

RSPO PRINCIPLES & CRITERIA

PUBLIC SUMMARY REPORT

RE-ASSESSMENT

Malaysia

JERAM PADANG PALM OIL MILL

Kuala Lumpur-Kepong Berhad

2017

Report prepared by:	Muhammad Faizul b. Yusoff	Lead Assessor
Certification decision by:	Nor Atiqah Saipul Bahri	Certifier
Certifying Office		
Control Union (Malaysia) Sdn. Bhd. B-3-1, Prima Klang Avenue, Jalan Kota KS/1, 41100 Klang, Selangor, Malaysia rspo@controlunion.com Tel: +603-3377 1600 / 1700		

Control Union Certifications

Control Union Certifications is a member of the Control Union World Group - an international inspection and certification body. CUC performs assessments and certification in many agricultural based fields such as FSC, RSPO, and Organic production, Sustainable Textile Production, Organic Exchange, GLOBALGAP, HACCP, BRC, GMP and GTP.

CUC is accredited by the Dutch Council of Accreditation (RVA) on the European quality standard EN 45011 for the inspection and certification of CUC Organic program (according to the EU regulation 2092/91) and GLOBALGAP program. When requested a copy of the accreditation certificate can be obtained from CUC.

Control Union (Malaysia) Sdn Bhd is a registered affiliate member of RSPO and is a private limited company owned by the Control Union World Group based in Malaysia. Control Union (Malaysia) Sdn Bhd is authorized to conduct and issue certification on behalf of RSPO and Control Union Certifications.

RSPO Membership Number	8-0025-06-000-00
RSPO Approval Date	12/01/2006
Affiliate Membership	http://www.rspo.org/en/member/339

Table of Contents

PART 1: SCOPE OF THE CERTIFICATION ASSESSMENT AUDIT	4
1.1 COMPANY AND CONTACT DETAILS	4
1.2 RSPO MEMBERSHIP & CERTIFICATION DETAILS	4
1.3 ANNUAL SURVEILLANCE ASSESSMENT DETAILS	4
1.4 ASSESSMENT TYPE	4
1.5 LOCATION OF THE PALM OIL MILL	4
1.6 PALM OIL MILL OUTPUT AND APPROXIMATE TONNAGES CERTIFIED	5
1.7 GENERAL DESCRIPTION OF SUPPLY BASE	5
1.7.1 Location of the Supply Base	6
1.7.2 Statistics of the Supply Base and Estimated Tonnes of FFB produced per year	7
1.7.3 Conservation and HCV Area (Ha)	8
1.7.4 Percentage of Planted Oil Palm by different Age Ranges ..Error! Bookmark not defined.	
1.7.5 Calculation of the Number of Production Units (N) to Sample for the Mill	8
1.8 PROGRESS OF ASSOCIATED SMALLHOLDERS OR OUT-GROWERS, IF APPLICABLE TO THIS ASSESSMENT	9
1.9 LOCATION MAP FOR THIS CERTIFICATION UNIT (SEE APPENDIX 1)	9
PART 2: PARTIAL CERTIFICATION	9
2.1 MANAGEMENT STRUCTURE	9
2.2 NON-COMPLIANCE IDENTIFIED WITH 2.1 ABOVE	9
2.3 SUMMARY OF THE TIME BOUND PLAN	9
2.4 UN-CERTIFIED UNITS OR HOLDINGS	10
2.5 SUMMARY OF THE FINDINGS FOR PARTIAL CERTIFICATION	14
2.6 PARTIAL CERTIFICATION AUDIT AGENDA	15
PART 3: AUDIT PROCESS.....	15
3.1 ABOUT THE CERTIFICATION BODY	15
3.2 AUDIT TEAM	15
3.2.1 Qualifications of the Lead Auditor	15
3.2.2 Qualifications of the Assessment Team	16
3.3 AUDIT METHODOLOGY.....	18
3.3.1 General Overview	18
3.3.2 Assessment agenda for this Audit	19
PART 4 ASSESSMENT FINDINGS	21
4.1 LEAD ASSESSOR'S SUMMARY AND RECOMMENDATION FOR CERTIFICATION.....	21
4.2 SUMMARY OF THE FINDINGS BY PRINCIPLES AND CRITERIA	21
Principle 1: Commitment to Transparency.....	21
Principle 2: Compliance with Applicable Laws and Regulations	22
Principle 3: Commitment to Long-Term Economic and Financial Viability.....	24
Principle 4: Use of Appropriate Best Practices by Growers and Millers	24
Principle 5: Environmental Responsibility and Conservation of Natural Resources and Biodiversity	27
Principle 6: Responsible Consideration of Employees and of Individuals and Communities by Growers and Millers.....	29
Principle 7: Responsible Development of New Plantings	32
Principle 8: Commitment to Continuous Improvement in Key Areas of Activity	33
4.3 NON-CONFORMITY RAISED DURING THIS AUDIT AND ANY FROM THE PREVIOUS YEAR, IF APPLICABLE	33
4.3.1 Non-Conformities Identified during this Audit	34
4.3.2 Non-Conformity Identified during the last ASA, not applicable for MA	37
The following NC's were raised for this audit.	37
4.3.3 Observations Raised During this Audit	37
Non-were raised during this audit.	37
4.4 ISSUES THAT WERE RAISED DURING THE STAKEHOLDER CONSULTATION, IF ANY.....	37

RSPO PRINCIPLE	38
STAKEHOLDER COMMENT	38
CUC RESPONSE	38
[IN CASE THIS HAS RESULTED IN AN NC, MAKE REFERENCE TO THE NC NUMBER].....	38
PART 5: RSPO SUPPLY CHAIN CERTIFICATION	39
5.1 POM INCLUDED IN THE SCOPE OF THE AUDIT.....	39
5.2 CONFIRMATION OF THE COMPANY’S SUMMARY OF ANNUAL CERTIFIED VOLUME OF RSPO CERTIFIED PALM OIL AND PALM KERNEL OVER A SPECIFIED PERIOD	39
5.3 SUMMARY REPORT INCLUDING A BRIEF DESCRIPTION OF THE SCOPE OF CERTIFICATION	39
5.4 MONTHLY RECORDS OF CERTIFIED AND UNCERTIFIED FFB RECEIVED SINCE THE LAST AUDIT IN CASE OF MAIN ASSESSMENT, IT SHALL BE THE LAST 12 MONTH FIGURE.	39
5.5 MONTHLY RECORDS OF CERTIFIED CPO AND PK SINCE THE LAST AUDIT	40
5.6 RECORDS OF CERTIFIED CPO & PK SOLD UNDER GREENPLAM TO BUYERS SINCE THE LAST AUDIT, IF ANY.....	40
5.7 RECORDS OF CERTIFIED CPO & PK SOLD UNDER UTZ eTRACE TO BUYERS SINCE THE LAST AUDIT, IF ANY	40
5.8 NON-CONFORMITIES IDENTIFIED DURING THIS AUDIT	40
5.9 DESCRIPTION OF THE ORGANIZATIONAL MANAGEMENT SYSTEMS	41
5.10 FINAL CERTIFICATION DECISION BY CONTROL UNION FOR THE RSPO SCCS AUDIT OF THE POM	41
PART 6: CERTIFIED ORGANISATION’S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY	42
6.1 DATE OF NEXT ASA	42
6.2 DATE FOR CLOSURE OF NON-CONFORMITIES	42
6.3 SIGNING BY THE CLIENT	42
6.4 SIGNING BY THE LEAD AUDITOR	42
6.5 SIGNING BY THE CERTIFIER	42
PART 7: APPENDICIES	43
APPENDIX 1: LOCATION MAP FOR THIS CERTIFICATION UNIT	43
APPENDIX 2: SUMMARY OF GHG EMISSIONS.....	50
APPENDIX 3: GHG ASSESSMENT FOR NEW PLANTINGS	51
APPENDIX 4: LIST OF ABBREVIATIONS.....	52

PART 1: SCOPE OF THE CERTIFICATION ASSESSMENT AUDIT

1.1 Company and Contact Details

Company Name:	Kuala Lumpur Kepong Berhad
Business Address:	1, Jalan S.P. Seenivasagam, 30000 Ipoh, Perak.
Contact Person:	Mr. Sin Chuan Eng
Office Telephone:	+6089-887240
E-Mail:	ce.sin@klk.com.my
Web Site:	www.klk.com.my
Other Certifications Held:	RSPO SCCS, ISCC

1.2 RSPO Membership & Certification Details

RSPO Membership Number:	1-0014-04-000-00
Registered Client Name:	Kuala Lumpur Kepong Berhad
Certificate Number:	CU-RSPO-817884
Start Date Of Certificate:	25 th September 2017
End Date Of Certificate:	24 th September 2022
Date Of Original Certification:	25 th September 2012
Scope:	Certification of the Palm Oil Mill and Supply Bases
Type Of Certification:	Single site <input checked="" type="checkbox"/>
Duration Of Certificate:	5 Years from date of certification

1.3 Annual Surveillance Assessment Details

Dates Of This Audit:	24 th July 2017 – 28 th July 2017
Audit Number:	Re-Assessment

1.4 Assessment Type

This assessment was conducted against the National Interpretation of RSPO Principles and Criteria [MYNI 2015] - Endorsed by the RSPO Board of Governors on 06th March 2015 (RSPO P&C) - for the Sustainable Palm Oil Production and RSPO supply chain system & standard 21st November 2014

1.5 Location of the Palm Oil Mill

Name Palm Oil Mill (POM)	Mill Capacity MT/Hour	Location Address	GPS Reference	
			Longitude	Latitude
Jeram Padang POM	55	KM 12, Jalan Jelai – Rompin, 72100 Bahau, Negeri Sembilan Malaysia	102° 24' 30.6" E	2° 44' 6.4" N

1.6 Palm Oil Mill Output and Approximate Tonnages Certified

Figures below are from:

- Only from certified supply bases (Y/N). **YES**
- Combining certified with uncertified supply bases (Y/N). **NO**
- If the Mill is receiving FFB from uncertified supply bases outside the audit scope, such uncertified sources is highlighted under the following sections as seen applicable:
 - a. PART 1, Section 1.7 – General Description of Supply Base,
 - b. PART 2: Partial Certification, Section 2.4 – Uncertified Units or Holdings,
 - c. PART 5: RSPO Supply Chain Certification of this report

KLK (S) Jeram Padang POM	Projected Production from the last 12 Months (MT) July'16 to Jun'17			Actual Production for this Audit Year 2015/2016 (MT) July'16 to Jun'17			Projected 12 Months (MT) Forecast Certified in this Report July'17 to Jun'18		
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
"Own Certificate Estate"	241,577	54,010	12,297	19,3890.72	42,380.609	9,039.744	248,910	55,507	12,445
"Others Certified Estate"	-	-	-	-	-	-	-	-	-

1.7 General Description of Supply Base

Jeram Padang Palm Oil Mill which operates on IP Model received 100% FFBs from its own certified estates. No changes have been introduced in the supply base since previous assessment and this audit has carried out to ensure full compliance with RSPO requirement.

1.7.1 Location of the Supply Base						
OPP	Oil Palm Plantation	Location	GPS reference		Area Summary (Ha)	
	Name	Address	Longitude	Latitude	Total	Mature
OPP 1	Batang Jelai Estate	KM 7, Jalan Rompin-Jelai, 73500 Rompin, Negeri Sembilan, Malaysia.	E 102°28'20"	N 2° 42'15"	1,437	1,437
OPP 2	Gunong Pertanian Estate	KM 4, Jalan Simpang Durian-Bahau, 72400 Simpang Durian, Negeri Sembilan, Malaysia.	E 102°26'95"	N 3°7'73"	642	358
OPP 3	Jeram Padang Estate	KM 12, Jalan Jelai-Rompin, 72109 Bahau, Negeri Sembilan, Malaysia.	E 102°24'14"	N 2°43'5"	1,621	1,378
OPP 4	Kombok Estate	KM 4, Jalan Sg Gadut-Rantau, 71209 Rantau, Negeri Sembilan, Malaysia.	E 102°00'6"	N 2°37'34"	1,737	1,524
OPP 5	Renjok Estate	KM 17, Jalan Karak-Mancis, 28600 Karak, Pahang, Malaysia.	N 102°8'12"	N 3°30'53"	258	258
OPP 6	Sungei Kawang Estate	KM 18, Jalan Karak-Temerloh, 28500 Lanchang, Pahang, Malaysia.	E 102°8'24"	N 3°28'16"	1,419	1,300
OPP 7	Tuan Estate	KM 22, Jalan Karak-Mancis, 28600 Karak, Pahang, Malaysia.	E 102°9'84"	N 3°27'82"	920	897
OPP 8	Ulu Pedas Estate	KM24, Jalan Seremban-Tampin, 71409 Pedas, Negeri Sembilan, Malaysia.	E 102°3'60"	N 2°37'35"	894	772
OPP 9	Ayer Hitam Estate	KM 18, Jalan Bahau-Temerloh, Bandar Sri Jempol, 72109 Negeri Sembilan.	E 102°24'55"	N 2°56'15.8"	2,503	2,012
TOTAL					11,431	9,936

1.7.2 Statistics of the Supply Base and Estimated Tonnes of FFB produced per year				
OPP	Oil Palm Plantation	Estimated FFB/Year (MT) July'17 to Jun'18	Planting Years	Cycle (Years)
OPP 1	Batang Jelai Estate	34,042	1994, 1995, 1996, 1998, 1999, 2000, 2001, 2002, 2003, 2007, 2012	25
OPP 2	Gunong Pertanian Estate	9,506	1995, 1998, 2010, 2011, 2012, 2014, 2015	25
OPP 3	Jeram Padang Estate	34,214	1994, 1995, 1996, 1997, 1999, 2002, 2003,2004, 2005, 2006, 2007, 2008, 2013, 2014, 2015, 2016	25
OPP 4	Kombok Estate	41,903	1993, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2005, 2007, 2008, 2010, 2016,2017	25
OPP 5	Renjok Estate	6,538	2000, 2001, 2002	25
OPP 6	Sungei Kawang Estate	33,589	1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2007, 2009, 2011, 2015, 2016	25
OPP 7	Tuan Estate	22,676	1998, 1999, 2000, 2001, 2010, 2016	25
OPP 8	Ulu Pedas Estate	19,453	1994, 1997, 1998, 1999, 2001, 2004, 2005, 2007, 2008, 2009, 2012, 2014, 2015	25
OPP 9	Ayer Hitam Estate	46,989	1993, 1994, 1995, 1996, 1997, 1998, 1999, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2011, 2012, 2014, 2015, 2016, 2017	25
TOTAL		248,910		

1.7.2 (b) Non-Certified Tonnage of FFB (outside supplier – Excluded from Certificate)			
Item	Tonnage / Year		
	Estimated (July'16 – June '17)	Actual (July'16 – June '17)	Forecast (July'17 – June '18)
Independent FFB Supplier	-	-	-
TOTAL	-	-	-

1.7.2 (c) Non-Certified Tonnage of CPO (outside supplier – Excluded from Certificate)			
Item	Tonnage / Year		
	Estimated (July'16 – June '17)	Actual (July'16 – June '17)	Forecast (July'17 – June '18)
Independent FFB Supplier	-	-	-
TOTAL	-	-	-

