the acknowledgement from the complainant. b. House No. M 34 – The lock as the front door and door at toilet was broken reported on 4/8/2017. The carpenter has repaired the relevant items on 15/8/2017 and the complainant has signed on 15/8/2017 after action has been taken. <p>Sindora Estate has implemented Enquiry Register to record any requests and complaints from internal and external stakeholders. Sampled of enquiries and complaints as below:</p> <ul style="list-style-type: none"> a. Enquiries Ref. No.: 3/17 – The supervisor has reported that the replanting area was encroached by elephants and tress were damaged by them on 12/4/2017. The management has taken action to install the electric fencing to prevent the encroachment of electric fencing. b. Enquiries Ref. No.: 2/17 – The worker has requested for the usage of community hall for the wedding ceremony on 25/3/2017. The management has approved the request. 	<p>Complied</p>
<p>Criterion 6.4: Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.</p>		
<p>6.4.1</p> <p>A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. - Major compliance -</p>	<p>Kulim (M) Berhad has established SOP for Rights to Use the Land Program dated 4/9/2007. Furthermore, SOP for Negotiations Concerning Compensation Program dated 4/9/2007 was developed. The Sustainability Department and Property Department is responsible for ensuring local rights for land use are not reduce and ensuring records of local communities giving their free, prior and informed consent. The company also ensure that any negotiations with regards to compensation for loss of local rights are dealt with fairly.</p>	<p>Complied</p>

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6.4.2	SOP as per criteria 6.4.1.	Complied
6.4.3	No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported during the time of audit. The neighbourhood near to the plantations are other plantation companies such as FELDA, Tabung Haji, local villagers and forest.	Complied
Criterion 6.5: Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.		

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Criterion / Indicator	Assessment Findings	Compliance
<p>6.5.1 Documentation of pay and conditions shall be available. - Major compliance -</p>	<p>The mill and estates consist of local workers, foreign workers and contractor’s workers. The management has included basic pay, net pay, gross pay, deduction of salary, days of attended to work and etc on the pay slip. Payslip for March 2017 (lowest crop), May 2017 and July 2017 (highest crop) based on the crop summary for direct employment workers was sampled as below:</p> <ul style="list-style-type: none"> a. Employee No.: 623124 (SPOM) b. Employee No.: 623174 (SPOM) c. Employee No.: 623024 (SPOM) d. Employee No.: 623089 (SPOM) e. Employee No.: 623017 (SPOM) f. Employee No.: 623166 (SPOM) g. Employee No.: 623140 (SPOM) h. Employee No.: 680339 (SE) i. Employee No.: 680308 (SE) j. Employee No.: 622992 (SE) k. Employee No.: 622474 (SE) l. Employee No.: 680321 (SE) m. Employee No.: 680231 (SE) n. I/C No.: 75XXXX-XX-6475 (SE Contractor’s Worker) o. I/C No.: 60XXXX-XX-5877 (SE Contractor’s Worker) p. Employee No.: 625012 (SPE) q. Employee No.: 625055 (SPE) r. Employee No.: 625030(SPE) s. Passport No.: AT 993554 (SPE Contractor’s Worker) t. Passport No.: AT 799800 (SPE Contractor’s Worker) u. Passport No.: AU 057213 (SPE Contractor’s Worker) v. Passport No.: AT 746967 (SPE Contractor’s Worker) <p>All the sampled workers have achieved the Minimum Wage Order 2016. Besides, interviewed with the workers confirmed that they understood of their deduction of salary and entitlement of double rate if work on public holiday.</p> <p>The mill has obtained permit from Labour Office to make deduction of salary for water, electricity, NUPW subscription fees, insurance and some other funds. For eg:</p> <ul style="list-style-type: none"> a. Serial No.: PP3/29/008/2009 dated 20/2/2009 for deduction of electricity not more than RM 50 per person. b. Ref. No.: Ruj(8) dlm. JTK/KG/10103/04292 dated 24/11/2015 for deduction of NUPW, Tabung Haji Funds and Amanah Saham funds. c. Ref. No.: TK(NJ)PERMIT/2008/AM/S.24 JLD 2(65) dated 30/11/2009 for deduction of Khairat Keluarga fund. d. Ref. No.: (1) dlm. JTK/KG/1010305035 dated 24/11/2014 for deduction of water, electricity, great eastern insurance and etc. 	<p>Major nonconformance</p>

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	<p>Sindora Estate has obtained permit from Pejabat Tenaga Kerja Kluang to deduct workers' salary for mosque fund, water and electricity bill, insurances, NUPW subscription fee and etc. The permit with Ref. No.: (1)d/m.JTK/KG/1010305035 dated 24/11/2014.</p> <p>Sindora Estate & Sungai Papan Estate:</p> <p>Interviewed with the following workers (harvesters) in both estates found that they were worked on rest day (Saturday) for month July - September 2017 were not paid twice his ordinary rate per piece as per the Employment Act 1955, Subsection 60 (3) (d) as below:</p> <ul style="list-style-type: none"> a. Employee No.: 680333 (Sindora Estate) b. Employee No.: 680229 (Sindora Estate) c. Employee No.: 680355 (Sindora Estate) d. Employee No.: 680442 (Sindora Estate) e. Employee No.: 625889 (Sg Papan Estate) f. Employee No.: 625955 (Sg Papan Estate) g. Employee No.: 626018 (Sg Papan Estate) h. Employee No.: 626049 (Sg Papan Estate) i. Employee No.: 626063 (Sg Papan Estate) j. Employee No.: 625683 (Sg Papan Estate) k. Employee No.: 625798 (Sg Papan Estate) l. Employee No.: 625901 (Sg Papan Estate) m. Employee No.: 625902 (Sg Papan Estate) n. Employee No.: 626002 (Sg Papan Estate) <p>In addition, document reviewed on the Harvesting Interval Record Book in Sungai Papan Estate found that they harvested on the following field on the respective rest day:</p> <ul style="list-style-type: none"> i) July 2017 – 8/7/2017 (P13, P04), 15/7/2017 (P08A, P03) and 22/7/2017 (P03, P09A) ii) August 2017 – 12/8/2017 (P14, P09A, P05), 19/8/2017 (P08A, P03, P09A) and 26/8/2017 (P08A, P12, P03, P09A) iii) September 2017 – 9/9/2017 (P05) and 16/9/2017 (P14, P03, P04, P09A) <p>However, in the checkroll attendance book and payslip found that they were not recorded for the turned up of work on rest day. The tonnage they harvested on rest day were brought forward to Sunday which paid as normal rate but were not paid twice his ordinary rate per piece even though they harvested on rest day. Besides, in the employment contract signed by workers under Clause 2 (iv) has stated if they work on rest day, they are entitled with double of their rate.</p> <p>Thus, a major non-conformance was raised.</p>	

