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**PUBLIC SUMMARY REPORT**  
**RECERTIFICATION ASSESSMENT**

**Kulim (Malaysia) Berhad**

**Sindora Mill and Supply Base**

**Johor Malaysia**

*Report Author*

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## SUMMARY

Kulim (Malaysia) Berhad (Kulim) owns and operates four (4) Mills and twenty (20) oil palm Estates. BSi Group Singapore Pte Ltd (BSi) has conducted the Recertification Assessment of Sindora Mill and supply base comprising 3 company owned Estates, support services and infrastructure. BSi concludes that Sindora Mill and Supply Base meet compliance with the requirements of RSPO Principles & Criteria: 2007; MY-NI Indicators and Guidance : 2010; and RSPO Supply Chain Certification Standard : 2011, Module E – CPO Mills : Mass Balance.

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

## ABBREVIATIONS USED

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

## 1.0 SCOPE OF RECERTIFICATION ASSESSMENT

### 1.1 Identity of Certification Unit

Kulim (Malaysia) Berhad operations consist of four (4) Palm Oil Mills and twenty (20) company owned Estates. The Kulim Mills and 19 of the Estates are located in Johor State and the other Estate is located in Pahang State, Malaysia (Figure 1). The Certification Unit of this Recertification Assessment is the Sindora Mill and Supply Base of three (3) company owned Estates. The GPS locations of the Mill and Estates are shown in Table 1.

**Table 1: GPS Locations Mill and Estates**

LOCATION	LONGITUDE	LATITUDE
Sindora Mill	103° 27' 44.316"	1° 59' 7.3392"
<b>Estates</b>		
Sindora	103° 28' 17.976"	1° 57' 48.114"
Rengam	103° 24' 49.0212"	1° 53' 21.9768"
REM	103° 52' 54.9588"	1° 42' 12.4128"

## 1.2 Production Volume

The production tonnages for CPO and PK for the 12 months prior to the Recertification Assessment (01/11/2012 – 31/10/2013) and projections for the next twelve months are listed in Table 2. CPO and PK production of Sindora Mill are projected to decrease in 2013/14 due to reduced tonnage of FFB from Rengam Estate and from outside suppliers.

**Table 2: Production Tonnages**

Sindora Palm Oil Mill	CPO	PK
Estimate at Certification	13,568**	4,382**
ASA1 Actual 01/01/2009–31/12/2009	11,175**	3,642**
ASA2 Actual 23/01/2010–22/01/2011	16,446**	5,276**
ASA3 Actual 01/11/10– 31/10/11	37,832*	11,536*
	28,647**	8,749**
ASA4 Actual 01/11/2011 –31/10/2012	36,789*	11,417*
	27,756**	8,634**
Recertification Actual 01/11/12–31/10/13	45,874*	14,129*
	29,590**	9,113**
Projected 01/11/13 – 31/10/2014	39,177*	11,618*
	26,759**	7,935**

\* Includes all Outside Suppliers tonnages

\*\* = Certified Production (Kulim Estates)