1.7.2 (d) Non-Certified Tonnage of PK (outside supplier – Excluded from Certificate)			
Item	Tonnage / Year		
	Estimated (July'16 – June '17)	Actual (July'16 – June '17)	Forecast (July'17 – June '18)
Independent FFB Supplier	-	-	-
TOTAL	-	-	-

1.7.3 Conservation and HCV Area (Ha)				
OPP	Oil Palm Plantation	Conservation Area (Ha)	HCV Area (Ha)	* HCV part of Conservation
OPP 1	Batang Jelai Estate	5	-	-
OPP 2	Gunong Pertanian Estate	1.14	-	-
OPP 3	Jeram Padang Estate	5	-	-
OPP 4	Kombok Estate	4	-	-
OPP 5	Renjok Estate	0	-	-
OPP 6	Sungei Kawang Estate	4	-	-
OPP 7	Tuan Estate	6	-	-
OPP 8	Ulu Pedas Estate	9	-	-
OPP 9	Ayer Hitam Estate	0	-	-
TOTAL		34.14	0	No

* Indicate if HCV area is part of the Conservation Area. If the HCV area is part of the Conservation Area, then "YES" otherwise, "No"

1.7.4 Percentage of Planted Oil Palm by different Age Ranges								
CU Code	Planting Years by 5 year Ranges (%)							
	1991-1995	1996-2000	2001-2005	2006-2010	2011-2015	2016	2017	Total (Ha)
OPP 1	227 (15.8%)	600 (41.8%)	465 (32.4%)	85 (5.9%)	60 (4.1%)	0	0	1437
OPP 2	41 (6.4 %)	13 (2.00%)	0	49 (7.6%)	539 (84%)	0	0	642
OPP 3	341 (21.04%)	454 (28.00%)	389 (24.00%)	173 (10.67%)	116 (7.16%)	148 (9.13%)	0	1621
OPP 4	194 (11.2%)	611 (35.2%)	409 (23.5%)	310 (17.8%)	0	69 (4%)	144 (8.3)	1737
OPP 5	0	165 (63.9%)	93 (36.1%)	0	0	0	0	258
OPP 6	0	481 (34%)	646 (46%)	126 (9%)	89 (6%)	77 (5%)	0	1419
OPP 7	0	549 (59.6%)	335 (36.4%)	13 (1.4%)	0	23 (2.5%)	0	920
OPP 8	31 (3.5%)	218 (24.4%)	226 (25.3%)	245 (27.4%)	174 (19.4%)	0	0	894
OPP 9	220 (8.8%)	298 (11.9%)	853 (34.1%)	294 (11.7%)	635 (25.4%)	65 (2.6%)	138 (5.5%)	2503
Total	1,054	3,389	3,416	1,295	1,636	359	282	11,431

1.7.4 Calculation of the Number of Production Units (N) to Sample for the Mill			
$N = 0.8vY$, where "Y" is the number of units, with the result always to be rounded "up" to the next whole integer. Where only a sample of the supply base is assessed, units not previously assessed, or assessed earlier in the certification program, are to be preferred over those more recently assessed			
For the Mill, how many units make up the production base?			
Owned estates (Y)	$N = 0.8vY$	Smallholders (Z)	$N = 0.8vZ$
9	3	NA	NA
Explanation as to the selection of estates sampled			
Kombok Estate, Sungei Kawang Estate and Ayer Hitam Estate were selected in this audit.			

1.8 Progress of associated Smallholders or Out-growers, if applicable to this assessment

Progress of associated Smallholders or Out-growers towards Compliance with relevant Standards - should be in accordance to the 3 years implementation plan, if applicable to this assessment

There is no associated smallholder or out grower.

1.9 Location Map for this Certification Unit (See Appendix 1)

PART 2: PARTIAL CERTIFICATION

The rules for partial certification allow organizations that have a majority holding in and / or management control of more than one autonomous company growing oil palm to certify individual management units and / or subsidiary companies subject to certain rules.

2.1 Management Structure

Section	Criteria	Yes/No	If "Yes"	If "No"
2.1.1	Is the certified operation (POM and supply base as detailed above) a stand-alone operation and there are no other plantations or mills owned by the same company?	No	Section 2 is N/A	Go to 2.1.2
2.1.2	Is the certified operation part of a simple structure of operations owned by one company?	Yes	Go to 2.1.5	Go to 2.1.3
2.1.3	Are there statements of the ultimate controlling shareholders and directors in the managing agency company/companies:	-	Go to 2.1.4	Go to 2.2.1
	a. Explaining the legal relationship and the management arrangements with the subsidiary companies and / or with any operating groups?			
2.1.4	b. A statement of commitment to complying with the spirit of the RSPO for all companies and subsidiaries involved with the growing of oil palm and for the production of palm oil?	-	Go to 2.4	Go to 2.2.2
2.1.5	Is there a time bound plan in place for all subsidiaries, estates and palm oil mills?	Yes	Go to 2.3	2.2.3
2.1.6	Is the parent company or one of its majority owned and / or managed subsidiaries a member of RSPO?	Yes		

2.2 Non-compliance Identified with 2.1 Above

Section	Non-compliance findings	NC raised	Category
2.2.1	There is no explanation as to the company's structure and therefore it is not possible to conduct an effective audit against the rules for partial certification.	-	Major
2.2.2	There is no statement of commitment to complying with the spirit of the RSPO for all companies within the company structure.	-	Major
2.2.3	There is no time bound plan in place for the certification for all subsidiaries, estates and mills.	-	Major
2.2.4	No applicable membership of the RSPO.	-	Major

2.3 Summary of the Time Bound Plan

Section	Requirement	Findings and any action required	Compliance
2.3.1	Does the plan include all subsidiaries, estates and mills?	Yes, the time bound plan does include of the subsidiaries, mills and estates owns by KLK. The Paloh Palm Oil Mill in Johor and Mill 1 in Sabah are not part of the time bound plan as it meant for out growers and smallholder group. This has been	Yes

		communicated with RSPO in 2015. For the Sumatra Utara, Gohor Lama and Padang Bharang mills been merged and named as Stabat mill.	
2.3.2	Is the time bound plan challenging? ➤ Age of plantations. ➤ Location. ➤ Mill development. ➤ Infrastructure. ➤ Compliance with applicable law.	The plan is achievable unless otherwise with unforeseen circumstances. The risk involves varies from: • To engage certification bodies and their availability. • Laws and regulations in Indonesia – a lot uncertainty. • In Indonesia, ISPO precede other certification standards. • In Indonesia, it finds mobilizing the internal resources to different geographical locations.	Yes
2.3.3	Have there been any changes since the last audit? Are they justified?	The latest time bound plan dated on 22/04/2016 was reviewed and changes were discussed during verification. In Kaltim, Jabontara POM had been newly included. Both Jabontara and Berau mill target to be certified by 2017 which a year delay [2016] than planned. This was due to RSPO Compensation Scheme [Compensations Concept Note was submitted to RSPO].	Yes
2.3.4	If there have been changes, what circumstances have occurred?	New inclusion of mill and supply base. No changes on the targeted time line.	Yes
2.3.5	Have there been any stakeholder comments?	On PT Menteng Jaya Sawit Perdana IUP for 7,400 Ha approval no: 525.26/153/II/EKBANG/2007 dated on 13 February 2007 and Izin Lokasi (IL) is renewed and documented no: 188.45/359/HUK-BPN/2013 dated: 1 st August 2013 which includes an approval clause 1a that this IL will remain in force until land swap process is finalised and as at now, the land / boundary survey on-going.	Yes
2.3.6	Have there been any newly acquired subsidiaries?	No.	Yes
2.3.7	Have there been any isolated lapses in the implementation of the plan?	No lapses.	Yes
2.3.8	Has there been any systematic failure to proceed with the implementation of the plan?	No.	Yes
2.3.9	General statement as to progress made since the last audit?	The target to certify all the units within year 2017 remain same.	Yes

2.4 Un-Certified Units or Holdings

NOTE:	Companies may demonstrate compliance by clear evidence of a self-audit (i.e. an internal audit for all subsidiaries, estates and Palm Oil Mills)		
Section	Requirement	Findings and any action required	Compliance
2.4.1	Did the company conduct an internal audit? If so, has	Since all the facilities in Malaysia were certified, therefore the facilities in Indonesia monitor by the Pak	Yes

	a positive assurance statement been produced?	Stephen and once in a 3 month, a review with Sustainability Head will be done in KLK HQ in Ipoh. The internal control points have included all the requirements to validate the compliance against uncertified units or holdings as per partial. Joint venture in Liberia does not required internal audit as it is part of EPO as their stand-alone entity.	
2.4.2	No replacement after dates defined in NIs Criterion 7.3 of: <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. 	There will either be a moratorium on development or for new areas to be developed the HCS Approach method will be employed until the exercise of convergence is completed.	Yes
2.4.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	There is no NPP applicable. There will either be a moratorium on development or for new areas to be developed the HCS Approach method will be employed until the exercise of convergence is completed.	Yes
2.4.4	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.	PT Adei Plantation land conflicts around 2,544 Ha are still in progress of negotiation and the land area been enclave.	Yes
2.4.5	Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	None noted. No stakeholder comments or complaints received.	Yes
2.4.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	None noted. No stakeholder comments or complaints received.	Yes

TIME BOUND PLAN FORECAST FOR RSPO CERTIFICATION OF ALL PALM OIL MILLS & SUPPLY BASES						
s/n	Palm Oil Mill	Country	Supply Bases (estates, plantations, associations)	Area [Ha]	Targeted RSPO Certification Year	Current Certification Status as per this Audit
1	Batu Lintang	Kulim, Kedah, Malaysia	Pelam Estate*	2,960	2013	Certified
		Serdang, Kedah,	Batu Lintang Estate*	1,808		

		Malaysia	Buntar Estate	899		
		Batu Kurau, Perak Malaysia	Subur Estate	1,290		
2	Kekayaan	Paloh, Johor, Malaysia	Landak Estate	4,451	Oct 2011	Certified
			Kekayaan Estate	4,436		
			Paloh Estate	2,029		
		Tenang, Johor, Malaysia	Voules Estate*	2,969		
			New Pogoh Estate*	1,545		
		Kulai, Johor, Malaysia	Fraser Estate	2,928		
		Bekok, Johor, Malaysia	Sg Bekok Estate	625		
		Pagoh, Johor, Malaysia	Ban Heng Estate	631		
Renggam, Johor, Malaysia	See Sun Estate	589				
		Bandar Tenggara, Johor, Malaysia	Sg Penggeli Estate	942		
3	Jeram Padang	Bahau, Negeri Sembilan, Malaysia	Ayer Hitam Estate	2,640	Sept 2012	Certified
			Jeram Padang Estate*	2,114		
		Telemong, Pahang, Malaysia	Renjok Estate*	1,578		
			Tuan Estate*	1,353		
		Lanchang, Pahang, Malaysia	Sg Kawang Estate*	1,889		
		Rompin, Negeri Sembilan, Malaysia	Batang Jelai Estate*	2,148		
		Simpang Durian, Negeri Sembilan, Malaysia	Gunung Pertanian Estate*	686		
Pedas, Negeri Sembilan, Malaysia	Ulu Pedas Estate*	922				
		Rantau, Negeri Sembilan, Malaysia	Kombok Estate*	1,915		
4	Tanjong Malim	Tanjung Malim, Perak, Malaysia	Changkat Asa Estate*	1,716	2013	Certified
			Kerling, Selangor, Malaysia	Kerling Estate*		
		Serendah, Selangor,	Sg Gapi Estate			

		Malaysia		603		
5	Tuan Mee	Sungai Buloh, Selangor, Malaysia	Tuan Mee Estate	1,556	2013	Certified
6	Kuala Pertang	Kuala Krai, Kelantan, Malaysia	Pasir Gajah Estate	2,107	By 2014	Certified by SGS in 2014, currently engaging new CAB.
		Tanah Merah, Kelantan, Malaysia	Kerilla Estate* Sg Sokor Estate*	2,176 1,603		
7	Mill 2	Tawau, Sabah, Malaysia	Pang Burong Estate Sri Kunak Estate Tundong Estate Ringlet Estate	2,548 2,770 2,155 1,834	March 2009	Certified
8	Pinang	Tawau, Sabah, Malaysia	Jatika Estate Sigalong Estate Pangeran Estate Pinang Estate	3,508 2,864 2,855 2,420	March 2009	Certified
9	Lungmanis	Lahad Datu, Sabah, Malaysia	Tungku Estate Bukit Tabin Estate Lungmanis Estate	3,418 2,916 1,656	July 2010	Certified
10	Rimmer	Lahad Datu, Sabah, Malaysia	Rimmer Estate Sg. Sibalukan	2,730 2,654	July 2010	Certified
11	Bornion	Kinabatangan, Sabah, Malaysia	Bornion Estate Segar Usaha Estate	3,233 2,792	July 2010	Certified
12	Changkat Chermin	Manjung, Perak, Malaysia	Lekir Estate	3,313	2013	Certified
			Changkat Chermin Estate	2,530		
			Raja Hitam Estate	1,497		
		Parit, Perak, Malaysia	Glenealy Estate* Serapoh Estate*	1,059 936		
Padang Rengas, Perak, Malaysia	Kuala Kangsar Estate*	843				
Trong, Perak, Malaysia	Allagar Estate	805				

Note: Above marked * is combination of total rubber and palm oil area within stated plantation where the exact certified or under certification of each plantation will be according to the respective public summary report.

With reference to time bound plan, the following issues were reviewed openly with the Control Union audit team during the assessment and which may be in conflict with the rules for partial certification, if applicable

Name of Mill or Plantation	*Area of concern (See examples below)
N/A	N/A

Include any known concerns, media reports and major issues both present and from the past covering, for example:

- Replacement of primary forest or any area containing HCV's since November 2005.
- Evidence of non-compliance with the law
- Legal issues
- Compensation payments
- Social relations
- Burning
- Labor disputes

2.5 Summary of the findings for Partial Certification

The audit team assessed compliance with the above requirements during this audit. Failure to address any non-compliance identified may lead to certification suspension.

This verification was attended by Mr. Sin Chuan Eng and Ms. Lee Kuan Yee from the Sustainability Department. On behalf of CUC, Mr. Simon [Certifier], Ms. Mozhi [Program Manager], Mr. Jamal [Auditor] and Mr. Mahas [Auditor] were involved. The verification was found satisfactory with documented evidences of latest time bound plan, detail discussions on NPP and the challenges in meeting the time bound plan. There were no non-conformities found and as at 01/04/2016, below is the status of land bank owned by KLK [*certified and none*].

Country	Region	Name of POM	Area [Ha]
Malaysia	Peninsular Malaysia	Batu Lintang	61,508
		Tanjung Malim	
		Kekayaan	
		Tuan Mee	
		Paloh	
		Changkat Chermin	
		Jeram Padang	
	Kuala Pertang		
	Sabah	Mill 1	40,353
		Mill 2	
Rimmer			
Bornion			
Lungmanis			
Indonesia	Kaltim	Berau	32,056
		Jabontara	
	Riau	Mandau	35,259
		Nilo 1	
		Nilo 2	
	Belitung	Tapung Kanan	20,391
		Parit Sembada	
	Sumatera Utara	Steelindo Wahana Perkasa	21,372
		Gohor Lama	
	Kalteng	Padang Brahrang	28,097
MAP			
Total			239,036

2.6 Partial Certification Audit Agenda		
Date	Location	Agenda
22/04/2016	KLK Wisma Taiko, Ipoh	Documentation review

PART 3: AUDIT PROCESS

3.1 About the Certification Body

Control Union Certifications is a member of the Control Union World Group – an international inspection and certification body. CUC performs Audits and certification in many agricultural based fields such as FSC, RSPO, MSPO, ISCC, Organic Production, Sustainable Textile Production, Organic Exchange, GLOBALGAP, HACCP, BRC, GMP and GTP.