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Criterion / Indicator	Assessment Findings	Compliance
<p>6.5.2</p> <p>Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.</p> <p>- Major compliance -</p>	<p>Employment contracts are available in language that understood by workers. The contract has detailing the payments whereas the employment conditions such as period of working, working hour, medical assistance, holiday and annual leave, termination of services and etc. The contract was signed by the workers and sampled as below:</p> <ul style="list-style-type: none"> a. Employee No.: 623124 (SPOM) b. Employee No.: 623174 (SPOM) c. Employee No.: 623024 (SPOM) d. Employee No.: 623089 (SPOM) e. Employee No.: 622474 (SE) f. Employee No.: 622614 (SE) g. Employee No.: 680362 (SE) h. Employee No.: 680339 (SE) i. Employee No.: 680308 (SE) j. Employee No.: 680231 (SE) k. I.C No.: 75XXXX-XX-6475 (SE Contractor's Worker) l. I.C No.: 60XXXX-XX-5877 (SE Contractor's Worker) m. Passport No.: B5784785 (SE Contractor's Worker) n. Passport No.: A7959982 (SE Contractor's Worker) o. Employee No.: 625899 (SPE) p. Employee No.: 625033 (SPE) q. Employee No.: 625903 (SPE) r. Employee No.: 626031 (SPE) s. Employee No.: 626032 (SPE) t. Passport No.: AT 945127 (SPE Contractor's Worker) u. Passport No.: AU 057213 (SPE Contractor's Worker) <p>Besides, extension contracts for foreign workers who have worked more than 2 years were available and valid for another 2 years. The extension contract has stated the terms and conditions of their extension is according to the original contract signed. Sampled of extension contract as below:</p> <ul style="list-style-type: none"> a. Employee No.: 623117 (SPOM) b. Employee No.: 623118 (SPOM) c. Employee No.: 623140 (SPOM) d. Employee No.: 623166 (SPOM) e. Employee No.: 625573 (SPE) f. Employee No.: 625792 (SPE) g. Employee No.: 626050(SPE) h. Employee No.: 625928 (SPE) <p>The mill has obtained permit from Labour Office to allow the employees to work overtime not exceeded 130 hours with the Ref. No.: JTK/KG/10103 04292/151421/31152(20) dated 17/7/2012. Document reviewed on the overtime record books found that no workers have worked more than 130 hours of overtime per month.</p>	<p>Complied</p>

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6.5.3 Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. - Minor compliance –	<p>The company has provided free medical assistance to all the workers and their families. Electricity and water are subsidized by the company at certain units. Crèche was provided without any charges for the workers’ children during working hour. Basic amenities such as football field, mosque, community hall and etc was provided.</p> <p>Linesite inspection was carried out on weekly basis by Supervisor using the checklist in Sindora POM. The last inspections were carried out on 18/9/2017, 24/9/2017, 1/10/2017 and 8/10/2017. The inspection checklist will be approved by the senior executive of the mill.</p> <p>For Sindora Estate, the Medical Assistant has carried out Linesite inspection on weekly basis where the last inspections were carried out on 11/10/2017, 4/10/2017, 27/9/2017 and 21/9/2017.</p>	Complied
6.5.4 Growers and millers shall make demonstrable efforts to monitor and improve workers’ access to adequate, sufficient and affordable food. - Minor compliance –	<p>There is a sundry shop located in the estate’s compound. Site visit to the shop found that price was displayed on a whiteboard and on the item itself. Besides, the estates also near by the Felda community and villages where there was few shops in the area. It is easily access by the workers. Interviewed with the workers found that they were satisfied with the pricing.</p>	Complied
<p>Criterion 6.6: The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.</p>		
6.6.1 A published statement in local languages recognising freedom of association shall be available. - Major compliance -	<p>Kulim (Malaysia) Berhad has developed Right of Employees Policy dated 8/1/2017 where the company recognize and respects the rights of employees to form and/ or join trade unions of their choice which are given due recognition by KULIM. The policy has been displayed at the notice board outside the notice board.</p>	Complied
6.6.2 Minutes of meetings with main trade unions or workers representatives shall be documented. - Minor compliance -	<p>The workers in the mill are allowed to join/ form AMESU and NUPW association. Meeting between the representatives and the management was conducted on 28/7/2017. Total 12 participants were involved in the meeting. Issues were raised during the meeting and seen the action plan for the issues raised. Some issues have been resolved such as the fire drill was conducted for the housewives on 4/10/2017. Seen the training record for the fire drill program such as attendance list, training material and evidence of photos.</p> <p>Meeting with NUPW representatives was last held on 4/9/2017 with total 8 participants. No issue was raised during the meeting. The management also seek consensus from the representatives to postpone the incident holiday on 4/9/2017 to 27/9/2017. The representatives were agreed with the suggestion.</p> <p>There was a meeting between NUPW representatives and the management held on 19/9/2017. No issue was raised during the meeting through document reviewed on the meeting minutes.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
Criterion 6.7: Children are not employed or exploited.			
6.7.1	There shall be documentary evidence that minimum age requirements are met. - Major compliance -	Kulim (Malaysia) Berhad has implemented Kulim Sustainability Handbook (People – Planet – Profit) version June 2007. The company will comply with Core Labour Standards where the company will not engage in or support the use of child labour as defined by Malaysian law and will provide adequate support to enable children of its employees to attend and remain in school until no longer a child. Interviewed with the workers confirmed that the company has provided free transportation to send the children to school daily. Document verified the master list of employees with date of birth and date joined found that the workers are all above 18 years old.	Complied
Criterion 6.8: Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.			
6.8.1	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. - Major compliance -	Kulim (Malaysia) Berhad has developed Right of Employees Policy dated 8/1/2017 signed by Executive Director, En. Zulkifly Zakariah. The company will not engage in nor support discrimination in any form. The company also does not support and will not engage in the use of corporate punishment, mental or physical coercion, and verbal abuse. The policy has been displayed at the notice board outside the notice board.	Complied
6.8.2	Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against. - Major compliance -	Through document reviewed on the list of employees found that the composition of workers are local, foreign workers, male and female workers. Interviewed with the sampled female and male workers from different nationalities confirmed that no discrimination was happened. They are allowed to transfer work station by getting approval from management if they felt unfit on the work assigned. Besides, verified the payslips for female and male workers found that they were paid according to Minimum Wage Order 2016 without discrimination on gender.	Complied
6.8.3	It shall be demonstrated that recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. - Minor compliance -	Kulim (Malaysia) Berhad has developed a Manual Procedure on Recruitment of New Foreign Workers by Estate Operations Department. The procedure is to ensure the new foreign workers recruited for the operating units are legal which according to Immigration Act 1959/1963. Besides, a procedure of Receiving New Foreign Workers at Operating Unit with Circular No. 6/2009 dated 11/5/2009 was sighted.	Complied
Criterion 6.9: There is no harassment or abuse in the work place, and reproductive rights are protected.			
6.9.1	Policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. - Major compliance -	Kulim (Malaysia) Berhad has developed a Policy Statement on Preventive and Extermination of Sexual Harassment in Workplace dated 1/1/2008. Kulim will ensure the company is free from any types of sexual harassment in the workplace and does not based on any status, gender or position of the employees. The policy has been displayed at the notice board and briefed to the employees during Weekly Morning Assembly.	Complied