## 1.3 Certification Details

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

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

BSi RSPO Current Certificate No: 537873

Initial Certification Assessment: 14–24 July 2008

Date of Certification: 23/01/2009

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

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

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

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

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

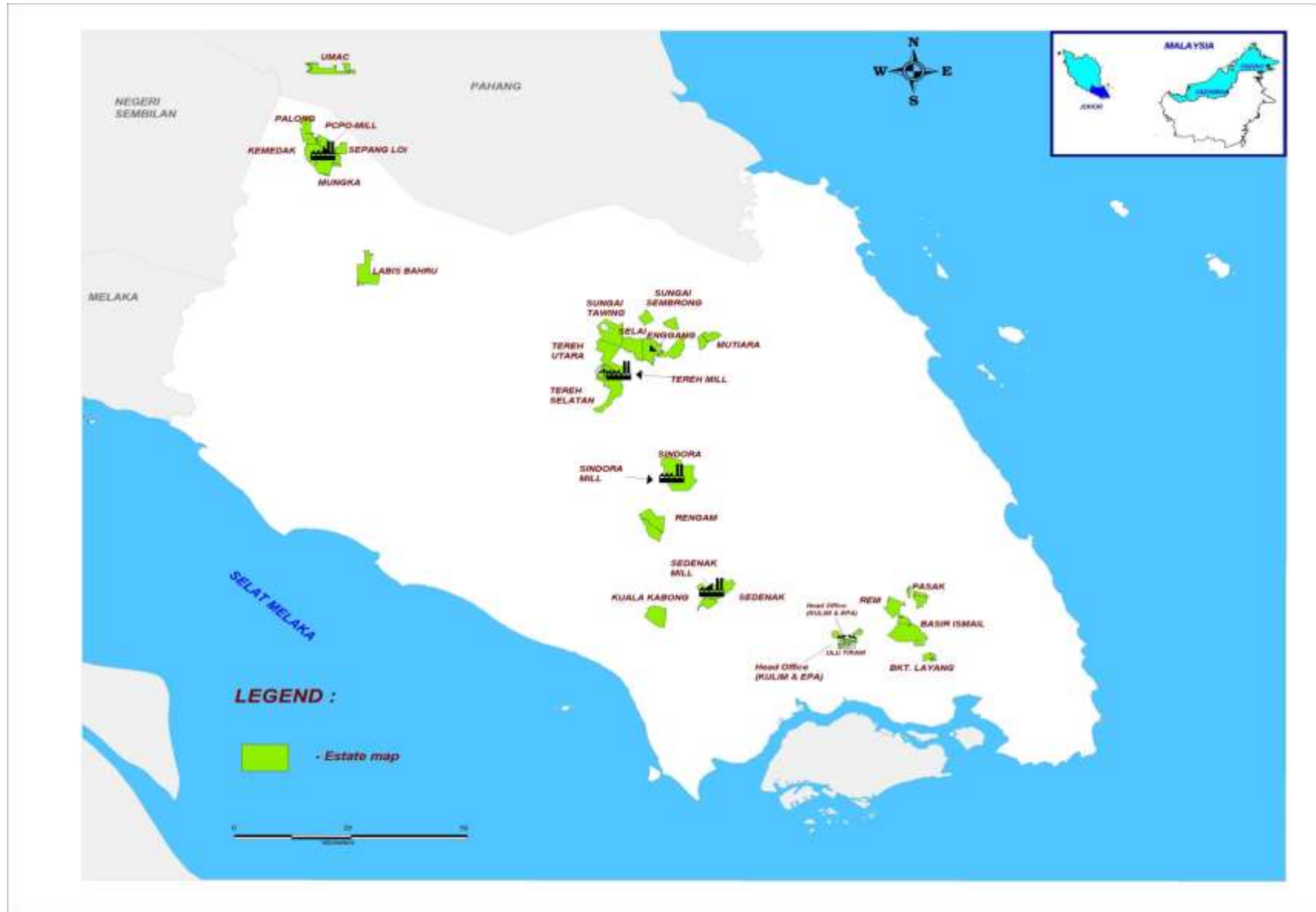


Figure 1: Kulim Mills and Estates Location Map







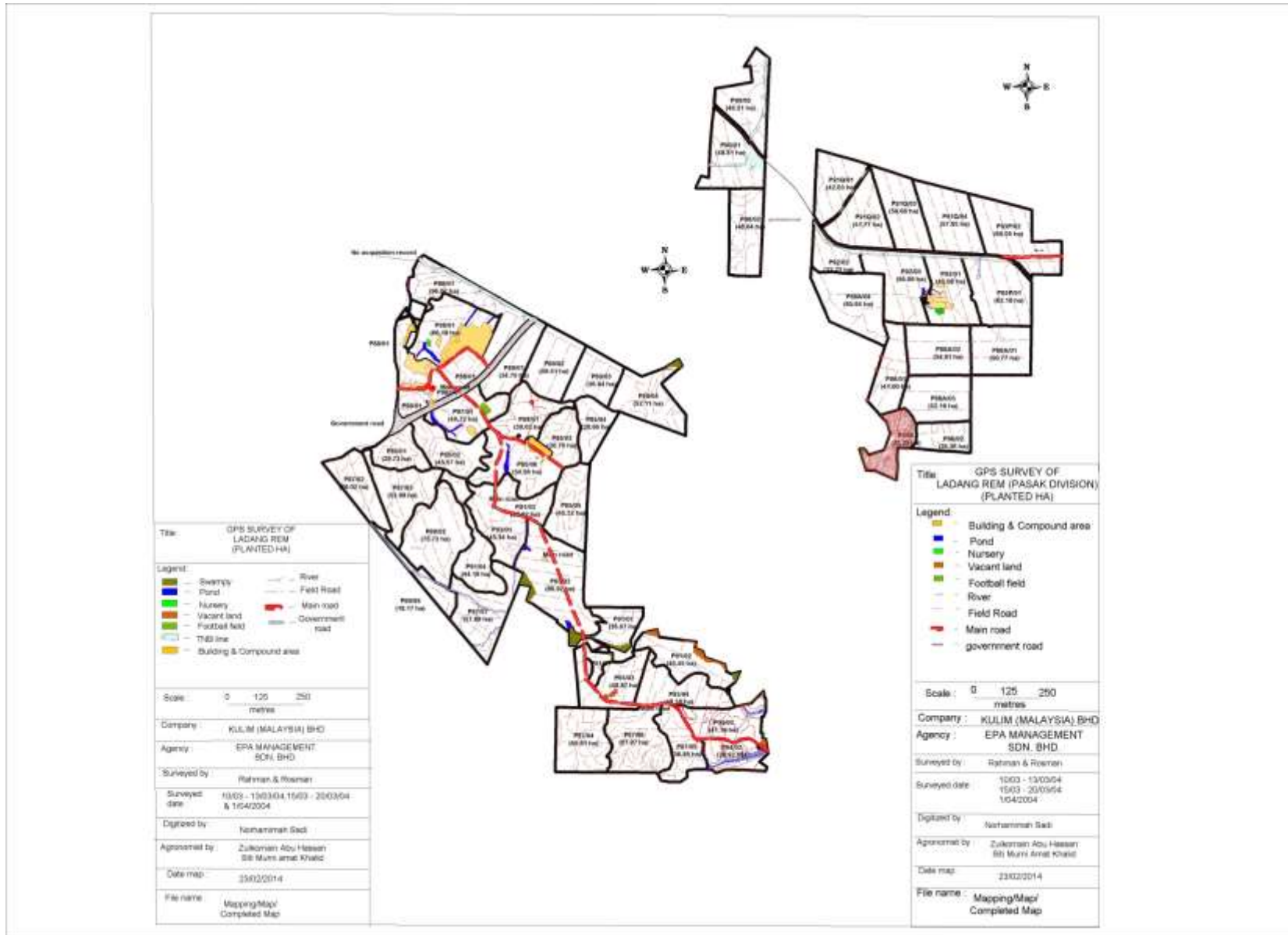


Figure 4: REM/Pasak Estate Layout

### 1.4 Description of Supply Base

The supply base is three (3) company owned Estates; one (1) “Outside” Estate and seven (7) FFB Traders with their FFB production listed in Table 3. The production from the “Outside” Estate and FFB Traders is not included in the Certificate.

**Table 3: FFB Production (Sindora Mill Supply Base)**

Source	Estimate at Certification 23/01/2009	Actual 01/12/12– 30/11/13	Projected 01/12/13– 30/11/14
<b>Kulim Estates</b>			
Sindora	65,855	54,165	52,178
Rengam	43,647	52,276	44,495
REM	–	37,761	36,517
Basir Ismail	7,122	–	–
Ulu Tiram	860	–	–
Sungai Papan	–	5,717	–
<b>Total Kulim Estates</b>	<b>117,484*</b>	<b>149,919*</b>	<b>133,190*</b>
<b>Outside Estate</b>			
Nilai Megah		9,898	
<b>FFB Traders</b>			
Guan Leng	69,345	28,700	60,447
Che Yu Trading		2,231	
Ree Fong		12,032	
Per Sri Mahtai		2,001	
Hup Guan		5,962	
Per Md Sangidi		6,564	
Per Sri Misan		14,789	
<b>Total Outside Suppliers</b>	<b>69,345**</b>	<b>82,177**</b>	<b>60,447**</b>
<b>OVERALL TOTAL</b>	<b>186,829</b>	<b>232,096</b>	<b>193,637</b>