CUC is accredited by the Dutch Council of Accreditation (RVA) on the European quality standard EN 45011 for the inspection and certification of CUC Organic program (according to the EU regulation 2092/91) and EUREPGAP program. When requested a copy of the accreditation certificate can be obtained from CUC.

Control Union (Malaysia) Sdn Bhd is a registered affiliate member of RSPO and is a private limited company owned by the Control Union World Group based in Malaysia. Control Union (Malaysia) Sdn Bhd is authorized to conduct and issue certification on behalf of RSPO and Control Union Certifications.

3.2 Audit Team

Lead auditor:	Muhammad Faizul b. Yusoff
Team member 1:	Mohd Fadzli bin Bistamam
Team member 2:	Mohd Farul b. Rosli
Team member 3:	Razaleigh b. Mohamad

3.2.1 Qualifications of the Lead Auditor

Requirement	Qualifications
A minimum of post high school (post-secondary school) training in either agriculture/forestry, environmental science or social sciences;	A Diploma of Agriculture Science and Bachelor of Applied Chemistry holders which involved in MSPO, ISCC & ISO 9001 audit since 2014/15. Has undergone the necessary RSPO Lead Auditor Course for both P&C as well as the Supply Chain Certification System (SCCS). Also as a qualified auditor for MPOB Codes of Practice (Nurseries, Estates, Palm Oil Mills, Refineries, Bulking Station and Kernel Crushers Plant).
At least 5 years professional experience in area of work relevant to the assessment (e.g., palm oil management; agriculture/forestry; ecology; social science);	Possesses more than 7 years working experiences in palm oil plantation management and 3rd party auditing (ISO & Palm Oil Sustainability Standard). Fully trained in similar agriculture certification programs such as ISCC, MSPO, SCCS and MPOB CoP.
Training in the practical application of the RSPO criteria, and RSPO certification systems;	Involved in MSPO, ISCC & ISO 9001 audit since 2014/15. Member of CUC RSPO audit team since 2017 and involved in RSPO audits conducted in Malaysia, Indonesia, PNG and Sri Lanka.
Successfully completion of an ISO 9000:19011 lead auditors course;	Successfully completed ISO 9001:2008, ISO 9001:2015, RSPO LA, SCCS LA, MSPO LA, ISCC LA and MPOB CoP LA Course.
Training in the practical application of RSPO certification systems.	Involved in RSPO assessment since 2017. Member of CUC RSPO audit team. Involved in audits conducted in Malaysia, Indonesia, PNG and Sri Lanka.
A supervised period of training in practical auditing against the RSPO criteria or similar sustainability	Involved in audits conducted in for many different companies in Malaysia, Indonesia, PNG and Sri Lanka.

standards, with a minimum of 15 days audit experience and at least 3 audits at different organizations.	
RSPO endorsed lead auditors course.	Attended and successfully completed RSPO Lead Auditor Course.
Signed code of conduct.	Yes
General knowledge of:	
• RSPO P&C standards.	Yes
• CUC organizational structure.	Yes
• CUC quality systems.	Yes
• Lead auditor role.	Yes
• Report writing.	Yes
• Stakeholder consultation.	Yes
• Certification decision process.	Yes
• RSPO SCCS program manual.	Yes
• CUC filing systems.	Yes
• Correct use of RSPO trademarks.	Yes
• History and objectives of RSPO.	Yes
• CV available.	Yes
• Completion of CUC RSPO lead auditor training.	Yes

3.2.2 Qualifications of the Assessment Team		
RSPO Requirement	Team Member Name	Qualifications
Fluent in main local languages and English.	Mohd Fadzli bin Bistamam	Fluent in both English and Bahasa Malaysia
	Mohd Farul b. Rosli	Fluent in both English and Bahasa Malaysia
	Razaleigh b. Mohamad	Fluent in both English and Bahasa Malaysia
Field working experience in the palm oil sector, or a demonstrable equivalent.	Mohd Fadzli bin Bistamam	Post graduate qualification in agriculture with more than 6 years working experience in Oil Palm Plantation Industry. Fully trained in similar agriculture certification programs such as RSPO & ISCC. Completed and certified ISO 9001:2015, attended RSPO Lead Auditor course in May 2016, attended ISCC Basic Training in 2016. Involved in RSPO assessment since 2016. Member of CUC RSPO audit team.
	Mohd Farul b. Rosli	Diploma in Mechanical Engineering. Involved in RSPO auditing since 2012 (1 st party audit). Working experiences as Sustainability and Safety Officer in Oil Palm industry for more than 5 years. Trained and completed the Lead Auditor course for RSPO, ISO 9001:2015, MSPO standard.
	Razaleigh b. Mohamad	Graduated from University Technology Mara (UiTM) in Bachelor (Sc) in Plantation Management & Technology. Experiences more than 5 years in palm oil industry and qualified auditor for GlobalGAP and Organic certification.
Good agricultural practices (GAP), integrated pest	Mohd Fadzli bin Bistamam	Post graduate qualification in agriculture with more than 6 years working experience in Oil Palm Plantation Industry. Fully trained in similar

management (IPM), pesticide and fertilizer use.		agriculture certification programs such as RSPO & ISCC. Completed and certified ISO 9001:2015, attended RSPO Lead Auditor course in May 2016, attended ISCC Basic Training in 2016. Involved in RSPO assessment since 2016. Member of CUC RSPO audit team.
	Mohd Farul b. Rosli	Working experiences as Sustainability and Safety Officer in Oil Palm industry for more than 5 years. Trained and completed the Lead Auditor course for RSPO, ISO 9001:2015, MSPO standard.
	Razaleigh b. Mohamad	Involved in RSPO auditing since 2017. Been part of CUC RSPO P&C team in Malaysia, Indonesia and Ivory Coast. Trained and completed the lead auditor course for ISO 14001:2015.
Health and Safety auditing on the farm and in processing facilities. (For example, OHSAS 18001 or occupational. Health and safety assurance system).	Mohd Fadzli bin Bistamam	Post graduate qualification in agriculture with more than 6 years working experience in Oil Palm Plantation Industry. Fully trained in similar agriculture certification programs such as RSPO & ISCC. Completed and certified ISO 9001:2015, attended RSPO Lead Auditor course in May 2016, attended ISCC Basic Training in 2016. Involved in RSPO assessment since 2016. Member of CUC RSPO audit team.
	Mohd Farul b. Rosli	Working experiences as Sustainability and Safety Officer in Oil Palm industry for more than 5 years. Trained and completed the Lead Auditor course for RSPO, ISO 9001:2015, MSPO standard.
	Razaleigh b. Mohamad	Involved in RSPO auditing since 2017. Been part of CUC RSPO P&C team in Malaysia, Indonesia and Ivory Coast. Trained and completed the lead auditor course for ISO 14001:2015.
Workers welfare issues and social auditing experience. (For example, with SA8000 or related social or ethical accountability codes).	Mohd Fadzli bin Bistamam	Post graduate qualification in agriculture with more than 6 years working experience in Oil Palm Plantation Industry. Fully trained in similar agriculture certification programs such as RSPO & ISCC. Completed and certified ISO 9001:2015, attended RSPO Lead Auditor course in May 2016, attended ISCC Basic Training in 2016. Involved in RSPO assessment since 2016. Member of CUC RSPO audit team.
	Mohd Farul b. Rosli	Working experiences as Sustainability and Safety Officer in Oil Palm industry for more than 5 years. Trained and completed the Lead Auditor course for RSPO, ISO 9001:2015, MSPO standard.
	Razaleigh b. Mohamad	Involved in RSPO auditing since 2017. Been part of CUC RSPO P&C team in Malaysia, Indonesia and Ivory Coast. Trained and completed the lead auditor course for ISO 14001:2015.

Environmental and ecological auditing. (For example, experience with organic agriculture, ISO 14001 or environmental management systems).	Mohd Fadzli bin Bistamam	Post graduate qualification in agriculture with more than 6 years working experience in Oil Palm Plantation Industry. Fully trained in similar agriculture certification programs such as RSPO & ISCC. Completed and certified ISO 9001:2015, attended RSPO Lead Auditor course in May 2016, attended ISCC Basic Training in 2016. Involved in RSPO assessment since 2016. Member of CUC RSPO audit team.
	Mohd Farul b. Rosli	Working experiences as Sustainability and Safety Officer in Oil Palm industry for more than 5 years. Trained and completed the Lead Auditor course for RSPO, ISO 9001:2015, MSPO standard.
	Razaleigh b. Mohamad	Involved in RSPO auditing since 2017. Been part of CUC RSPO P&C team in Malaysia, Indonesia and Ivory Coast. Trained and completed the lead auditor course for ISO 14001:2015.
Economic issues.	Mohd Fadzli bin Bistamam	Post graduate qualification in agriculture with more than 6 years working experience in Oil Palm Plantation Industry. Fully trained in similar agriculture certification programs such as RSPO & ISCC. Completed and certified ISO 9001:2015, attended RSPO Lead Auditor course in May 2016, attended ISCC Basic Training in 2016. Involved in RSPO assessment since 2016. Member of CUC RSPO audit team.
	Mohd Farul b. Rosli	Working experiences as Sustainability and Safety Officer in Oil Palm industry for more than 5 years. Trained and completed the Lead Auditor course for RSPO, ISO 9001:2015, MSPO standard.
	Razaleigh b. Mohamad	Involved in RSPO auditing since 2017. Been part of CUC RSPO P&C team in Malaysia, Indonesia and Ivory Coast. Trained and completed the lead auditor course for ISO 14001:2015.

3.3 Audit Methodology

3.3.1 General Overview

The Audit was carried out in conformity with the procedures as laid down in the CUC Procedure Manual and the RSPO Program Manual for the auditors and Certifier. During the Audit, the qualified CUC auditors used the RSPO standard as endorsed for the country in which the audit took place and recorded their findings.

Workers and local communities were interviewed and evidence sought to confirm ongoing compliance to include:

- **Chemical stores.** Storage, MSDS leaflets, Herbicide mixing areas, PPE, Ventilation, Security.
- **Field inspections.** Herbicide application programs. Harvesting sites and efficiency. Fertilizing operations. SOP's. Soil maps. Land preparation. Ground cover. IPM. First aiders and boxes. Ground cover. Soil erosion. Field observations of all operations.
- **Worker interviews.** OSH. Sexual, religious, racial harassment. Pay and contracts. Child labor. First aid. Awareness.
- **Re-planting sites.** Zero burn.
- **HCV's.** Identification. Management plans. Environmental Impact Assessments. Implementation.

- **Riparian zones.** Width. Current and future management. Non-maintenance regimes.
- **Water management.** Water courses. Water monitoring.
- **Road maintenance.** Run off.
- **Social amenities.** Social Impact Audits.
- **Local communities.** Contributions made. Employment opportunities. Social impacts. Complaints procedures.
- **Workshops.** Oil traps. Safe working environment. PPE. Diesel tanks. Environmental waste management.
- **Line sites.** Interviews with householders. Inspection of water discharge points. Water improvement plans. Waste disposal.
- **Documentation review.**

The Palm Oil Mill audit verification included the following activities:

- **Mill and workshop inspections.** Documentation review & worker interviews.
- **Mill.** SOP's. Safe working environment. Gen sets. Walk ways. Signs. EFB. POME treatment. Emissions. Mass balance. Diesel tanks. PPE. Fire extinguishers. First aiders and boxes. Fuel and water usage.
- **OSH.** Training. Management structure. First aiders.
- **Full document review.** Completion of the checklist. Review and documentation of evidence. All aspects of RSPO P&C's applicable.
- **Worker interviews.** OSH. Sexual, religious, racial harassment. Pay and contracts.
- **Compliance against the RSPO SCCS certification scheme.**

Verification:

Verification of implementation was done through field observations, workshop and chemical store inspections, worker and community interviews and mill inspections as summarized above.

3.3.2 Assessment agenda for this Audit

Date	Location	Main activities
24th July 2017 (Monday)	Kombok Estate (Faizul/Farul/ Raza/ Fadzli)	<p>10:00 – 10:30: Opening meeting</p> <ul style="list-style-type: none"> • Introduction by Team leader <p>10:30 – 17:00 : Document review – RSPO P&C</p> <ul style="list-style-type: none"> • Document review [EIA, SIA, CIP, Business Plan] • Complaint mechanism / Request & respond • Best agricultural practices • Safety and Health <p>10:30 – 12:30: Site verification (Estate)</p> <ul style="list-style-type: none"> • Best agricultural practices • Manuring, Spraying, Harvesting, • HCV / Conservation Area • Legal compliance / boundary • Chemical / Pesticide / Fertilizer Stores • Workers interview • Worker's facilities (housing, pay, etc) • Stakeholder consultation if required.
25th July 2017 (Tuesday)	Sungei Kawang Estate (Faizul/Farul/ Raza/ Fadzli)	<p>08:00 – 17:00 : Document review – RSPO P&C</p> <ul style="list-style-type: none"> • Document review [EIA, SIA, CIP, Business Plan] • Complaint mechanism / Request & respond • Best agricultural practices • Safety and Health <p>09:30 – 12:30 : Site verification (Estate)</p> <ul style="list-style-type: none"> • Best agricultural practices • Manuring, Spraying, Harvesting, • HCV / Conservation Area • Legal compliance / boundary • Chemical / Pesticide / Fertilizer Stores

		<ul style="list-style-type: none"> Workers interview Worker's facilities (housing, pay, etc) Stakeholder consultation if required.
26th July 2017 (Wednesday)	Ayer Hitam Estate (Faizul/Farul/ Raza/ Fadzli)	<p>08:00 – 17:00 : Document review – RSPO P&C</p> <ul style="list-style-type: none"> Document review [EIA, SIA, CIP, Business Plan] Complaint mechanism / Request & respond Best agricultural practices Safety and Health <p>09:30 – 12:30 : Site verification (Estate)</p> <ul style="list-style-type: none"> Best agricultural practices Manuring, Spraying, Harvesting, HCV / Conservation Area Legal compliance / boundary Chemical / Pesticide / Fertilizer Stores Workers interview Worker's facilities (housing, pay, etc) Stakeholder consultation if required. <p>10.00 – 12.00: Stakeholders Meeting</p>
27th July 2017 (Thursday)	Jeram Padang POM Faizul Farul/ Raza/ Fadzli	<p>08.00 – 17:00: SCCS Document review Supply Chain Certification Assessment of the POM (RSPO SCCS)</p> <ul style="list-style-type: none"> Demonstration of legal entity Roles and responsibility Procedures/manual/SOP Record of purchase – RSPO certified product Record of sales– RSPO certified product RSPO logo & claims <p>08:00 – 17:00: Document review – RSPO P&C</p> <ul style="list-style-type: none"> Document review [EIA, SIA, CIP, Business Plan] Complaint mechanism / Request & respond <p>09:30 – 12:30 : Site verification (Palm Oil Mill)</p> <ul style="list-style-type: none"> Mill inspection Workshops Stores POM application Safety and Health / PPE / Signage Waste Management / Environment Workers interview Stakeholder consultation if required.
28th July 2017 (Friday)	Jeram Padang POM	<p>09:00 – 10:30: Preparation for closing meeting Additional field visits and meetings with managers as necessary</p> <p>10:30: Closing meeting</p> <ul style="list-style-type: none"> Presentation of findings by the audit team NC closure dateline (if any) Questions and answers Final summary by team leader <p>End of assessment</p>

PART 4 ASSESSMENT FINDINGS

4.1 Lead Assessor's Summary and Recommendation for Certification

The mill and supply bases visited (as per the above Tables 1.5 and 1.7.1) were assessed at field, office, facilities, stores and a document review was carried out in accordance to the RSPO principles and criteria. The subscribed RSPO management system's documentations seen with minor changes that due to internal external influenced factors that in relation to scope of certification.