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Criterion / Indicator	Assessment Findings	Compliance
6.9.2 A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce. - Major compliance -	Kulim (Malaysia) Berhad has implemented Right of Employees Policy dated 8/1/2017 where the company recognizes and respects the rights of employees of their rights and freedoms relating to reproduction and reproductive health that will include the right to make decision concerning reproduction; free of discrimination, coercion and violence as long as it is not against the law, rules and regulations of the country. The policy has been displayed at the notice board and briefed to all the employees during Weekly Morning Assembly.	Complied
6.9.3 A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. - Minor compliance -	The company has established Women on Wards (WOW) for Sindora Complex. Seen the organization chart which led by Pn. Shereen. Besides, the mill has also established own committee and the last meeting was conducted on 26/1/2017 and meeting was conducted on 20/1/2017 for Sindora Estate. Seen the meeting minutes and no issue was raised. A procedure on sexual harassment has been developed and to be utilized if there is any sexual harassment case reported. In addition, activities such as religion activity was held on 12/6/2017 for WOW Complex Sindora.	Complied
Criterion 6.10: Growers and mills deal fairly and transparently with smallholders and other local businesses.		
6.10.1 Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. - Minor compliance -	The mill has displayed the FFB pricing from January to September 2017 at the weighbridge area. The pricing was according to MPOB set price. Grading guideline according to MPOB was publicly displayed at the weighbridge area.	Complied
6.10.2 Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation). - Major compliance -	FFB price calculation was documented in the contract agreement signed by the FFB suppliers. The calculation is based on the monthly spot month average prices of CPO and Palm Kernel for Peninsular Malaysia declared by MPOB. The monthly payments were made in three instalments. First instalment was made on or before 15th of the month for FFB delivered in first 10 days. Second instalment was made on or before 25th of the month for the next 10 days crop received and the last payment was made on or before 7th day of the following month. Sampled of the contract agreement signed by the FFB traders as below: a. Eng Lee Heng Trading Sdn Bhd dated 15/11/2016 which valid from 1/1/2017 – 31/12/2017. b. Nilai Megah Sdn Bhd dated 15/11/2016 which valid from 1/1/2017 – 31/12/2017.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
6.10.3	Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. - Minor compliance -	Sampled of contract agreements that signed by the contractors as below: a. Contract No.: MPSB/CPO 1/2016 (Olimpik) dated 4/4/2016 which valid until 28/2/2018 for transporting of CPO from plantations to refineries. b. Contract No.: MPSB/CPO 1/2016 (SS) dated 5/4/2016 which valid until 28/2/2018 for transporting of CPO from plantations to refineries. c. Contract No.: MPSB/LSA 1/2017 dated 28/2/2017 which valid until 31/1/2019 for supply workers to load and transport of FFB from field to mill.	Complied
6.10.4	Agreed payments shall be made in a timely manner. - Minor compliance -	The payment will be paid by head office upon received invoice from the contractors. The payment of fees will be made within 30 days from the date of certification of submitted invoices. Interviewed with the contractors and suppliers confirmed that the payment was made promptly according to the contract agreement.	Complied
Criterion 6.11: Growers and millers contribute to local sustainable development where appropriate.			
6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. - Minor compliance -	The mill and estates has made contribution to the local communities and government authorities upon written requests from the stakeholders. For eg: The mill has made monetary contribution for the Environment Day in state level on 25/9/2017. Payment voucher of the donation was sighted. Besides, mosque at the estate has requested for donation to hold the religion event on 5/1/2017. The mill has made contribution and seen the payment voucher dated 5/1/2017. The company also subsidized 50 kWh for every house on every month and 35 gallons of water for every workers/ day. Sindora Estate has made contribution such as donation to school for gotong-royong activity on 21/5/2017, sport day with the children and etc.	Complied
6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. - Minor compliance -	There is no scheme smallholders involved in the certification unit.	Not applicable
Criterion 6.12: No forms of forced or trafficked labour are used.			

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Criterion / Indicator	Assessment Findings	Compliance
<p>6.12.1</p> <p>There shall be evidence that no forms of forced or trafficked labour are used. - Major compliance -</p>	<p>Kulim (Malaysia) Berhad has developed People Policy and printed in the Kulim Sustainability Handbook version June 2017 where the company will not engage in or support of forced labour in all the operations and administrations.</p> <p>The company has recruited all the employees with legal identification for local and valid passport and work permit for foreign workers and contract workers. Contract of employment was signed by the workers prior to work. Sampled of foreign workers with valid work permit as below:</p> <ul style="list-style-type: none"> a. Permit No.: PD 7528575 valid until 3/3/2018 (SPOM) b. Permit No.: PD 6238173 valid until 6/2/2018 (SPOM) c. Permit No.: PD 7780028 valid until 3/3/2018 (SPOM) d. Permit No.: PD 7227904 valid until 12/1/2018 (SPOM) e. Permit No.: PD 7780017 valid until 4/2/2018 (SPOM) f. Permit No.: PD 7135256 valid until 27/12/2017 (SE) g. Permit No.: PD 7529955 valid until 6/3/2018 (SE) h. Permit No.: PD 6749679 valid until 6/11/2017 (SE) i. Permit No.: PD 8840500 valid until 6/8/2018 (SE) j. Permit No.: PD 7911068 valid until 22/5/2018 (SE Contractor’s Worker) k. Permit No.: PD 7981680 valid until 27/4/2018 (SE Contractor’s Worker) l. Permit No.: PD 8250185 valid until 21/6/2018 (SE Contractor’s Worker) m. Permit No.: PD 8023088 valid until 5/5/2018 (SPE) n. Permit No.: PD 7377830 valid until 27/1/2018 (SPE) o. Permit No.: PD 8272393 valid until 18/6/2018 (SPE) p. Permit No.: PD 7667282 valid until 18/4/2018 (SPE Contractor’s Worker) q. Permit No.: PD 6215321 valid until 25/1/2018 (SPE Contractor’s Worker) r. Permit No.: PD 5744699 valid until 20/12/2017 (SPE Contractor’s Worker) <p>The workers have signed on the consent letter to authorize the company to safe keeping their passport to prevent damage and loss voluntarily. Interviewed with the workers verified they are allowed to take back their passport whenever they requested.</p>	<p>Complied</p>
<p>6.12.2</p> <p>Where applicable, it shall be demonstrated that no contract substitution has occurred. - Minor compliance –</p>	<p>Interviewed with the foreign workers confirmed that no contract substitution has occurred. The position offered and salary promised in their home country by the agent are identical with the contract they signed in Kulim (Malaysia) Berhad.</p>	<p>Complied</p>

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Criterion / Indicator	Assessment Findings	Compliance
6.12.3 Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented. - Major compliance -	<p>Kulim (Malaysia) Berhad has developed Kulim Sustainability Handbook and policies which included the following aspects:</p> <ul style="list-style-type: none"> a. The company will treat their people with respect, dignity and fairness stated in People Policy and will not engage in nor support discrimination in any form stated in Rights of Employee Policy. b. The company will puts high priority on employees' trainings and educations stated in the Handbook and provide induction training stated in the Procedure of Receiving New Foreign Workers at Operating Unit. c. The company will provide housing and basic amenities according to the minimum statutory requirements stated in Handbook. <p>However, there was no specific policy and procedures stated no contract of substitution was practice in the company.</p> <p>Thus, a major non-conformance was raised.</p>	Major nonconformance
<p>Criterion 6.13: Growers and millers respect human rights.</p>		
6.13.1 A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1). - Major compliance -	Kulim (M) Berhad has implemented Kulim Sustainability Handbook under Core Labour Standards. People Policy was developed where the company is committed to develop their people to ensure their career success. They treat all their people with respect, dignity and fairness.	Complied
6.13.2 As long as children of foreign workers in Sabah and Sarawak are ineligible to attend government school, the plantation companies should engage in a process to secure these children access to education as a moral obligation.	Not applicable.	Not applicable
<p>Principle 7: Responsible development of new plantings</p>		
<p>There is conversion of the rubber trees to oil palm on the area that has been previously certified at Sindora Estate.</p>		
<p>Criterion 7.1: A comprehensive and participatory independent social and environmental impact assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.</p>		
7.1.1 An independent social and environmental impact assessment (SEIA), undertaken through a participatory methodology including the relevant affected stakeholders, shall be documented. - Major compliance -	SIA was done on 25-27/4/2016 by Malaysian Environmental Consultants Sdn Bhd in Sindora Estate. The assessment was done through interviewed with stakeholders, field observation and document review. The target groups were employees working in the plantation, contractors and suppliers, local authorities and stakeholders and etc. Seen the responses from the participated stakeholders on the issues such as housing, water and sanitation, education, medical and health facilities, OSH, pay and condition and other related matters.	Complied