During the audit process, the auditors had extensive interviews session with Estate Managers, Mill Manager, members of workers' union and committee took place in both formal and informal environments and worker interviews were conducted at the supply base and the mill. The management is highly committed in maintaining the RSPO system by adopting continuous improvement programs.

There were a few suggestions or feedbacks received during the audit or during the stakeholders meeting, see Part 4.4 below. Under partial certification rules, there is a time-bound plan established. For further clarification on Partial Certification, see PART 2 above.

There was no significant complaint received during the audit or during the field assessment when interviewing with the external stakeholders. The management continually monitoring the established KPI / objectives that significantly rules the achievement of company's corporate policy on RSPO. The mill is fully verified for RSPO SCCS system verification and it is found to be in full compliance. See PART 5 below.

Summary of Non-Conformance and Current Status

There was 2 Major and 1 Minor Non-Conformity raised to this complex for this Re-Assessment audit. A Major NC raised during the audit must be closed out within 60 days from last day of audit. For Minor NC, the management will send the evidences to close the NC by next surveillance audit. Next surveillance audit, Lead Auditor will check, verify and closed this Minor NC. See PART 4.3 below.

It is therefore the recommendation of the lead assessor that:

- A certificate of RSPO compliance issued once all Major NC status closed



Name: Muhammad Faizul b. Yusoff

Date: 20th Sept. 2017

4.2 Summary of the findings by Principles and Criteria

- Over the 5 years period of the life of the certificate, there will be 4 annual surveillance audits
- Identified Non-Conformities and noteworthy Positive and Negative Observations.
- The RSPO require that this report contain findings by each principle and some example criteria. Please see table below.

Principle 1: Commitment to Transparency

Criterion by Audit	Summary	Requests made by stakeholder were responded to and all these are well documented. Adequate information available for confidential information that being listed as publicly available. The company is in full compliance to Principal 1 for this complex.
RA	1.1	The company has established procedure titled - Standard Operating Procedures (SOP) for Stakeholders Engagement/Negotiation-SOP No.1 (Rev.01) date on 01/06/2015. The policy has identified mechanism for Request and Respond, Consultation & Meeting and Complaint & Grievances. Mill and estate are update and maintain a list of stakeholders with specific details info. It consists Government/Statutory Bodies, NGO, local community,

		<p>FFB Suppliers and etc. There is evidence that this mill and estates provides adequate information on issues relevant to RSPO Criteria to relevant stakeholders that participate with this complex. Stakeholder logbook is used to keep requests from stakeholder and being maintained in place.</p> <p>Jeram Padang POM and its supply base continued to maintain a comprehensive system with respect to this criterion. Request & Responses Logbook for their stakeholders or other interested party who had viewed / obtained document related to RSPO were well maintained.</p>
RA	1.2	<p>The company has developed SOP 9 - Control of documents & Records - Issue/rev: 1/0; dated on 01/06/2015. Stated management must provide adequate information to other stakeholders on environmental, social and legal issue. The publicly available document in the mill and estate offices are as per below:</p> <ul style="list-style-type: none"> • Land titles / user rights • Safety and health plan • Plans and impact assessments relating to environmental and social impacts • Pollution prevention plans • Details of complaints and grievances • Negotiation procedures • Continuous improvement plan <p>All these documents were sighted in the mill and estate offices. Requests for official documents through the estate or mill offices will have to go through the mill or estate managers/assistant in charge, whom will make the decision as to whether the information can be shared to or viewed by the person requesting the information or document.</p>
RA	1.3	<p>Seen the policies for code of ethical for mill and estate dated on 01/12/2014, approval by Tan Sri Dato' Seri Lee Oi Hian effectively documented and communicated. The ethical policy is listed under 3.2(xii)-Whistle-blowing and 3.2(xiii)-Business Integrity.</p>
Principle 2: Compliance with Applicable Laws and Regulations		
Criterion by Audit	Summary	<p>The mill and estates have demonstrated compliance to all applicable local, national and international laws. Legal ownership of land and its land use is clearly demonstrated through the respective land titles. Boundaries have been clearly demarcated. There have been no land disputes or claims involving the mill and estate. However, one minor Non-Conformity was raised for this complex for this area of audit.</p>
RA	2.1	<p>Generally, Jeram Padang and its supply base continued to comply with most of the applicable local, national and ratified international laws and regulations. The company has established and updated list of applicable laws and regulations that are applicable for the mill and estates as per SOP No. 2.0 titled "Legal Compliance"; Issue 1/0 dated 01st June 2015. The legal register has column for identifying legal document tile, regulatory / authority, requirements, current status and remarks.</p> <p>Some of applicable laws sighted includes:</p> <ul style="list-style-type: none"> • OSHA and regulations 1994 (Act 514) • Factories and Machinery Act with regulations (Act 139) • Poison Act and Regulations 1952 (Act 366) • Kementerian Perdagangan. • MPOB Act

		<ul style="list-style-type: none"> • Road Transport Act 1987 (Act 333) • Employees Social Security Act and Regulations (Act 4) • Industrial Relations Act and Regulations (Act 177) • Trade Union Act and Regulations • Employees Provident Fund Act 1991 <p>There are permits/licenses to be monitored and updated periodically such as permits/licenses for MPOB, fire extinguisher, air compressor, diesel and etc. Both mill and estate have established "Legal Compliance Checklist" consisting of permits and licenses. The list also stated of Person In-Charge (PIC) and expiry dates for monitoring.</p> <p>SOP 2.0 has stated to carry out periodic review and evaluation on the Laws & regulations list to ensure that any new/addition as well as changes and amendment are captured and update, through the following manner:</p> <ul style="list-style-type: none"> • Enquiring the laws books publisher • Communication with law/enforcement officers • Website <p>However, one minor non-conformity has been raised to Jeram Padang POM and its supply base.</p> <p>According to Environment Quality (Schedule waste) Regulations 2005, waste generator shall keep accurate and up-to-date inventory in accordance with the Fifth Schedule of the categories and quantities of scheduled wastes being generated, treated and disposed of and of materials or product recovered from such scheduled wastes for a period up to three years from the date the scheduled wastes was generated.</p> <p>During the audit, it was observed:</p> <ol style="list-style-type: none"> a) Sg Kawang Estate - Estate management failed to disposed scheduled waste (SW 410) within 180 days as per required by Scheduled Waste regulation (2005) b) Ayer Hitam Estate - Copy of consignment note for all waste type, which waste generator shall submit to DOE still available in the scheduled waste file. Estate management failed to submit as per requirement EQA 1974 (Regulation 12 (Scheduled Waste Regulation) 2005) c) Ayer Hitam Estate – Date of schedule waste generated at the label is not tally with the date sent to DOE through Electronic Scheduled Waste Information system (E-SWIS). Sample taken for SW 410 (used oil filter) and SW 305 (used lubricating oil). Sighted label for used filter generated date is on 10th July 2017 and for used lubricant oil is 17th July 2017. However, date generated at E-SWIS for both scheduled waste is on 21st July 2017.
RA	2.2	<p>The mill and estates have demonstrated legal ownership of their land by having legal land titles to the land. All land titles demonstrate the right to use the land. The land titles are kept in the estate office and were sighted during the audit. Evidence of annual payment of land tax to the state government is available in the form of receipts.</p> <p>The estate boundary is well demarcated with boundary stones surrounding the land. The boundary stone clearly states the GPS coordinate of that</p>

		<p>particular point. Maps clearly showing the estate boundary were also sighted in the estate office.</p> <p>No disputes have been recorded in all operating units. There is no evidence of conflict present in this complex. There is no violence in instigated violence in maintaining peace because company has a clear procedure for land conflict.</p>
RA	2.3	<p>There is no customary or use right is involved as the estate's land titles and ownerships are legally identified and documented which are belong to Kuala Lumpur Kepong Bhd. However, the company has SOP 3.0 titled "Responsible Development for New Planting" dated 01/05/2016 has identified FPIC process for acquiring land and disputes management under Attachment 2.0. Land Acquisition (For OP Planting).</p>
Principle 3: Commitment to Long-Term Economic and Financial Viability		
Criterion by Audit	Summary	<p>A documented business plan (3 years) available both at mill and estate. The annual budget includes of FFB yield/ha, OER, CPO yield/ha and cost of production. Seen the top management able to demonstrate attention to economic and financial viability through long-term management planning. There is no replanting programme for both estate. Basically, the company fully complied to Principal 3 for this complex.</p>
RA	3.1	<p>It was noted that Jeram Padang POM and its supply base continued to committed to long-term economic and financial viability. The annual budgets are prepared on an annual basis before the end of financial year.</p> <p>The yearly budget and projections where the cost of production was reviewed annually and compared against expenditure for each year was an on-going process. The parameters monitored remained essentially unchanged and included Capital (CAPEX) and Operating costs. The operating expenditure included expenditure for Replanting, Mature and Immature Oil Palm upkeep, Administration cost, Housing and Machinery upkeep, allocation for sustainability implementation (environmental, social, occupational safety and health), infra-structure development (roads, etc.), and training, etc.</p>
Principle 4: Use of Appropriate Best Practices by Growers and Millers		
Criterion by Audit	Summary	<p>The mill and estates have a complete set of GAP, POD and SOP which is being strictly adhered to and continuously monitored. Soil fertility is being maintained in the fields and IPM is being implemented in all the estates. The use of chemicals are in accordance with the regulations. There is a comprehensive OSH policy and is being implemented throughout the all operating units. Improvement sighted in the identification and assessment with HIRARC. Trainings are being carried out as per the Annual Training Plan. However, one minor Non-Conformity was raised for this complex for this area of audit.</p>
RA	4.1	<p>KLK Berhad has developed SOPs for mill and estates. Seen the Standard Operation Procedure on Sustainability and Standard Operating Procedures and Safety Operation Procedure document for mill was maintained and well implemented. For estate, sighted the Good Agricultural Practices (GAP) Policy, Standard Operation Procedure on Sustainability and Standard Operating Procedures and Safety Operation Procedure. All the SOPs are established and controlled by Head Quarters. The daily monitoring records are well maintained for the past 12 months. All SOP and procedures are kept and will be updated periodically.</p> <p>The mechanism to ensure the consistency of implementation sighted through internal audit. Sighted record of the internal audit for mill and estates during the audit. The purpose of the internal audit is to verify records and procedure</p>

		<p>against specific requirement and relevant standards requirements.</p> <p>During the audit, it was observed that the implementation on the ground aligned with the established SOP. Basically, SOP is well maintained and will be update if necessary.</p> <p>The mill received 100% FFBs from their own estates. The FFB received is recorded with the origin place, delivery note number, date, time in & out, vehicle reg. number, driver details and weight (kg).</p>
RA	4.2	<p>Sighted the SOP 4.0: Soil Erosion & Fertility and Road Maintenance dated on 01/06/2015 to cover on identification, Implementation & maintenance and Review of soil condition. The implementation of the SOP is evident from the Fertilizer Recommendation by Agronomist where daily fertilizer application for the estate is maintained at office.</p> <p>The GAP starts from the survey by Agronomist with recommendation for fertilizer application. The fertilizer applied is according to the recommendation for 2016/2017 as evident in Oil Palm Manuring Recommendations 2016/17 .</p> <p>The operating unit is utilizing nutrient recycling for all waste generated in the mill operation. The estates are also applying EFB as per recommendation from Agronomist. EFB and Decanter application record is evident in Estate Application Record.</p>
RA	4.3	<p>A management strategy for purpose of planting on slopes above a certain limit is evident in Soil Erosion & Fertility and Road Maintenance (SOP: 4.0; Date: 01 June 2015). All estates continued to have practices in place to minimise and control erosion and degradation of soils.</p> <p>The management only spot spray large woodies and conserved as much ground vegetation as possible to protect the topsoil. No peat areas and problematic soil sighted from site visit and verified through estate Soil series map for every estate.</p> <p>During the field visit, it was noted road conditions were satisfactory and accessibility were made possible by regular maintenance guided by its road maintenance programmes which consist of road resurfacing, grading & compacting and culvert maintenance.</p>
RA	4.4	<p>Water management plan is done according to SOP 5.0 Surface & Groundwater Management Issue/Rev 1/0 dated 01/06/2015. For mill effluent sampling (final discharge), mill treated water, upstream and downstream is done monthly. While for mill wastewater, sampling is done quarterly. All analysis done shown parameters tested are within standard.</p> <p>Protection of water courses and wetlands is covered in SOP 5.0 Surface & Groundwater Management Issue/Rev 1/0 dated 01/06/2015.</p> <p>Sighted the daily record of the rainfall. Water consumption record per ton FFB ratio has been maintained for every year to measure the performance of the mill. The mill's record shows the water consumption by monthly basis and accumulated per intended period.</p>
RA	4.5	<p>Implementation of IPM is based on the SOP 7.0 Integrated Pest Management dated 01/06/2015 contains information regarding the implementation of IPM. The procedure indicates information regarding the implementation of</p>

		<p>IPM including Spraying, Trunk injection and Rat baiting.</p> <p>The planting of beneficial plant was sighted along the main road of the estate. There are programme to expand the planting of beneficial plant. The planting of beneficial plants includes Tunera Subulata, Antigonon Leptopus and Cassia Cobanesis as a biological control for pest such as bagworms and needle caterpillar. Records of pesticides used by area, quantity used, hectares applied and ai/Ha from 2011 were made available for verification.</p> <p>All staffs and workers involved in the IPM implementation has been trained by the estate management. As evidence, seen the training for workers from spraying and manuring operation are done. Training records was available.</p>
RA	4.6	<p>The company has established SOP for safe use of chemicals in Safe Use & Storage of Agrochemicals/Chemicals - (SOP No.: 6.0; Date: 01/06/2015). All chemicals used for estate operations are listed down in "Register of Chemicals Hazardous to Health". Sighted Annual Agrochemicals usage recommendation from AAR (Advanced Agricultural Resources Sdn. Bhd) for 2016/2017 listed chemicals pesticides need to be used in estate operations.</p> <p>Sighted the chemical usage for year 2016/17 and Herbicide application records done for circle spraying. Record of pesticides used including the information of active ingredients used, area treated, and amount of active ingredients per hectare is evident.</p> <p>Application of any chemical products in the mill and estate is under controlled and only can be carried out by qualified workers which have attended certain training. All sprayers are provided with proper PPE such as mask, apron, gloves and rubber boot. Mixing of the chemicals was done at mixing area under control and secure environment. During field visit, spraying gang was using the proper equipment and well maintained. All chemical activities are accordance to the company procedure and good agriculture practices.</p>
RA	4.7	<p>The mill and estate is in compliance to health and safety plan set by the company. The company has established Occupational Safety & Health Policy signed by Mr. Roy Lim Kiam Chye (Group Plantations Director) dated 07/11/2014 is circulated and maintained in place. The policy is written in Bahasa and English language that can be easily understood by all levels of its employees.</p> <p>This policy is displayed in all the offices and on notice boards. It is this policy that is being adhered to with regards to the implementation of (OSH) requirements within the company. The mill has also updated HIRARC for all activities in the mill operations. The HIRARC has been updated in accordance to the latest accident recorded.</p> <p>All Managers for this complex are responsible person for Health and Safety issue. The OSH meeting has been conducted every 3 months to discuss all issues regarding worker's safety and health. All issues raised and discussed during conducted meeting has been resolve and taken action by estate management with proper action and target date cited in the minute meeting.</p> <p>The ERP has clearly justified procedures when dealing with chemical spillage, accident and others. Emergency response plan include the emergency contact number and available in local language (Malay and English). The ERP has been explained to all workers and staffs during training which has been conducted.</p>

		<p>All workers have been provided with medical and accident insurance. With regards to local workers, staffs and executives, all of them are covered under EPF & SOCSO as required by the Malaysian Laws and Regulations.</p> <p>One major NC were raised according to Clause 4.7.2 (Maj); All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers.</p> <p>Estate successfully conducted CHRA for all operations where health and safety is an issue. However, there are lack of evidences:</p> <ul style="list-style-type: none"> a) Chemical health exposure monitoring has been conducted to monitor of air contaminant (Welding Fume, Iron Oxide Fume & Manganese). Refer to CHRA Report - Form F, No. 3 Monitoring of air contaminant: Its recommended that chemical exposure monitoring to be conducted by DOSH certified hygiene technician. b) Medical surveillance record for Mr. Senggodan (Foreman) available as per recommended by competent person (CHRA report), due to foreman directly expose to Welding Fume and Iron Oxide Fume. Refer to CHRA Report - Form F, No. 5 Health surveillance: Medical surveillance to be conducted on employees exposed to chemical hazardous to health listed in Scheduled II (Manganese) of the USECHH Regulation 2000.
RA	4.8	The mill & estates have developed a training programme for year 2016/17, which includes work stations in the mill and each task in the estate. Trainings are conducted to improve or develop skills. The training records of each individual was sighted which records training information and trainer's name and followed by competency assessment of the trainee. Records of training for each employee are maintained at all operating units as evident in Attendance & Evaluation Forms (SOP No.: 8.0; Appendix 1; Dated: 01 June 2015).
Principle 5: Environmental Responsibility and Conservation of Natural Resources and Biodiversity		
Criterion by Audit	Summary	Environmental Impact Assessment has been carried out by the mill and estate. A comprehensive identification of all waste has been recorded and disposal of scheduled waste has been carried out by an approved and registered collector. Monitoring and analysis of waste is carried out regularly. Generally, the company is in full compliance to Principal 5 for this operating unit.
RA	5.1	<p>Sighted SOP 10 for "Environmental Aspect & Impact Assessment" dated 01-06-2015. Based on the SOP 10, the mill and estates have to conducted, reviewed and updated environmental impact assessment (EIA) for their activities.</p> <p>Environmental management plan was made available for each environment impacts identified in the EAIA 2017. Management control plan includes actions, responsible personnel with target dates to complete and the present status. It was observed that management actions proposed in the plan are implemented and continual monitoring done.</p>
RA	5.2	The mill and estates uses its sustainability department's SOP 11.0 titled "High Conservation Value (HCV)/Conservation Area management" procedure dated 01/06/2015 for HCV assessment.

		Basically, there are no HCV area or RTE species identified in the in-house assessment for the estate.
RA	5.3	<p>Sighted SOP 12.0 titled “Waste Management & Energy Use” dated 01/06/2015 Issue/Rev 1/0 that applicable for both mill and estates. The mill and estates have identified and documented type of waste that generated from its operation in a waste management plan titled “Identification of all waste products and operational plan to reduce pollution”. The waste management plan has also identified source of pollution, mitigation measures, target, person responsible, and status.</p> <p>Scheduled wastes generated from mill and estate are send to DOE approved contractor for disposed. Scheduled waste was disposed in accordance with scheduled waste requirements and regulation. The SW materials are placed in the schedule waste store.</p> <p>Estate has documented waste management plan for year 2017 titled “Identification of all waste products and operational plan to reduce pollution”. The waste management plan has identified Waste products, sources of pollution, mitigation measures to reduce pollution, target, person(s) responsible and status of progression. Practice of open fires not evident within both estate. Monitoring is done weekly in both domestic waste collection areas and in landfill sites.</p>
RA	5.4	Company has established SOP 12 – “Waste Management & Energy Use”; date on 01/06/2015. In mill, the management monitors fossil fuel usage tabulated in Appendix 3 of SOP 12 Scheduled Waste Management Rev. 1/0. Mill continuously monitor the fuel consumption of generator and vehicles in terms of litter/FFB produced.
RA	5.5	<p>Estate has adopted Policy of Zero burning dated 1st December 2014 by Tan Sri Dato’ Seri Lee Oi Hian (CEO) well implemented. There is no open burning noticed during the plant visit.</p> <p>Open burning in relation to new planting, re-planting or other development is not allowed and this was communicated to all employee and stakeholder. There is replanting in estate area. During replanting process, the old palm to be felled, chipped and pulverised and been remained in the field for self-composed.</p>
RA	5.6	<p>The polluting activities has been assessed during environmental aspect and impact assessment. The EIA assessment findings including list of polluting sources are recorded in document titled “Environmental Impact Assessment (EIA) & Pollution Prevention Plan.” Mitigation measures are identified for in the aspect-impact register to prevent or minimize pollution.</p> <p>Boiler stack emissions is monitored and test report was available for both stacks. Average dust emission loads are below the permissible level 0.400 g/Nm³;</p> <p>Pollutants and greenhouse gas (GHG) emissions has been identified in waste management plan. Plans to reduce or minimize the identified pollutants and GHG emissions are also established. This plan includes target dates, person responsible and the current status.</p>

Principle 6: Responsible Consideration of Employees and of Individuals and Communities by Growers and Millers		
Criterion by Audit	Summary	
		The mill and estate have conducted the social impact assessment. The relevant policies are in place and are fully implemented across the board. Communication and consultation as well complaints and grievances procedure are well communicated and adhered to. There are evidences of workers not been discriminated against in any way and all are being paid their fair wages. However, one minor Non-Conformity and one observation were raised for this complex for this area of audit..
RA	6.1	<p>Sighted the latest SIA conducted in year 2016 for mill and estates operation as following the SOP 13 In-house Social Impact Assessment dated 01/06/2015.</p> <p>This purpose of internal SIA conducted is to measure and to understand both positive and negative social impacts of the mill and estates operations towards the local population and communities surrounding the premises. The response obtained, provided information on the negative and positive social impacts of the operations.</p>
RA	6.2	<p>SOP 1.0 Stakeholder Engagement/ Negotiation Issue/Rev 1/0 dated 01/06/2015 was established as the consultation and communication procedures to relevant stakeholders. SOP has outlined the request & response, consultation & communication and complaint & grievance mechanism in order to handle issues highlighted by stakeholders.</p> <p>Sighted list of stakeholders for mill and estates. The list was updated and covering mill and estate government/statutory, NGO's local communities, FFB Suppliers and etc. are available and sighted in the mill and estate offices</p> <p>Stakeholder logbook is a mechanism used by mill and estates in order to compile any request from affected stakeholders. Stakeholders form can be filled to address request & response, consultation & communication and complaint & grievance. Sighted records of all communication and actions taken in response to input from stakeholders maintained effectively in stakeholder's logbook.</p>
RA	6.3	<p>KLK Berhad has establish SOP 01 entitled Stakeholders Engagement and Negotiation. Last issued in 01st June 2015 is shown at the process of complaints & grievance.</p> <p>SOP outlined the method of handling requests, complaints and grievances, identified and registered all stakeholders, record of request and response, resolving consultation, resolving communication and complaint and grievance.</p> <p>For private and confidentiality, protection of whistle blower is stated in KLK Sustainability Policy Issue/Rev. 1/0 approved by Tan Sri Dato' Sri Lee Oi Hian (KLK Group CEO) dated 01/12/2014 Clause 3.2 (xii) where the group shall provide a confidential means for all personnel to report illicit (unethical or illegal) activities.</p> <p>All the complaints and grievances were handled by all managers or assistant in charge. Training were provided to ensure they understand about delivering complaints and grievances.</p> <p>There is complaint book placed in the mill and estates office. The book is</p>

		<p>open to all. Action was taken by responsible person and will acknowledge to the complainer back. No complaint registered and all request has been attended promptly. Request is being requested through stakeholder logbook form.</p> <p>During site visit and stakeholder's consultation, workers/stakeholders who were interviewed confirmed that they are aware of the complaints and grievances procedure and how to channel their grievances. Complaint and Grievances record in Stakeholder Logbook was maintained. No grievance registered as per this audit period.</p>
RA	6.4	<p>KLK has established SOP 3 entitled Land Acquisition (For OP Planting) Att. 2.0 Issue/Rev 1/0 dated 01/05/2016 outlined the procedure for identifying legal, customary or user rights. This is endorsed for claiming on land ownership and consideration of compensation. Land acquisition (for OP planting) SOP 3A issue/rev 1/0 dated 01/01/2017.</p> <p>In SOP 3 entitled Land Acquisition (For OP Planting) Att. 2.0 Issue/Rev 1/0 dated 01/05/2016, compensation shall take into account:</p> <ul style="list-style-type: none"> • Proof of legal versus communal ownership in ethnic group • Communities' period of residing and origins • Gender difference in the ability to claim rights • Until to date, no compensation records made.
RA	6.5	<p>Sighted payment records for all workers and contractors. The contract of works is available and verified. Contract is signed by both employee and management indicating hours of work, amendments to annual leave, medical leave, pay, overtime etc. Interview with both mill & estates workers, confirmed that they understand the terms and conditions of their employment.</p> <p>The salary is according to 'Guidelines on the Implementation on the Minimum Wages'. Salary slips clearly shows the calculations of gross salary, all deductions and net salary of a worker. Workers interviewed confirmed that they are being paid more than the stipulated minimum wage and that they understand all the deductions being made.</p> <p>All local and foreign workers are provided with proper and adequate housing facilities. Electricity is produced by own gen-set while water for domestic used is from estate water catchment. Inspection to the housing areas is being done once a week by the estate staff and verified by the assistant manager as documented in Estate Linesite Checklist.</p> <p>Payslips for workers is evident with details of income and deductions from workers' salary. The estate has obtained a deduction permit from <i>Jabatan Buruh Semenanjung Malaysia</i> dated 14/06/2000 with serial no: PP3/26/0173 for deduction of electricity bill to TNB. One of the total of 6 conditions stated in the permit requires the Estate Management to keep an agreement letter signed by the workers which allows the management to deduct their salary respectively.</p> <p>However, one major NC were raised where during the audit there are lack of evidences that agreement letter from the workers kept by Estate Management as per required in the deduction permit.</p>
RA	6.6	<p>The 'KLK Sustainability Policy' approved by Tan Sri Dato' Sri Lee Oi Hian (KLK</p>

		<p>Group CEO) dated 01/12/2014 which under clause 3.2 (v) indicates Freedom of Association and Right to Collective Bargaining where workers are allowed to join collective association.</p> <p>This policy is displayed in the mill and estates. Interviews with workers confirmed that policy has been communicated to all workers and staff and the understanding of policy is satisfactory.</p>
RA	6.7	<p>Children are not employed or exploited. Minimum age indicated at 18 years old. In the organization child policy stated in 'KLK Sustainability Policy dated 01/06/15; clause (3.2)(ii) 'No Child Labour' where company outlined the commitment to comply with national law in regards to minimum age requirement.</p> <p>In mill and estates, recently appointed new worker is above 18 years old. The data of workers is available, monitor and checked by the auditor. Interviews with workers and staff confirmed that there is no child labor employed neither in mill and estates.</p>
RA	6.8	<p>Sighted 'KLK Sustainability Policy approved by Tan Sri Dato' Sri Lee Oi Hian (KLK Group CEO) dated 01/12/2014 Clause 3.2(ix)-Equal Employment Opportunities' described company's policy with regards to equal opportunities and no discrimination practice among employed worker. Local employees are given 1st priority for employment (Positive).</p> <p>This policy are available in English and Malay displayed at the mill and estate office wall and notice boards. Policy stated that employment of either local or foreign workers will not practice any discrimination regardless race, religion and gender. Verified through interview with workers, they are treated equally regardless their origin and gender. Opportunities are given to all level of workforce without being discriminated.</p> <p>The practice of equal opportunities is implemented as sighted the job advertisement displayed at road junction nearby complex entrance.</p> <p>The company has established SOP for employment of new workers as documented in <i>SOP14.0: Employment of Workers/Staffs</i>. The procedure clearly stated that workers need to attend for medical check-up prior to employment.</p>
RA	6.9	<p>A policy protection against sexual harassment stated in KLK Sustainability Policy issue/rev 1/0 dated 01/06/2015 approved by KLK CEO Tan Sri Dato' Seri Lee Oi Hian dated 01/12/2014 clause 3.2 (xi) Harassment and violence stated the group and its supplier/contractor shall not tolerate any type of harassment or violence. Also sighted 'Polisi Hak Reproduksi Pekerja' approved by Mr. Mah Fak Chin (Regional Director) dated 01/04/2017.</p> <p>Gender committee has been established in the mill and estates as evident in the Organization Chart. Gender committee meeting is being conducted every 3 months. Welfare of female workers were discussed. Minutes meeting available and there are evidence on matters regarding sexual harassment, violent, breastfeeding and pregnant lady being discussed during the meeting.</p> <p>The company has outlined flow chart on handling sexual harassment complaints in Policy No: GP/OSH12 OSH Mgt. System-4 issued 01/07/2010 attachment: 5 stated way to handle allegation of sexual harassment when received.</p>