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Criterion / Indicator	Assessment Findings	Compliance
7.1.2 Appropriate management planning and operational procedures shall be developed and implemented to avoid or mitigate identified potential negative impacts. - Minor compliance -	A Standard Operating Guidelines for Conversion of Old Crops other than Oil Palm to Oil Palm, Ref. No. SSD: CONVERSION GUIDELINES dated January 2017. The procedure's guidelines outlined the sustainability and agricultural activities in the removal of old crop stands (Other than oil palm), preparation in getting the land ready for new planting of young oil palm trees. The company shall decide on the need to replant or convert of any old crops area to oil palm stands on the estate and the decision shall be discussed through annual replanting committee. Besides, Kulim (Malaysia) Berhad also developed a SOP for New Planting Plans version SSD, Jan 2017 Appendix A. Impacts of all major planned activities are included into the procedure.	Complied
7.1.3 Where the development includes an outgrower scheme, the impacts of the scheme and the implications of the way it is managed shall be given particular attention. - Minor compliance -	There was no outgrower scheme included in Sindora Estate land development.	Not applicable
Criterion 7.2: Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.		
7.2.1 Soil suitability maps or soil surveys adequate to establish the long-term suitability of land for oil palm cultivation shall be available and taken into account in plans and operations. - Major compliance -	Soil series map available for both estates visited. No other soil categorised as problematic or fragile soil. Sighted the type of soil available at Sindora Estate. Refer to soil map prepared by Agronomy, Advisory & Services Department.	Complied
7.2.2 Topographic information adequate to guide the planning of drainage and irrigation systems, roads and other infrastructure shall be available and taken into account in plans and operations. - Minor compliance -	Sighted slope map (Slope Classification Map). Slope area constructed with terrace and stop bund. Refer to slope map prepared by Agronomy, Advisory & Services Department.	Complied
Criterion 7.3: New plantings since November 2005 have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.		
7.3.1 There shall be evidence that no new plantings have replaced primary forest, or any area required to maintain or enhance one or more High Conservation Values (HCVs), since November 2005. New plantings shall be planned and managed to best ensure the HCVs identified are maintained and/or enhanced (see Criterion 5.2). - Major compliance -	The new planting plot was previously planted with rubber. The area was not categorized under HCV based on the baseline assessment 2016.	Complied

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Criterion / Indicator	Assessment Findings	Compliance
7.3.2 A comprehensive HCV assessment, including stakeholder consultation, shall be conducted prior to any conversion or new planting. This shall include a land use change analysis to determine changes to the vegetation since November 2005. This analysis shall be used, with proxies, to indicate changes to HCV status. - Major compliance -	High Conservation Value (HCV) assessment was carried on 24/1/17 – 1/5/17 for the proposed conversion area at P17A and P17B by Malaysian Environmental Consultants Sdn Bhd (MEC). Refer to report dated 1/3/2017. Landuse change was conducted for the conversion area (P17A and P17B) by Agronomy Advisory & Services Department on 27/2/2017. Refer to the report namely "Ladang Sindora Landuse change", it can conclude that there was no destruction of primary forest or HCV area during 2016 replanting program. Classification result clearly shows that the current landcover for the conversion area (rubber to oil palm) is indeed rubber, instead of primary forest or HCV area.	Complied
7.3.3 Dates of land preparation and commencement shall be recorded. - Minor compliance -	Dates of land preparation and commencement of planting was recorded and progress of planting is reported on a daily basis. Sighted the work programme for P17A and P17B. The activity at P17A for full lining before felling was done in July 2017. The planting of oil palm was completed in October 2017. The activity at P17B for felling rubber was started on Mac 2017 and still in progress to planting of oil palm seedlings.	Complied
7.3.4 An action plan shall be developed that describes operational actions consequent to the findings of the HCV assessment, and that references the grower's relevant operational procedures (see Criterion 5.2). - Major compliance -	The biodiversity improvement plan has been established and updated on yearly basis. The HCV and Biodiversity around the estate were monitored and maintained by the respective estates. Refer to criteria 5.2.4.	Complied
7.3.5 Areas required by affected communities to meet their basic needs, taking into account potential positive and negative changes in livelihood resulting from proposed operations, shall be identified in consultation with the communities and incorporated into HCV assessments and management plans (see Criterion 5.2). - Minor compliance -	It is verified that there has been no area required by affected communities to meet their basic needs, taking into account potential positive and negative changes in livelihood resulting from proposed operations at Sindora Estate conversion area. Thus consultation with communities of such nature is not applicable.	Complied
Criterion 7.4: Extensive planting on steep terrain, and/or marginal and fragile soils, including peat, is avoided.		
7.4.1 Maps identifying marginal and fragile soils, including excessive gradients and peat soils, shall be available and used to identify areas to be avoided - Minor compliance -	There is no peat soil or soil categorised as marginal or fragile soil at Sindora estates. The soil maps survey was carried out by Agronomy, Advisory & Services Department.	Complied
7.4.2 Where limited planting on fragile and marginal soils, including peat, is proposed, plans shall be developed and implemented to protect them without incurring adverse impacts. - Major compliance -	There is no peat soil or soil categorised as marginal or fragile soil at Sindora estates. The soil maps survey was carried out by Agronomy, Advisory & Services Department.	Complied

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Criterion / Indicator	Assessment Findings	Compliance	
<p>Criterion 7.5: No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their free, prior and informed consent. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.</p>			
<p>7.5.1</p>	<p>Evidence shall be available that affected local peoples understand they have the right to say 'no' to operations planned on their lands before and during initial discussions, during the stage of information gathering and associated consultations, during negotiations, and up until an agreement with the grower/miller is signed and ratified by these local peoples. - Major compliance -</p>	<p>The new planting plot was previously planted with rubber and within their certified area. There were no communities or local people establishment at the specific plot.</p>	<p>Complied</p>
<p>Criterion 7.6: Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.</p>			
<p>7.6.1</p>	<p>Documented identification and assessment of demonstrable legal, customary and user rights shall be available. - Major compliance -</p>	<p>The new planting plot was previously planted with rubber and within their certified area. There were no communities or local people establishment at the specific plot.</p>	<p>Complied</p>
<p>7.6.2</p>	<p>A system for identifying people entitled to compensation shall be in place. - Major compliance -</p>	<p>The new planting plot was previously planted with rubber and within their certified area. There were no communities or local people establishment at the specific plot.</p>	<p>Complied</p>
<p>7.6.3</p>	<p>A system for calculating and distributing fair compensation (monetary or otherwise) shall be in place. - Major compliance -</p>	<p>The new planting plot was previously planted with rubber and within their certified area. There were no communities or local people establishment at the specific plot.</p>	<p>Complied</p>
<p>7.6.4</p>	<p>Communities that have lost access and rights to land for plantation expansion shall be given opportunities to benefit from plantation development. - Minor compliance -</p>	<p>The new planting plot was previously planted with rubber and within their certified area. There were no communities or local people establishment at the specific plot.</p>	<p>Complied</p>
<p>7.6.5</p>	<p>The process and outcome of any compensation claims shall be documented and made publicly available. - Minor compliance -</p>	<p>The new planting plot was previously planted with rubber and within their certified area. There were no communities or local people establishment at the specific plot.</p>	<p>Complied</p>
<p>7.6.6</p>	<p>Evidence shall be available that the affected communities and rights holders have access to information and advice, that is independent of the project proponent, concerning the legal, economic, environmental and social implications of the proposed operations on their lands. - Minor compliance -</p>	<p>The new planting plot was previously planted with rubber and within their certified area. There were no communities or local people establishment at the specific plot.</p>	<p>Complied</p>

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Criterion / Indicator		Assessment Findings	Compliance
Criterion 7.7:			
No use of fire in the preparation of new plantings other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.			
7.7.1	There shall be no land preparation by burning, other than in specific situations, as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Major compliance -	Sustainability handbook was described on Environmental policy including Zero open burning policy dated January 2008. Management complying with the Malaysian environmental law –EQA and Regulations 1974. Based on the site visit and land clearing records, zero burning techniques are implemented during land preparation for new conversion area.	Complied
7.7.2	In exceptional cases where fire has to be used for preparing land for planting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Minor compliance -	No use of fire for land preparation for P17A and P17B planting.	Complied
Criterion 7.8:			
New plantation developments are designed to minimise net greenhouse gas emissions.			
7.8.1	The carbon stock of the proposed development area and major potential sources of emissions that may result directly from the development shall be identified and estimated. - Major compliance -	Carbon stock assessment was carried for the proposed conversion area at P17A and P17B. Refer to report dated 1/3/2017. The carbon stock estimation after conversion is lower compared to before conversion.	Complied
7.8.2	There shall be a plan to minimise net GHG emissions which takes into account avoidance of land areas with high carbon stocks and/or sequestration options. - Minor compliance -	GHG emission management and mitigation plan has been established for (P14 & P15) and (P16 and P17). Refer document dated 31/3/17 and 1/3/17. The calculation has been incorporated in palm GHG as per certification unit basis calculation. Implementation of plan was verified and still on going until end of 2017.	Complied
Principle 8: Commitment to continual improvement in key areas of activity			
Criterion 8.1:			
Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.			