		Workers interviewed were aware of the policy against sexual harassment and violence. The establishment of the gender committee at every operating unit and the specific grievance mechanism. No cases of sexual harassment or violence against female workers reported.
RA	6.10	KLK has developed SOP for FFB Pricing mechanism, SOP no 17 Issue/Rev 1/0 dated 01/06/2015. At this moment, the mill only received 100% FFBs from their own estates.
RA	6.11	Company are committed and have contributed to local development. Regular consultations with the local internal and external communities had assisted the company in its efforts to contribute to local development such as providing more jobs and improved amenities such as school bus, hostel for staffs' and workers' children, clinic and etc.
RA	6.12	<p>The company strictly prohibit the use of any form of forced or traffic labour in employment of workers or staff. This is stated in KLK Sustainability Policy SOP 14: Employment of Workers/Staffs dated 01/06/2015. SOP 14 clearly outlined the restriction to practice force or trafficked labour.</p> <p>Foreign workers are having legal identification such as valid permit and passport and have legality to work in estate operational activity. All employees are employed legally where foreigner workers are having valid permit and passport and local having identity card as the valid residential card.</p> <p>There is no evidence of forced labour during interviewing workers at site. Workers enter into employment contracts with the company on their free will. Letter of offer for local employees and employment contract for foreign workers are available where duly signed by both parties.</p> <p>The company has established 'KLK Sustainability Policy approved by Tan Sri Dato' Sri Lee Oi Hian (KLK Group CEO) dated 01/12/2014 Clause 3.2(ix)-Equal Employment Opportunities' described company's policy with regards to equal opportunities and no discrimination practice among employed worker.</p>
RA	6.13	Policy regarding of human rights has been established by the company as documented in KLK Sustainability Policy, no. 3 Drive Positive Socio-Economic Impact for People and Communities, stated KLK respect, support and uphold fundamental human rights approved by Tan Sri Dato' Sri Lee Oi Hian (KLK Group CEO) dated 01/12/2014. The "KLK Sustainability Policy" is displayed in notice boards inside the office as well as outside the office.
Principle 7: Responsible Development of New Plantings		
Criterion by Audit	Summary	There are conversion of rubber plantation to palm oil plantation. Basically the management has fully complied with the requirement of Principle 7.
RA	7.1	<p>Estates have programme to convert own rubber plantation into oil palm.</p> <p>EIA conducted for replanting activity where the assessment elements such waste generated, major activities, aspect & impact and risk assessment (likelihood & consequence) included.</p> <p>Some major activities identified such felling/construction of roads, silt pit and drainage possible aspect is smoke emission of heavy machineries (bulldozer, excavator), emission of GHG from diesel engine and noise generated by heavy machineries.</p> <p>Social Impact Assessment (SIA) conducted as per requirements.</p> <p>Identification:</p>

		<ul style="list-style-type: none"> - Access and use rights - Economic livelihood and working condition - Subsistence activities - Cultural and religious values - Health and education facilities - Other communities value, resulting from changes <p>Implementation & Maintenance:</p> <ul style="list-style-type: none"> - To conduct SIA on activities in estates. - To conduct consultation with stakeholders - To develop, monitor and evaluate mitigation measures - To ensure SIA is publicly available.
RA	7.2	AAR prepared the annual soil & leaf sampling and topographic information's for current estates. Topographic information for the existing estate sighted and available.
RA	7.3	There is no new land surveyed for the growing of oil palm therefore, no primary forest sighted within this estate perimeter.
RA	7.4	There was conversion crop from rubber to oil palm. Soil map for the existing estate sighted and available. No peat land, no hilly and sloping areas..
RA	7.5	There is conversion crop from rubber to oil palm in internal estate land. Not affected any local peoples land.
RA	7.6	There is conversion crop from rubber to oil palm in internal estate land. Not affected any local peoples land.
RA	7.7	There is conversion crop from rubber to oil palm. The company has established the KLK Sustainability SOP's on Zero Burning; SOP 9; Date on 01 st June 2015 for preparing land for planting.
RA	7.8	No new planting applicable.
Principle 8: Commitment to Continuous Improvement in Key Areas of Activity		
Criterion by Audit	Summary	Sighted continuous monitoring, review of activities and development are implemented along with action plans that allow demonstrable continual improvement in key operations such as in minimizing use of certain pesticides, environmental impacts, pollution prevention plans and working conditions.
RA	8.1	Continuous improvement plan seen documented in SOP 16.0 dated 01/06/2015. Seen the CIP format includes of activity, process area, PIC and status of action taken.

4.3 Non-conformity Raised During this Audit and Any from the Previous Year, if applicable

This section gives an over view of new or revised non-conformities raised during this audit and of action taken to close out non-conformities raised during the previous audits, if applicable


- If a minor-non-conformity raised at the last audit, is not closed out, then this will be raised to Major status and the company given 60 days to close this out.
- The NC number is comprised of 2 parts to include the year in which the NC was raised as well as a sequential number.

4.3.1 Non-Conformities Identified during this Audit

The following NC's was raised for this audit.

NC number:	01		
Client name:	Kuala Kumpur Kepong Berhad – Jeram Padang POM		
Date raised:	28 th July 2017		
Major or Minor:	Minor	Site :	Ayer Hitam Estate/ Sg Kawang Estate
Raised by:	Razaleigh / Farul	Deadline :	Next Surveillance Audit
Aspect of standard:			
Principle 2: Compliance with applicable laws and regulations.			
Clause 2.1.3 (Min); A mechanism for ensuring compliance shall be implemented			
Evidence of non-conformity:			
According to Environment Quality (Schedule waste) Regulations 2005, waste generator shall keep accurate and up-to-date inventory in accordance with the Fifth Schedule of the categories and quantities of scheduled wastes being generated, treated and disposed of and of materials or product recovered from such scheduled wastes for a period up to three years from the date the scheduled wastes was generated.			
During the audit, it was observed:			
<ul style="list-style-type: none"> a) Sg Kawang Estate - Estate management failed to disposed scheduled waste (SW 410) within 180 days as per required by Scheduled Waste regulation (2005) b) Ayer Hitam Estate - Copy of consignment note for all waste type, which waste genarator shall submit to DOE still available in the scheduled waste file. Estate management failed to submit as per requirement EQA 1974 (Regulation 12 (Scheduled Waste Regulation) 2005) c) Ayer Hitam Estate – Date of schedule waste generated at the label is not tally with the date sent to DOE through Electronic Scheduled Waste Information system (E-SWIS). Sample taken for SW 410 (used oil filter) and SW 305 (used lubricating oil). Sighted label for used filter generated date is on 10th July 2017 and for used lubricant oil is 17th July 2017. However, date generated at E-SWIS for both scheduled waste is on 21st July 2017. 			
Root Cause Analysis and extent: (To be filled by Auditee)			
Corrective/Preventive Actions: (To be filled by Auditee)			
Evidence of Conformity:			
Review of evidences submitted to CUC:			
Conclusion by CUC:			
NC Status: Yes <input type="checkbox"/> (CLOSED) No <input type="checkbox"/> (OPEN)			
ON SITE VERIFICATION REQUIRED Yes <input type="checkbox"/> No <input type="checkbox"/>			
Lead Assessor signature:		Date:	

NC number:	02		
Client name:	Kuala Kumpur Kepong Berhad – Jeram Padang POM		
Date raised:	28 th July 2017		
Major or Minor:	Major	Site :	Ayer Hitam Estate
Raised by:	Fadzli	Deadline :	27 th Sept. 2017
Aspect of standard:			
Principle 6: Responsible Consideration of Employees and of Individuals and Communities Affected by Growers and Millers			
Clause 6.5.1(Maj.); Documentation of pay and conditions shall be available.			
Evidence of non-conformity:			
Payslips for workers is evident with details of income and deductions from workers' salary. The estate has obtained a deduction permit from <i>Jabatan Buruh Semenanjung Malaysia</i> dated 14/06/2000 with serial no: PP3/26/0173 for deduction of electricity bill to TNB. One of the total of 6 conditions stated in the permit requires the Estate Management to keep an agreement letter signed by the workers which allows the management to deduct their salary respectively.			
However, during the audit there are lack of evidences that agreement letter from the workers kept by Estate Management as per required in the deduction permit.			
Root Cause Analysis and extent: (To be filled by Auditee)			
Management overlooked the term and conditions stated in the electricity deduction permit.			
Corrective/Preventive Actions: (To be filled by Auditee)			
Management have attained the acknowledgement letter from all the workers immediately.			
Evidence of Conformity:			
Acknowledgement letter from all the workers.			
Review of evidences submitted to CUC:			
The acknowledgement were sufficient to close the NC			
Conclusion by CUC:			
NC closed			
NC Status: Yes <input checked="" type="checkbox"/> (CLOSED) No <input type="checkbox"/> (OPEN)			
ON SITE VERIFICATION REQUIRED Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>			
Lead Assessor signature:		Date: 20 th September 2017	
			
Muhammad Faizul b. Yusoff Lead Auditor			


NC number:	03		
Client name:	Kuala Kumpur Kepong Berhad – Jeram Padang POM		
Date raised:	28 th July 2017		
Major or Minor:	Major	Site :	Ayer Hitam Estate
Raised by:	Farul	Deadline :	27 th Sept. 2017
Aspect of standard:			
Principle 4: Use of Appropriate Best Practices by Growers and Millers			
Clause 4.7.2 (Maj); All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers.			
Evidence of non-conformity:			
Estate successfully conducted CHRA for all operations where health and safety is an issue. However, there are lack of evidences:			
a) Chemical health exposure monitoring has been conducted to monitor of air contaminant (Welding Fume, Iron Oxide Fume & Manganese)			
Refer to CHRA Report - Form F, No. 3 Monitoring of air contaminant: Its recommended that chemical exposure monitoring to be conducted by DOSH certified hygiene technician.			
b) Medical surveillance record for Mr. Senggodan (Foreman) available as per recommended by competent person (CHRA report), due to foreman directly expose to Welding Fume and Iron Oxide Fume.			
Refer to CHRA Report - Form F, No. 5 Health surveillance: Medical surveillance to be conducted on employees exposed to chemical hazardous to health listed in Scheduled II (Manganese) of the USECHH Regulation 2000.			
Root Cause Analysis and extent: (To be filled by Auditee)			
Management overlooked on these matters and will comply the recommendations from CHRA report.			
Corrective/Preventive Actions: (To be filled by Auditee)			
- Management has engaged the CHRA assessor from Procoma to conduct the chemical exposure monitoring (Welding Fume, Iron Oxide Fume & Manganese).			
- Management has sent foreman for medical surveillance immediately .			
- To prevent these incidents not to repeat, management decided to include medical surveillance in legal compliance checklist for monitoring.			
Evidence of Conformity:			
Chemical exposure monitoring acknowledgement, medical surveillance for workshop foreman, legal compliance checklist			
Review of evidences submitted to CUC:			
The evidence were sufficient to close the NC			
Conclusion by CUC:			
NC closed			
NC Status: Yes <input checked="" type="checkbox"/> (CLOSED) No <input type="checkbox"/> (OPEN)			
ON SITE VERIFICATION REQUIRED Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>			
Lead Assessor signature:		Date: 20 th September 2017	
			
Muhammad Faizul b. Yusoff			
Lead Auditor			

4.3.2 Non-Conformity Identified during the last ASA, not applicable for MA

Non NC's were raised in previous audit.

4.3.3 Observations Raised During this Audit

One observation raised during this audit.

Client name:	Kuala Kumpur Kepong Berhad – Jeram Padang POM (Ayer Hitam Estate)		
Date raised:	28 th July 2017		
Raised by:	Fadzli		
<p>Deduction has been made by the Estate Management for Surau and Temple Fund. The management has submitted application letter to JTK for deduction permit since 2013 but there are lack of evidences of approved application from JTK. Latest application was sent again on 01/06/2017 as evident during the audit.</p> <p>It goods for management to accelerated the process of getting approval from JTK in order to avoid any issue regard to legal compliance in future.</p>			
Assessors Signature		Date	28 th July 2017

4.4 Issues that were raised during the Stakeholder Consultation, if any

Stakeholders that are likely to have information relevant for the evaluation was identified during the evaluation planning process.

- For Main and Re-Assessments, a 30 days Stakeholder consultation announcement is published on the RSPO website prior to the audit. The same announcement is circulated by the client and independently by the Control Union prior to the audit.
- For subsequent Annual Assessments, it is based on stakeholders reading the approved public summary reports available on the RSPO website, the client's procedures in receiving on-going feedback or if feedback was sent directly to Control Union prior to an audit or thorough RSPO complaints procedures.

Prior to and during all assessments (Main and annual), the audit team will seek to gather evidence about all relevant principles and criteria directly from stakeholders including statutory bodies, indigenous peoples, local communities (including displaced communities, if any), workers and workers' organizations [including migrant workers], smallholders, and local and national NGOs.

During each assessment, the audit team will review the company's implemented procedures in receiving feedback and will execute field visits and interviews. Not limited to the following questions, any feedback received is reviewed and summarized in this summary report for either Part 2 – Partial Certification or Part 4 – Assessment Findings above or noted below, if applicable:

1. Do you have any remarks on the RSPO standard?
2. What is your relation with the applicant?
3. Are there any plantation or mill management practices that affect you?
4. Do you consider any management is in conflict with the RSPO principles and criteria?
5. Do you have any suggestions for management?
6. Are you aware of any HCV in the plantations or in adjacent land?
7. Are you aware of any endangered or rare species?
8. Are there any adverse (or positive) effects on local communities?
9. Additional comments?
11. Do you have any comments about the assessment team and would you like to meet with them?
12. Do you have any comments for the client's management of any other plantations?

RSPO Principle	Stakeholder comment	CUC response [In case this has resulted in an NC, make reference to the NC number]
1 – Commitment To Transparency	<p>This stakeholder comments are including all 8 main principles complied with RSPO Principles & Criteria. Below are the cited responses gained during consultation:</p> <ul style="list-style-type: none"> • The local Police Officer commented that there were no issues involving estate workforce (local and foreign). • There was no case of absenteeism in primary school reported which involving the workers’ child. • The management is always informing the local villagers when any chemical activities done is nearby or boundary to their village. • The estate management is keeping good relationship with other oil palm plantations from different companies by conducting stakeholder consultation / meeting regularly at least once a year. • No case of land dispute reported by the stakeholder as resulted from this meeting. • The nearby villagers did not receive any social issues as resulted from foreign workers employed by the Management. 	<p>Most are positive findings</p>
2 - Compliance With Applicable Laws And Regulations		
3 - Commitment To Long-Term Economic And Financial Viability		
4 - Use Of Appropriate Best Practices By Growers And Millers		
5 - Environmental Responsibility And Conservation Of Natural Resources And Biodiversity		
6 – Responsible Consideration Of Employees, And Of Individuals And Communités Affected By Growers And Mills		
7 - Responsible Development Of New Plantings		
8 - Commitment To Continuous Improvement In Key Areas Of Activities		

PART 5: RSPO SUPPLY CHAIN CERTIFICATION

The palm mill mentioned in the scope of the audit was audited against the requirements of the following:
RSPO Supply Chain Certification Systems. November 2014
RSPO Supply Chain Certification Standard. November 2014

5.1 POM Included In The Scope Of The Audit

Name of Palm Oil Mill (POM)	Mill Capacity MT/Hour	Location Address	Supply Chain Model (IP or MB)
Jeram Padang POM	55	KM 12, Jalan Jelai - Rompin, 72100 Bahau, Negeri Sembilan, Malaysia.	IP

5.2 Confirmation Of The Company's Summary Of Annual Certified Volume Of RSPO Certified Palm Oil And Palm Kernel Over A Specified Period

Product CU Code	CPO (MT)	PK (MT)	Specified 12 month period
POM 1	42,380.609	9,039.744	Volumes between 01/07/2016 to 30/06/2017.

5.3 Summary Report Including A Brief Description Of The Scope Of Certification

Jeram Padang POM is running under approved capacity of 55 MT/Hour to process all the FFB. At this moment, the mill received 100% FFBs from their own estates as evident in the List of Suppliers of Jeram Padang POM.

RSPO certified FFB received are converted into RSPO certified CPO and PK under CPO-Mills: Identity Preserved (IP) model. For FY 2016/17, the mill has recorded 21.00% Oil Extraction Rate (OER) and 4.66% from the production.

Actual quantities of certified FFB delivered to the mill are entered into a central computer system and the actual quantities of CPO and PK produced are also entered and the OER is known. The quantities of certified CPO and PK are shown in real time and summarized each day on a spreadsheet.

Sales of CPO and PK are made in real time and the quantity of sales never exceeds that shown in the spreadsheet. A full RSPO SCCS certification audit was used during this annual assessment and the findings support the certification based on supply chain model listed above.

5.4 Monthly Records of Certified and Uncertified FFB Received since the Last Audit In case of Main Assessment, it shall be the last 12 month figure.

Figure are actual FFB production on monthly basis

No	MONTH-YEAR	Certified Supply Bases (MT)	Uncertified Supply Bases (MT), if any	Total (MT)
1	July 16	15197.22	-	15197.22
2	Aug 16	15960.96	-	15960.96
3	Sep 16	17421.24	-	17421.24
4	Oct 16	13971.10	-	13971.10
5	Nov 16	17986.20	-	17986.20
6	Dec 16	15220.38	-	15220.38
7	Jan 17	13134.92	-	13134.92
8	Feb 17	14284.57	-	14284.57
9	Mac 17	14673.20	-	14673.20
10	April 17	18479.32	-	18479.32
11	May 17	20283.62	-	20283.62
12	Jun 17	17277.99	-	17277.99
	TOTAL	193890.72	-	193890.72

5.5 Monthly Records of Certified CPO and PK Since the Last Audit

In case of Main Assessment, it shall be the last 12 month figure.

Figure are actual CPO and PK production on monthly basis

No	MONTH-YEAR	Certified CPO (MT)	Certified PK (MT)
1	July 16	3349.379	647.640
2	Aug 16	3578.399	769.540
3	Sep 16	3920.281	940.411
4	Oct 16	3321.578	674.275
5	Nov 16	3869.670	731.970
6	Dec 16	3367.005	681.313
7	Jan 17	2900.739	555.437
8	Feb 17	3072.478	645.329
9	Mac 17	3082.080	769.190
10	April 17	3996.204	950.947
11	May 17	4294.808	868.000
12	Jun 17	3627.988	805.692
	TOTAL	42,380.609	9,039.744

5.6 Records of Certified CPO & PK Sold under GreenPlam to Buyers since the Last Audit, if Any

In case of Main Assessment, it shall be the last 12 months figure.

Figure are actual Certified CPO & PK Sold under GreenPlam to Buyers on monthly basis

No	Buyers Name	GreenPalm Trading No	Certified CPO (MT) Sold	Certified PK (MT) Sold
-	-	-	-	-

5.7 Records of Certified CPO & PK Sold under UTZ eTrace to Buyers since the Last Audit, if Any

In case of Main Assessment, it shall be the last 12 months figure.

If this is an Annual Surveillance Assessment, the figures used are since the last audit.
The transactions were sighted form the clients registered UTZ eTrace Account.

No	Buyers Name	UTZ eTrace Trading No	Certified CPO (MT) Sold	Certified PK (MT) Sold
-	-	-	-	-

5.8 Non-Conformities Identified during this Audit

Timeline for compliance:

1. All non-conformances observed during an audit shall be classified as 'major' since all requirements for Supply Chain certification have to be met before granting certification.
2. For Main Assessments, all non-conformances shall be addressed satisfactorily by the operation before certification may be granted by the certification body. If non-conformances are not addressed within three (3) months of the audit, a full re-audit shall be required. The certification body shall assess the effectiveness of the corrective and/or preventive actions taken before closing out the non-conformances.
3. For Annual Surveillance Assessments, non-conformances raised after the certification are serious (i.e. must be considered as a major) and the integrity of the RSPO Supply Chain Certification is at risk. A maximum of one month is to be given to the certified client to satisfactorily address the non-conformance. The certification body shall assess the effectiveness of the corrective and/or or preventive actions taken. Should the nonconformance not be addressed within the one-month maximum timeframe, a suspension or withdrawal of the certificate and a full re-audit may be necessary.
4. If no non-conformances are observed at an audit or when the corrective action plan has satisfactorily addressed raised non-conformance(s), the client shall be recommended for (re-) certification.

Non-were raised during this audit.

NC Number:	Not Applicable
Date:	-
Reference to standard:	-
Standard requirement:	-
Evidence of non-compliance:	-

5.9 Description of the Organizational Management Systems

Including organizations, management and operational systems to ensure compliance with the RSPO Supply Chain Certification Systems and Standards as detailed above

This palm oil mill and its supply bases were audited against RSPO SCCS. The mill processing capacity is 55 tonne FFB per hour. The mill is capable of handling IP supply chain model.

5.10 Final Certification decision by Control Union for the RSPO SCCS Audit of the POM

Recommendations made:	Yes
Summary of non-compliances:	No NC was raised during the audit.
Certification status of client:	<p>The POM included in the scope of this audit demonstrated full compliance with the RSPO SCCS.</p> <p>With effect from the certification date given in the RSPO P&C certificate, this POM mentioned in the scope of this report is considered to be certified in accordance with the RSPO SCCS.</p>

PART 6: CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

6.1 Date of next ASA

The provisional date for the next ASA is:	July 2018
---	-----------

6.2 Date for Closure of Non-Conformities

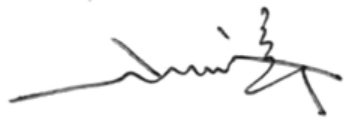
See sections above for details of NC's, if any	
• All major NCs to be closed by:	60 days from the issuance date
• All minor NCs to be closed by:	Before next surveillance audit

6.3 Signing by the Client

I the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents and audit findings as presented in this document.


I also confirm:

- Acceptance of liability in execution of the instructions given.
- That this company was made aware that the findings of the audit team are tentative; pending review and decision making by the duly designated representatives of Control Union Certifications.
- That during the closing meeting all agenda items was covered by the Lead Auditor.

Acknowledged by:		 Signature
Name:	Sin Chuan Eng	
Position:	Head of Sustainability (Plantations)	
Date:	10/09/2017	

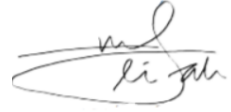
6.4 Signing by the Lead Auditor

I the undersigned, being the Lead Auditor, confirm that this report is an accurate record of the findings and of the closing meeting. I further confirm that the summary of the findings as presented in this report are a true representation of the actual findings of the audit team.

Acknowledged by:		 Signature
Name:	Muhammad Faizul b. Yusoff	
Position:	Lead Auditor	
Date:	20.09.2017	

6.5 Signing by the Certifier

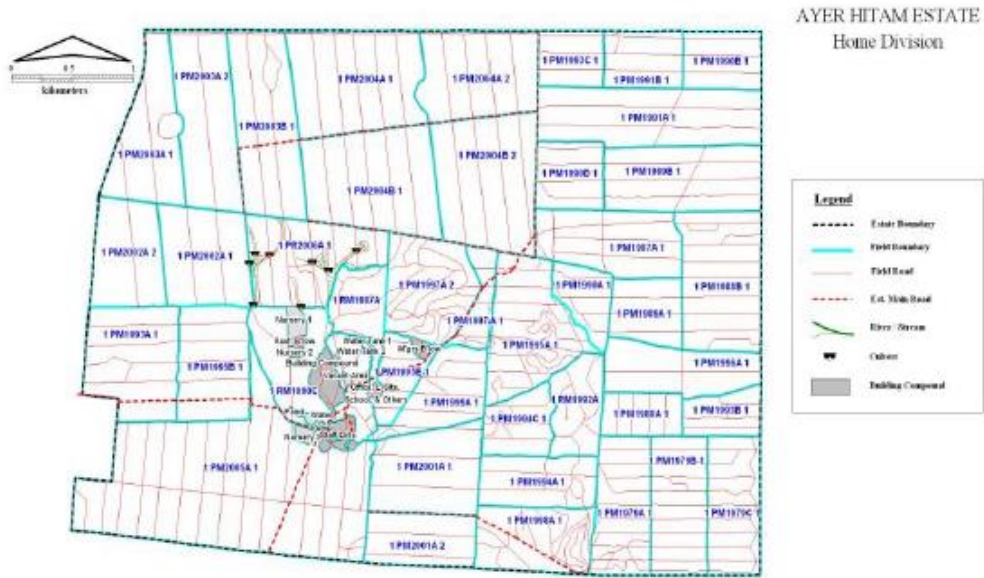
I the undersigned, being the Certifier, confirm that the information and conclusions included in this report have been prepared in good faith and that the certification decision has been based upon this information.

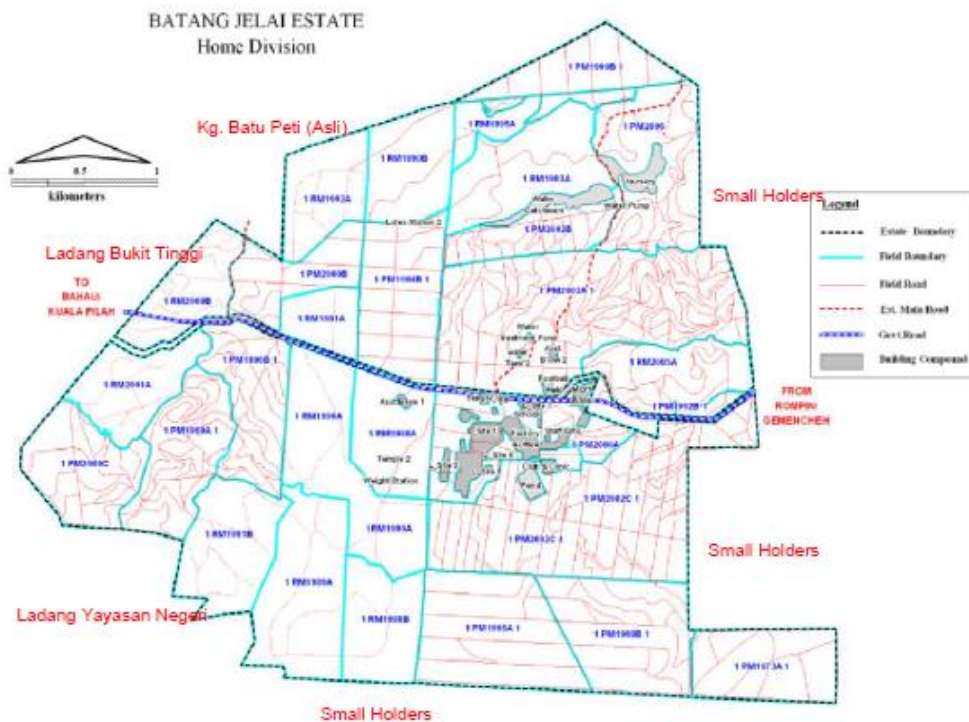
Acknowledged by:		 Signature
Name:	Nor Atiqah	
Position:	Certifier	
Date:	19/10/2017	

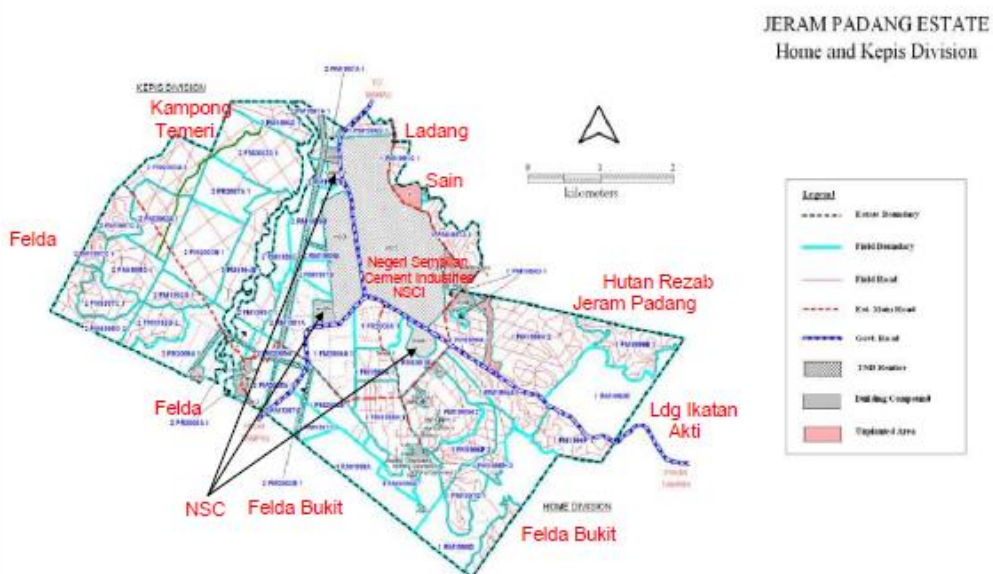
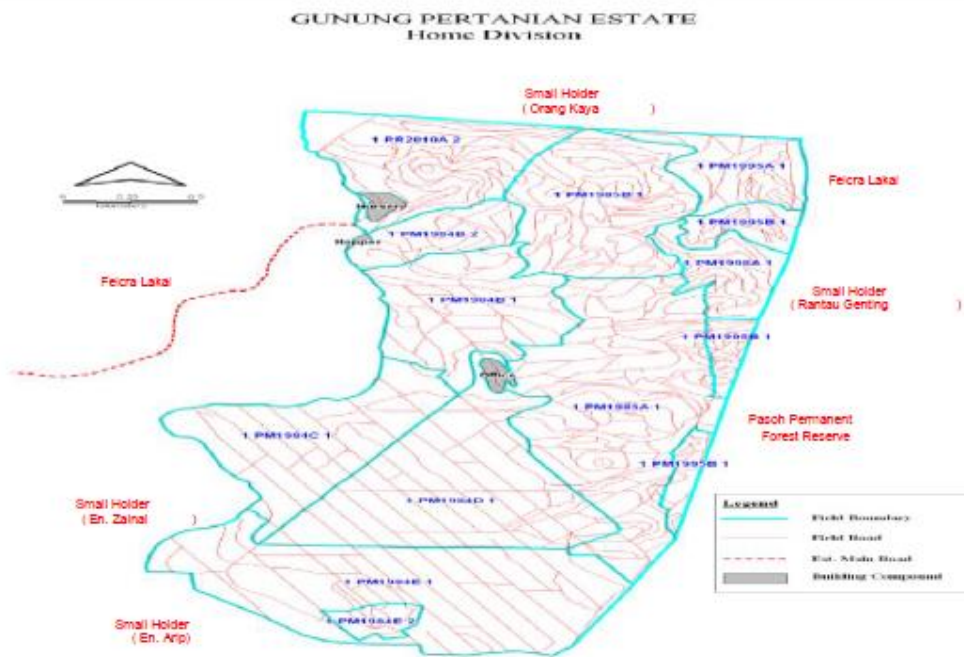
PART 7: APPENDICIES