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Criterion / Indicator	Assessment Findings	Compliance
<p>8.1.1</p> <p>The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria.</p> <p>As a minimum, these shall include, but are not necessarily be limited to:</p> <ul style="list-style-type: none"> • Reduction in use of pesticides(Criterion 4.6); • Environmental impacts (Criteria 4.3, 5.1 and 5.2); • Waste reduction (Criterion 5.3); • Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8); • Social impacts (Criterion 6.1); • Optimising the yield of the supply base. <p>- Major compliance -</p>	<p>Sindora POM certification unit has initiated a continual improvement plan for 2017 based on a consideration of the main social and environmental impacts and opportunities of the grower/mill. Summary of the latest improvement plan:</p> <ul style="list-style-type: none"> i) New vehicle parking bay – containment tray provided for each vehicle and parameter drain connected to oil inceptor as mitigation measure. ii) Reduce diesel consumption – maximizing the use of steam turbine and iii) New emission control system ECS/ESP system for boiler to comply with Clean Air Regulation 2014 emission standard. iv) Concrete Hardstanding - Hammer mill/shredding plant (pollution prevention for leachate containment and channelling) v) Vehicle – Mini tractor/mechanical buffalo (MB) L70 : increase crop evacuation efficiency vi) House repair – budget allocation for workers housing complex 	<p>Complied</p>

Appendix B: Approved Time Bound Plan

Project	Estate	Plan
Indonesia: PT Wisea Inspirasi Nusantara (PT WIN)	PT Harapan Barito Sejahtera (PT HBS)	2019
	PT Sawit Sumber Rejo (PT SSR)	
	PT Wahana Semesta Karisma (PT WSK)	
Indonesia: PT Agro Maku Raya (PT AMARA)	PT Nusa Persada Indonesia (PT NPI)	To be included in TBP upon completion of acquisition (expected completion in 2019)
	PT Surya Panen Subur (PT SPS)	
	PT Tempirai Palm Resources (PT TPR)	
	PT Rambang Agro Jaya (PT RAJ)	
Malaysia Trader	Eng Lee Heng	2018

List of Estate Manage by Kulim (Malaysia) Berhad

Mill Base	Kulim / Jcorp Estate	Estate	Status
Tereh Mill	Kulim Estate	Tereh Utara	Certified RSPO
		Tereh Selatan	
		Selai	
		Enggang	
		Mutiara	
		Sg Sembrong	
		Sg Tawing	
Sedenak Mill		Rengam	
		Sedenak	
		Basir Ismail	
Sindora Mill		Ulu Tiram	
		Kuala Kabong	
		REM/Pasak	
Palong Mill		Sindora	
		Sungai Papan	
		Sepang Loi	
		UMAC	
		Labis Bahru	
		Mungka	
Pasir Panjang Mill		Kulim Estate	
		Siang	
	Jcorp Estate	Bukit Kelompok	
		Tunjuk Laut	

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		Pasir Logok	
		Bukit Payung	

Appendix C: Certification Unit RSPO Certificate Details

Kulim (Malaysia) Berhad
 Sindora Palm Oil Mill
 KB 501
 86009 Kluang, Johor
 Malaysia

BSI RSPO Certificate No: RSPO 612392
 Date of Initial Certificate Issued: 23/01/2009
 Date of Expiry: 22/01/2019
 RSPO membership number: 1-0080-09-000-00
 Applicable Standards: RSPO P&C Generic 2013; RSPO Certification System June 2007 (revised March 2011); Annex 4: Procedure for Annual Surveillance; RSPO P&C MY-NIWG 2014; RSPO Supply Chain Certification Standard November 2014 Module E – CPO Mill: Mass Balance

Sindora Palm Oil Mill and supply base					
Location Address	Sindora Palm Oil Mill, 86009 Kluang, Johor, Malaysia				
GPS Location	103° 27' 44.32" E ; 1° 59' 7.34" N				
CPO Tonnage Total	25,899.84 mt				
PK Tonnage Total	6,906.68 mt				
CPO Claimed for Certification*	25,899.84 mt				
PK Claimed for Certification *	6,906.68 mt				
Own estates FFB Tonnage	121,737.00 mt				
Scheme Smallholder FFB Tonnage	-				
Estates	Production Area		Other use (ha)	Certified Area / Total land lease (ha)	Annual FFB Production (mt)
	Mature (ha)	Immature (ha)			
Sindora Estate	2,203.86	1,194.57	520.63	3,919.06	36,155
Sungai Papan Estate	2,477.5	136.57	411.81	3,025.88	59,784
REM Estate	1,314.7	434.91	491.5	2,241.11	25,798
Total	5,996.06	1,766.05	1,423.94	9,186.05	121,737

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Appendix D: Assessment Plan

Date	Time	Subjects	Mohd Hihdir	Ning Shing	Mohd Hafiz
Saturday 9/10/2017	PM	Audit team traveling to Johor Bahru. Check-in at Mutiara Hote, JB	√	√	√
Sunday 10/10/2017 Sindora Palm Oil Mill	08.30 – 09.00	Opening meeting (Sindora Palm Oil Mill) <ul style="list-style-type: none"> • Opening Presentation by Audit team leader • Confirmation of assessment scope and finalize audit plan (including stakeholder's consultation) • Verification on previous audit findings 	√	√	√
	09.00 – 12.00	Sindora Palm Oil Mill Inspection: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment, staff, workers and contractor interview, housing and facility inspection, clinic, meeting stakeholders etc.	√	√	√
	10.00 – 12.00	Meeting with satkeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	-	√	-
	12.00 - 13.00	Lunch	√	√	√
	13.00 - 16.30	Sindora Palm Oil Mill: Visit to laboratory, weighbridge and palm product storage area. Document Review P1 – P8: SOPs, Supply chain for CPO mill, SCCS, Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation etc. Verify previous nonconformities.	√	√	√
	16.30 – 17.00	Interim Closing Briefing	√	√	√
Monday 11/10/2017 Sindora Estate	08.30 – 12.00	Sindora Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, etc.	√	√	√
	09.00 - 12.00	Meeting with stakeholders (Village rep, smallholders, Workers Leader, contractor etc.)	-	√	-
	12.00 - 13.00	Lunch	√	√	√

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	13.00 - 16.30	Sindora Estate Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc).	√	√	√
	16.30 - 17.00	Interim closing briefing	√	√	√
Tuesday 12/10/2017	08.30 – 13.00	Sungai Papan Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, etc.	√	√	√
Sungai Papan Estate	09.00 - 12.00	Meeting with stakeholder (Government, village rep, smallholders, Union Leader, contractor etc.)	-	√	-
	13.00 – 14.30	Lunch break	√	√	√
	14.30 – 16.30	Sungai Papan Estate Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc).	√	√	√
	16.30 – 17.30	Prepare for closing meeting Closing Meeting	√	√	√
Wednesday 13/10/2017	AM	Audit Team travelling back to KL	√	√	√