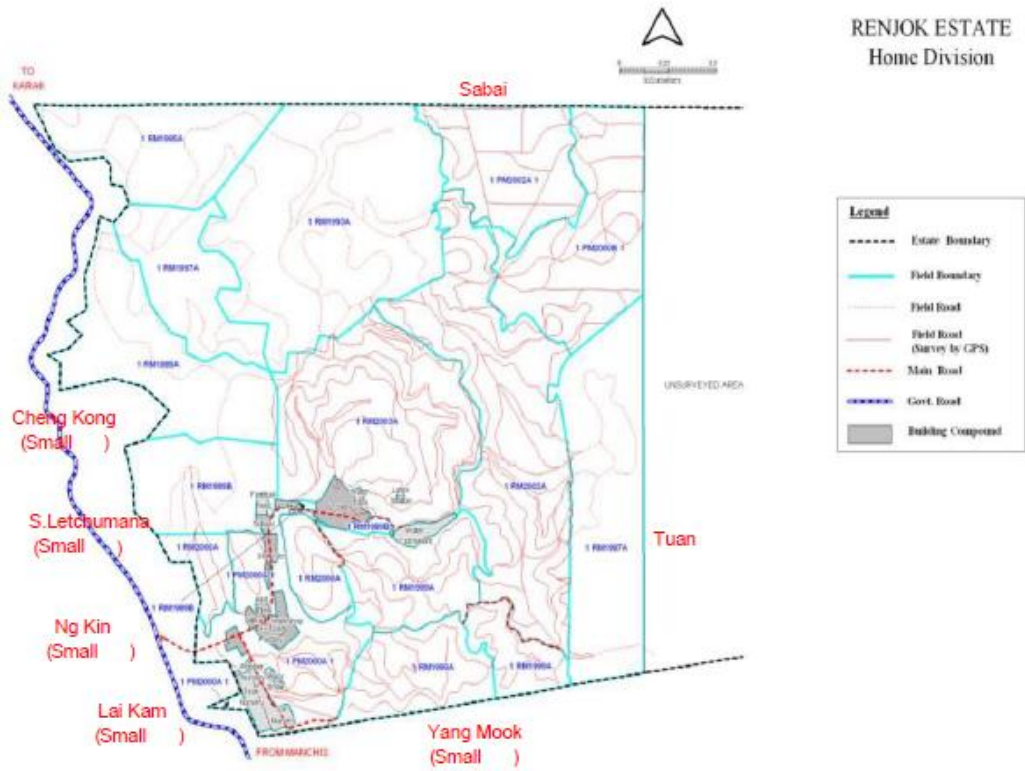
Appendix 1: Location Map for this Certification Unit

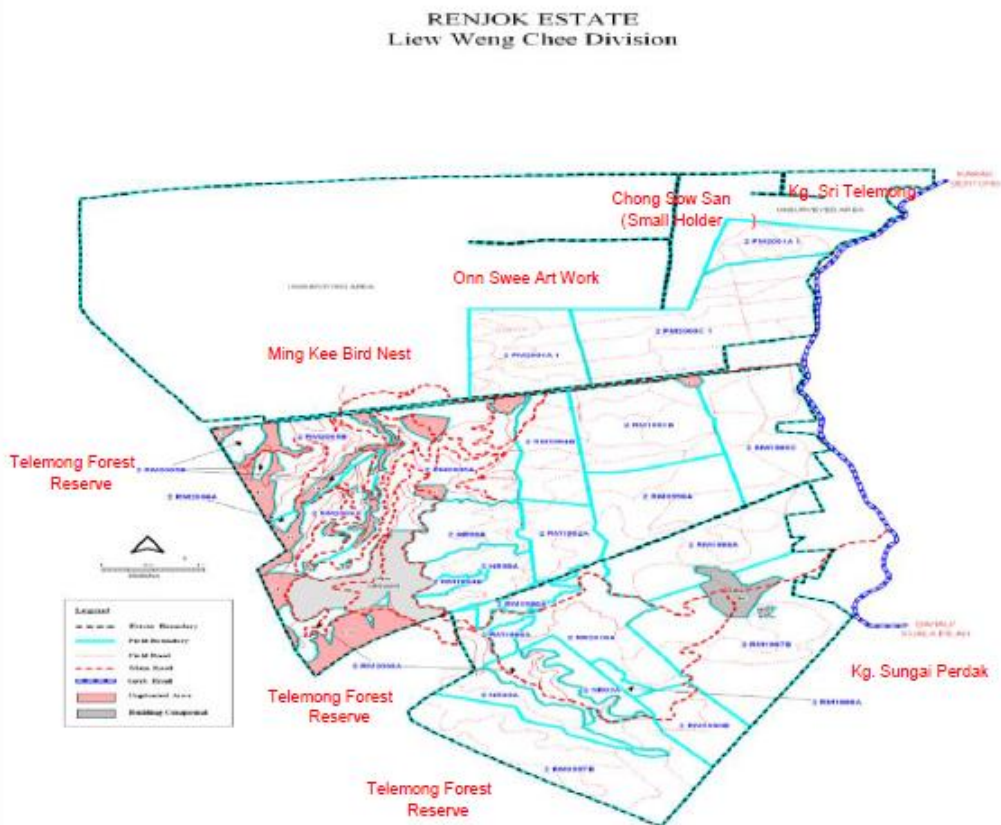
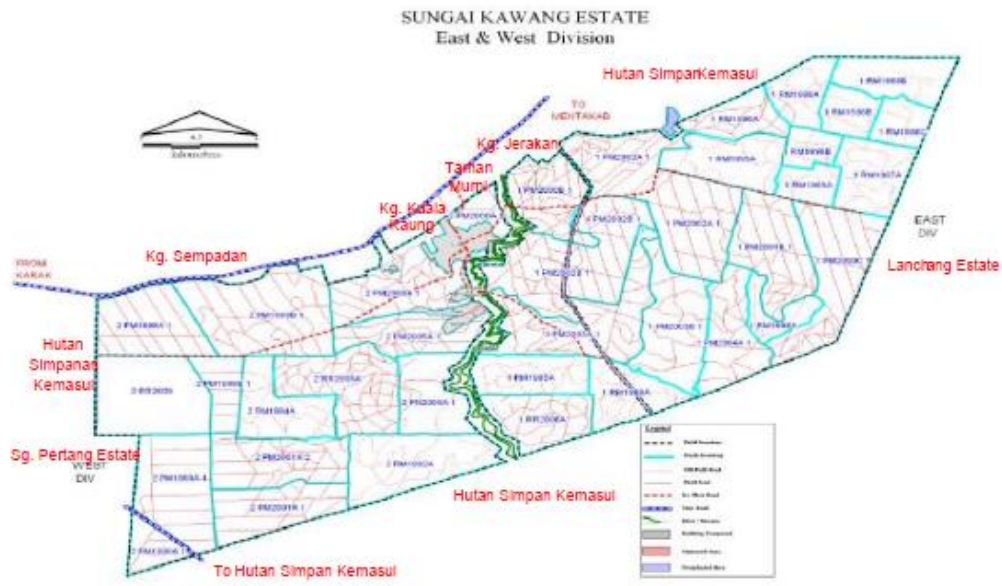
From 1.9, the location map(s)

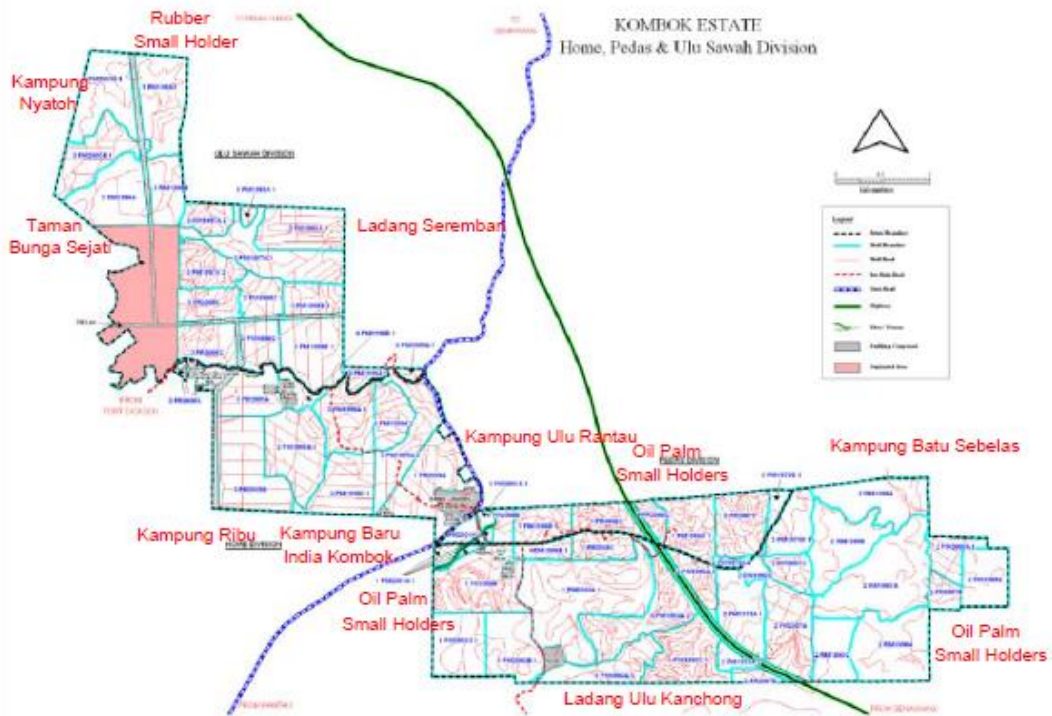


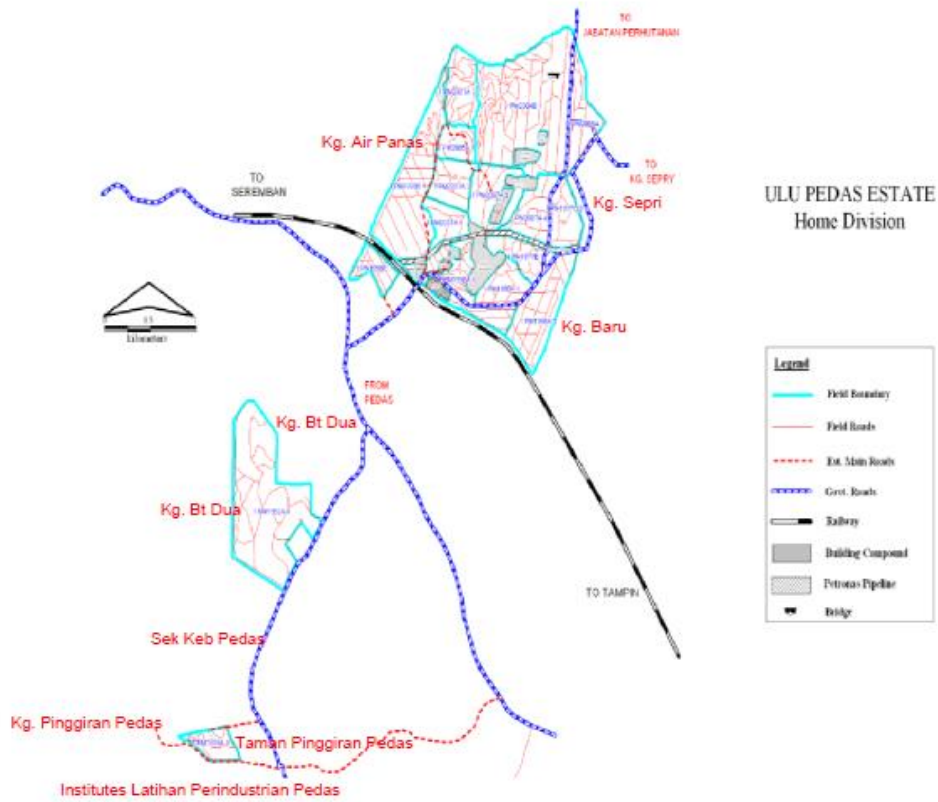












Appendix 2: Summary of GHG Emissions

Summary of Net GHG Emissions

Emissions per Product	tCO ₂ e/tProduct
CPO	1.36
PK	1.36

Extraction	%
OER	22.13
KER	5.01

Production	t/yr
FFB processed	176902.14
CPO Produced	39144.045

Land use	ha
OP planted area	12150.7
OP planted on peat	0
Conservation (forested)	0
Conservation (non forested)	96.3
Total	12247

Summary of Field Emissions and Sinks

	Own Crop		Group		3rd Party		Total	
	tCO ₂ e	tCO ₂ e /tFFB	tCO ₂ e	tCO ₂ e /tFFB	tCO ₂ e	tCO ₂ e /tFFB	tCO ₂ e	tCO ₂ e /tFFB
Emissions	-	-	-	-	-	-	-	-
Land Conversion	111550.75	0.63	0	0	0	0	111550.75	0.63
*CO ₂ Emissions from Fertiliser	14377.37	0.08	0	0	0	0	14377.37	0.08
**N ₂ O Emissions	10032.55	0.06	0	0	0	0	10032.55	0.06
Fuel Consumption	853.55	0	0	0	0	0	853.55	0
Peat Oxidation	0	0	0	0	0	0	0	0
Sinks	-	-	-	-	-	-	-	-
Crop Sequestration	103131.28	-0.58	0	0	0	0	103131.28	-0.58
Conservation Sequestration	0	0	0	0	0	0	0	0
Total	33682.94	0.19	0	0	0	0	33682.94	0.19

Summary of Mill Emissions and Credits

<i>tCO₂e</i>	<i>tCo₂e/tFFB</i>
<i>Emissions</i>	-
<i>POME</i>	0.17
<i>Fuel Consumption</i>	0
<i>Grid Electricity Utilisation</i>	0
<i>Credits</i>	-
<i>Export of Grid Electricity</i>	0
<i>Sales of PKS</i>	0
<i>Sales of EFB</i>	0
<i>Total</i>	0.18

Palm Oil Mill Effluent (POME) Treatment

Divert to compost	0%
Divert to anaerobic digestion	100%

POME Diverted to Anaerobic Digestion:

Divert to anaerobic pond	100%
Divert to methane capture (flaring)	0%
Divert to methane capture (electricity generation)	0%

Appendix 3: GHG assessment for new plantings

Not applicable

Appendix 4: List of Abbreviations	
BRC	British Retail Consortium
CHRA	Chemical Health Risk Assessment
CoC	Chain of Custody
CPO	Crude Palm Oil
CSR	Corporate Social Responsibility
CU	Control Union
CUC	Control Union Certifications
DOE	Department of Environment
EFB	Empty Fruit Bunch
EIA	Environment Impact Assessment
ERT	Endangered Rare or Threatened species
EU	European Union
FFB	Fresh Fruit Bunch
FSC	Forest Stewardship Council
FSC COC	Forest Stewardship Council Chain of Custody
FSC FM	Forest Stewardship Council Forest Management
GGL	Green Gold Label
GMP	Good Manufacturing Practice
GOTS	Global Organic Textile Standard
GTP	Good Trading Practice
GPS	Global Positioning System
HACCP	Hazard Analysis and Critical Control Point
HCV	High Conservation Value
HCVF	High Conservation Value Forest
IPM	Integrated Pest Management
JAS	Japanese Agricultural Standard
MDC	MDC Publishers Sdn Bhd (Company Name)
MSDS	Material Safety Data Sheet
NC	Non Conformity
OE	Organic Exchange
OSH	Occupational Safety and Health
OSHAS	Occupational Safety and Health Assessment Scheme
P&C	Principle and Criteria
PEFC	Programme for the Endorsement of Forest Certification
PK	Palm Kernel
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RSPO	Roundtable on Sustainable Palm Oil
RSPO NI	Roundtable on Sustainable Palm Oil National Interpretation
SA8000	Social Accountability 8000
Sdn Bhd	Sendirian Berhad
SIA	Social Impact Assessment
SOCISO	Social Security Organisation
SOP	Standard Operating Procedure
USDA/NOP	United States Department of Agriculture – National Organic Program
MT	Metric Tonnes
WHO	World Health Organization