Appendix E: Stakeholders Contacted

<p>Internal Stakeholders</p> <p>Managers and Assistants Mill & Estate Male Mill Staff/Workers Female Mill Staff/Workers Foreign Workers (Bangladesh, Indonesian) Male and Female Estate workers Joint Consultative Committee Gender Committee representatives/WOW Workers Union Representatives Onsite NUPW representative/secretary Hospital Assistant Creche Attendant</p>	<p>Local Communities</p> <p>Village representative, Kg Muhibbah Village representative, FELDA</p>
<p>Government Departments</p>	<p>Contractors and Suppliers</p> <p>General contractor Sg Rezeki Sdn Bhd SM Services Dmega Technology</p>

Appendix F: Sindora Palm Oil Mill Supply Chain Assessment Report (Module E – CPO Mills – Mass Balance)

Requirements	Compliance
E.1 Definition	
<p>E.1.1 Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</p>	<p>Sindora Palm Oil Mill receives and process certified and non-certified FFB. Therefore, it uses the Mass Balance supply chain system and module. During this recertification assessment, the audit team verified the volumes and sources of certified and non-certified FFB entering the mill, the implementation of processing controls and sales volume of RSPO certified palm products through RSPO IT System.</p>
E.2 Explanation	
<p>E.2.1 The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</p>	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill is recorded in this public summary report. Actual production recorded in Section 1.</p>
<p>E.2.2 The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p>	<p>The mill has met all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim) under plam trace ID RSPO_PO1000001264</p>
E.3 Documented procedures	
<p>E.3.1 The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</p> <p>a) Complete and up to date procedures covering the implementation of all the elements in these requirements;</p> <p>b) The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.</p>	<p>Latest written documented procedures (Core Process Procedure- Weighbridge Station: SM/WI/2) rev:2 dated 25/10/16 for the chain of custody with Mass Balance (MB) and Identity Preserved (IP) model covering all the RSPO Supply Chain Certification Standard and Traceability for handling certified and noncertified FFB. This developed based on the RSPO SCCS 21 November 2014. The mill manager has the responsibility to ensure implementation assisted by the on-site compliance executive. The MB model is used because certified and non-certified FFB is received and processed at Sindora Palm Oil Mill.</p> <p>The mill manager and assistant manager have awareness of the supply chain system. The manager has overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements.</p>
<p>E.3.2 The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>	<p>Sindora Palm Oil Mill has documented procedures for the incoming FFB, processing and outgoing palm products (CPO and PK). System available to make marking/ID on the receiving documents to differentiate the certified and non-certified FFB received.</p>
E.4 Purchasing and goods in	

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<p>E.4.1 The site shall verify and document the volumes of certified and non-certified FFBs received.</p>	<p>Daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the certified and non-certified FFB. There were diversion of FFB for the period of November 2016 September 2017 from Sedenak and Pasir Panjang Management Unit. Records verified by internal and external audit.</p> <p>Verified diversion records for August 2017: Supplier: Ladang Siang, Date: 13/8/17, vehicle no# MBK9939, DO# 102108, ID# RSPO certified FFB, weight: 36.21 mt</p> <p>Supplier: Ladang Basir Ismail, Date: 15/8/17, vehicle no# JNW5011, DO# 064921, ID# RSPO certified FFB, weight: 38.98 mt</p>
<p>E.4.2 The site shall inform the CB immediately if there is a projected overproduction.</p>	<p>The facilities aware of this procedure. Sindora POM Certification unit has requested for volume extension due to increase of diversion crop from other certified certification units (Pasir Panjang and Sedenak Certification Unit)</p>
<p>E.5 Record keeping</p>	
<p>E.5.1 a) The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.</p> <p>(b) All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.</p> <p>c) The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)</p>	<p>Daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the certified and non-certified FFB. Computerized system in place. Records verified by internal and external audit.</p> <p>Computerized system in place with the delivery deducted accordingly.Verified records of physical delivery for the month of August and September 2017:</p> <p>Palm Kernel (PK): Contract# MPOK 1748MB dated 13/9/17, delivery period: September 2017 Despatch Slip, DO# PK237/17 dated 28/9/17 product ID: RSPO Mass Balance, weight: 41.95 Mt ,lorry: MBR6823</p> <p>Contract# MPOK 1746MB dated 21/8/17, delivery period: August 2017 Despatch Slip, DO# PK211/17 dated 4/9/17 product ID: RSPO Mass Balance, weight: 39.54 Mt ,lorry: JQJ3222</p> <p>Crude Palm Oil (CPO): Contract# VMPO-1017521 dated 24/7/17, delivery period: August 2017 Despatch Slip, DO# 787/17 dated 25/8/17, product ID: RSPO Mass Balance, weight: 28.06 Mt ,lorry: NAU1558</p>
<p>E.5.2 In cases where a mill outsources activities to an independent palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement</p>	<p>No outsourcing activity for kernel crushing product. All palm kernel sold to 3rd party kernel crushing plant for further processing.</p>

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Actual Tonnage Certified Palm Production – 1st October 2016 – 31 September 2017 (ASA4 1)

Mill	Capacity	CPO	PK
Sindora Palm Oil Mill	40 mt/hr	28,317.98	7,539.82

Actual Tonnage Sales of Certified Palm Products - 1st October 2016 – 31 September 2017 (ASA4 1)

Mill	Certified CPO Sales	Certified PK Sales	Remarks
Sindora Palm Oil Mill	5,518.5	2,541.39	Palm trace transaction

Actual Tonnage Sales of Certified Palm Products (under other Scheme) - 1st October 2016 – 31 September 2017 (ASA4 1)

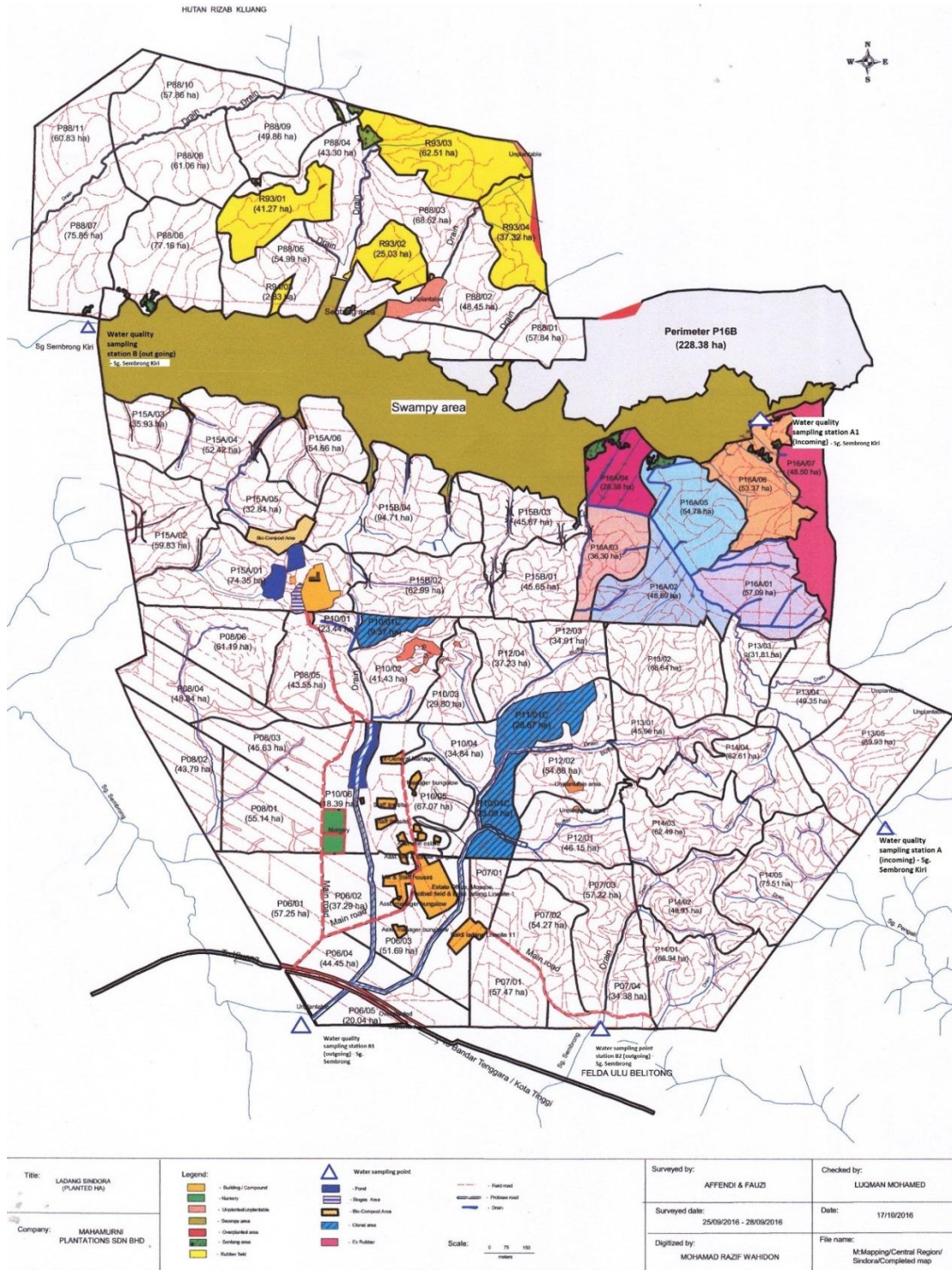
Mill	Certified CPO Sales	Certified PK Sales	Remarks
Sindora Palm Oil Mill	5,270	Nil	Sold as ISCC

Actual Tonnage Sales of Conventional Palm Products - 1st October 2016 – 31 September 2017 (ASA4 1)

Mill	CPO Sales	PK Sales	Remarks
Sindora Palm Oil Mill	17,529.48	4,998.43	Based on mass balance monitoring sheet

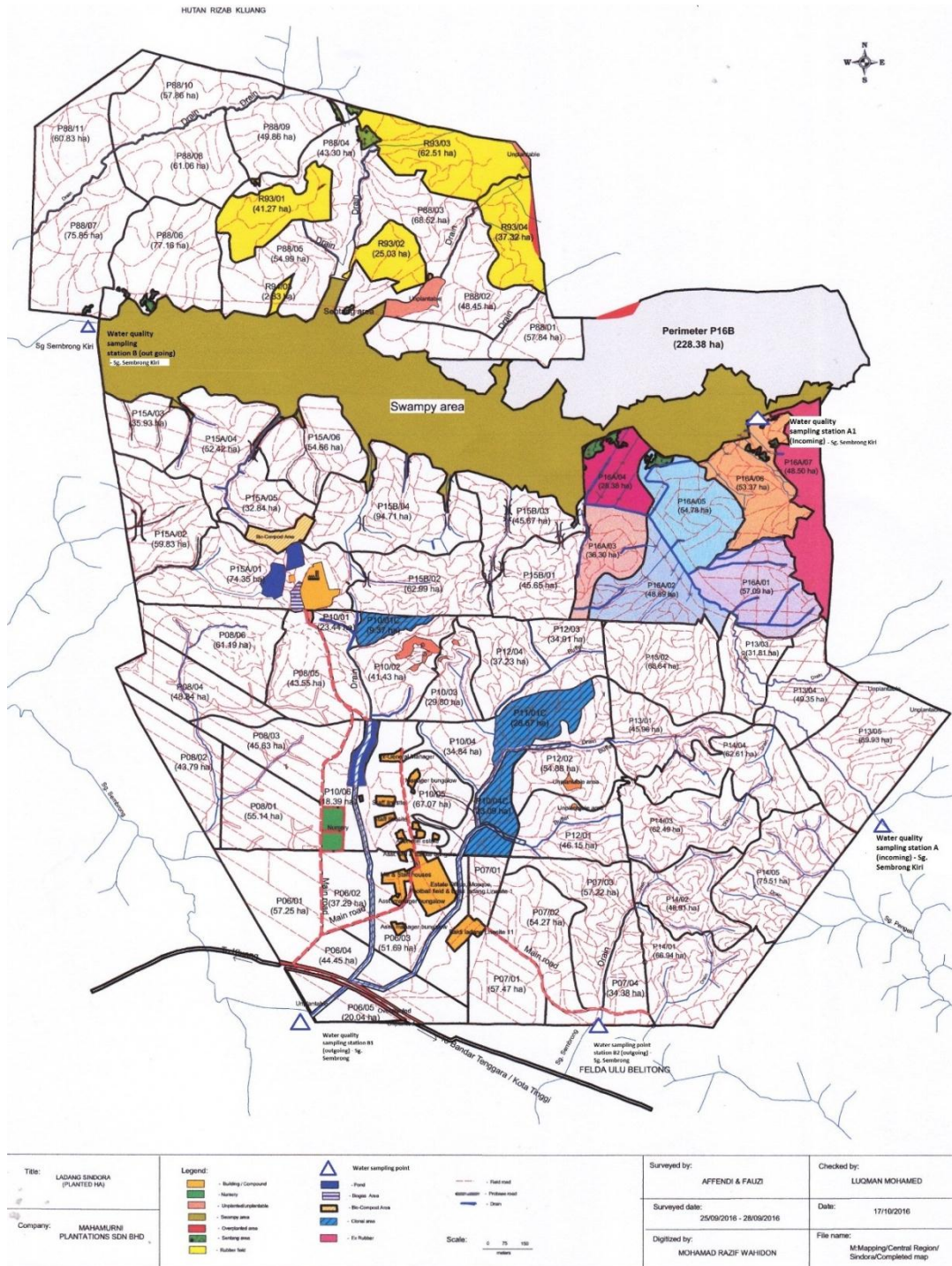
Month	Certified Supply Base (from own certificate scope) (mt)			Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) if applicable			Total FFB/Month (mt)
	Sindora Estate	Sungai Papan Estate	REM Estate	Rengam Estate	B. Ismail Estate	Siang Estate	
Oct 2016	3,469.61	6,447.89	2,972.28	0	0	0	12,889.78
Nov 2016	1,970.57	3,353.19	1,922.40	0	0	0	7,246.16
Dec 2016	2,996.42	5,447.78	2,955.24	0	0	0	11,399.44
Jan 2017	2,388.92	3,401.97	2,568.26	0	0	0	8,359.15
Feb 2017	2,217.57	3,529.44	2,669.91	0	0	0	8,416.92
March 2017	2,318.24	3,259.82	2,549.34	0	0	0	8,127.4
April 2017	2,246.17	3,065.63	2,606.82	0	0	0	7,918.62
May 2017	3,090.14	4,004.87	2,851.53	318.08	352.32	0	10,607.94
June 2017	3,263.64	4,978.13	2,621.38	0	0	900.65	11,763.8
July 2017	4,517.56	7,292.29	3,069.68	0	0	3,963.62	18,843.15
Aug 2017	4,934.55	8,314.37	2,847.10	0	454.34	1,699.16	18,249.52
Sept 2017	4,199.28	7,464.99	2,543.15	0	102.07	389.06	14,698.55
Total	37,612.67	60,560.37	32,177.09	318.08	908.73	6,952.49	138,529.43

Appendix G: Location Map of Sindora Palm Oil Mill Certification Unit and Supply bases

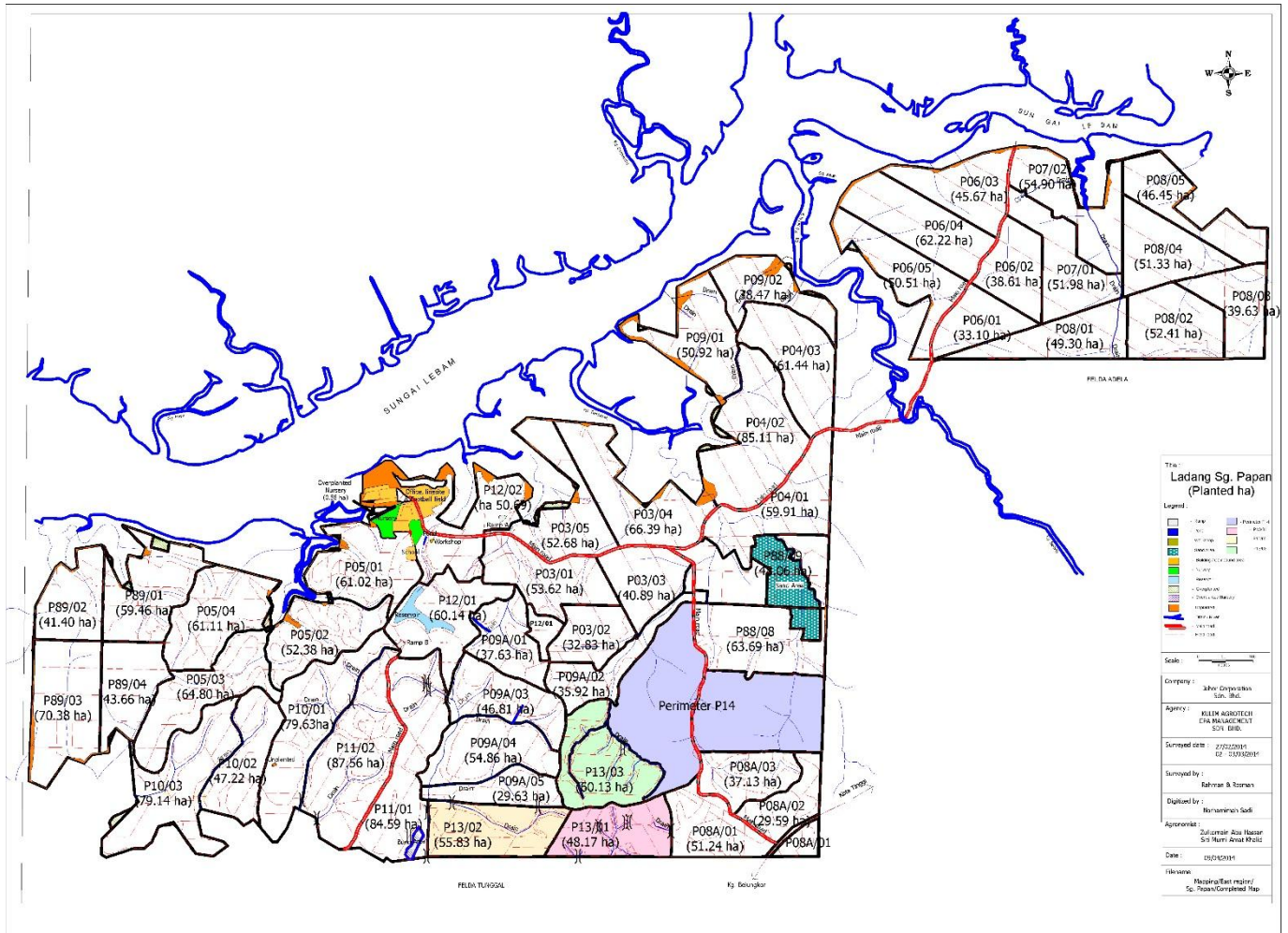


* Sindora POM located within Sindora Estate area.

Appendix H: Sindora Estate Field Map



Appendix I: Sungai Papan Estate Field Map



Appendix J: List of Smallholder Sampled

-Not Applicable-

Appendix K: GHG Reporting Executive Summary

The GHG emissions that were produced in 2016 for Sindora Palm Oil Mill and supply base was calculated using the GHG palm Calculator version 3.0. The assessment team had verified the data input in the GHGplam Calculator against operations records. Palm GHG Calculation Options selected 'Full version' and 'Exclude LUC Emission' calculation option is not applied. The records verified includes:

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

The summary of the Net GHG emitted in 2016 for Sindora Oil Mill and supply base are as following:

Emission per product	tCO ₂ e/tProduct
CPO	1.3
PKO	0

Extraction	%
OER	20.07
KER	5.44

Production	t/yr
FFB Process	220,054.98
CPO Produced	44,165.51
PKO Produced	11,970.80

Land Use	Ha
OP Planted Area	14,475.38
OP Planted on peat	0
Conservation (forested)	51.37
Conservation (non-forested)	-
Total	14,526.75

Summary of Field Emission and Sink

	Own Crop*		Group		3 rd Party		Total	
	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB
Emission								
Land Conversion	59,654.28	0.49	0	0	60,855.05	0.62	120,509.33	1.11
CO ₂ Emission from fertilizer	1,935.39	0.02	0	0	1,856.14	0.02	3,791.53	0.04
NO ₂ Emmision	4,461.54	0.04	0	0	1,065.08	0.01	5,526.62	0.05
Fuel Consumption	2,481.11	0.02	0	0	724.01	0.01	3,205.12	0.03
Peat Oxidation	0	0	0	0	0	0	0.00	0
Sink								
Crop Sequestration	-56365.28	-0.47	0	0	-40916.74	-0.39	-97,282.02	-0.86
Conservation Sequestration	-14.11	0	0	0	0	0	-14.11	0
Total	12,152.93	0.10	0.00	0.00	23,583.54	0.27	35,736.47	0.37

*Note: Includes both estates and smallholders

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Summary of Mill Emission and Credit

	tCO ₂ e	tCO ₂ e/tFFB
Emission		
POME	43522.98	0.2
Fuel Consumption	367.79	0
Grid Electricity Utilisation	111.77	0
Credit		
Export of Grid Electricity	0	0
Sales of PKS	-6829.06	-0.03
Sales of EFB	0	0
Total	37173.47	0.17

Summary of Kernel Crusher Emission and Credit (if applicable)

Emissions	tCO₂e
PK from own mill	15547.7
PK from other source	0
Fuel Consumptions	0
Total Crusher emissions	0

*This mill has no kernel crusher operation.

Palm Oil Mill Effluent (POME) Treatment:	
Divert to Compost (%)	29%
Divert to anaerobic diversion (%)	71%

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

Appendix L: List of Abbreviations Used

AN	Ammoniacal Nitrogen
BOD	Biological Oxygen Demand
CHRA	Chemical Health Risk Assessment
CPO	Crude Palm Oil
DOSH	Department of Occupational Safety & Health
EFB	Empty Fruit Bunch
EMS	Environmental Management System
FFB	Fresh Fruit Bunch
GMP	Good Manufacturing Practice
HCV	High Conservation Value
IAV	Initial Assessment Visit
IPM	Integrated Pest Management
ISCC	International Sustainable Carbon Certification
MSDS	Material Safety Data Sheet
O&G	Oil and Grease
PK	Palm Kernel
PPE	Personal Protective Equipment
PSQM	Plantation Sustainability and Quality Management
PQR	Performance Quality Rating
RC	Re-Certification
RED	Renewable Energy Directive
RSPO P&C	Roundtable on Sustainable Palm Oil Principle & Criteria
SCCS	Supply Chain Certification Standard
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure
SS	Suspended Solids
TN	Total Nitrogen
TS	Total Solids
VFA	Volatile Fatty Acids
SSD	System & Sustainability Department
KSTS	Kulim Safety Training and Services Sdn Bhd
AASD	Agronomy Advisory & Service Department
MEC	Malaysian Environmental Consultant