\* = Certified Production (Kulim Estates)

\*\* Production from “Outside” Estate Nilai Megah and FFB Traders is not included in the Certificate

### Supply Chain

Kulim uses the Mass Balance mechanism for the Sindora Mill supply chain. All deliveries of FFB to the Mill are issued with a weighbridge docket that records the name of the supplier, truck registration number, driver’s name and the tonnage. The weighbridge system is computerised and the delivery records are used as the basis for payment for FFB deliveries. A sample of weighbridge dockets was checked at the Mill against the Daily Transaction Summary of FFB deliveries from each supply source. This confirmed the details of the source and quantity of FFB were recorded accurately and could be verified by tracking. Kulim made sales of CSPO certificates on the GreenPalm trading platform. Inspection of documents confirmed that Kulim maintains all of the documentation required for supply chain verification (Refer to Appendix “B”).

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

At Sindora Mill, production from company Estates is projected to decrease due mainly to replanting at Rengam.

**Table 4a: Age Profile of Palms**

Estate	AGE (years)	% of Planted Area
SINDORA	21 +	62
	11 – 20	0
	4 – 10	29
	0 – 3	9
RENGAM	21+	43
	11 – 20	21
	4 – 10	25
	0 – 3	11
REM	21+	62
	11 – 20	3
	4 – 10	17
	0 – 3	18

The areas of mature and immature palms are detailed in Table 4b for each of the Estates. The planted areas have been revised and have decreased following the completion of GPS Surveys during replanting at Sindora Estate (3.93 ha) and REM Estate (65.1 ha).

**Table 4b: Areas Planted**

Kulim Estates	Mature (ha)	Immature (ha)	Total Area
Sindora	2,974.63	306.81	3,281.44
Rengam	2,092.95	256.69	2,349.64
REM	1,749.69	400.03	2,149.72
<b>OVERALL TOTAL</b>	<b>6,817.27</b>	<b>963.53</b>	<b>7,780.80</b>

### 1.5 Progress against Time Bound Plan

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

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

### 1.6 Progress of Associated Smallholders/ Outgrowers towards RSPO Compliance

Kulim has consulted FFB suppliers and advised them it aims to achieve RSPO Certification for all Sindora Mill supply base. Kulim will continue to work with the FFB suppliers, comprising Outside Estates and FFB Traders to assist them to implement the RSPO Principles & Criteria.



### 1.7 Other Certifications Held

Sindora Mill operates a Quality Management System to the ISO 9001:2008 standard (Certificate No AR1825), current to 21 November 2014.

### 1.8 Organisational Information / Contact Person

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

## 2.0 ASSESSMENT PROCESS

### 2.1 Assessment Team Members

**Charlie Ross** – Lead Assessor RSPO  
B.App.Sc. M.Sc (Env.Studies)  
Topics assessed: Legal, Environment, Agricultural Practices, Occupational Health & Safety, Social, Supply Chain

**Isman Yusoff** – Assessor RSPO  
BSc.Electrical Engineering; Exec.M Business Admin  
Topics assessed: Legal, Environment, Agricultural Practices, Occupational Health & Safety

**Nabila Seth Niven** – Social Assessor RSPO  
BBA (Hons) Business Studies  
Topics assessed: Social, Occupational Health & Safety

**Robyn Ross** – Social Assessor RSPO  
SA8000  
Topics assessed: Legal, Social, Women and Families

**Dian Ekowati** – Facilitator  
Graduate Degree (Master Level), Rural Sociology and Gender ; Bachelor Degree, Community Empowerment

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

### 2.2 Assessment Programme

The Recertification Assessment was carried out 2, 3, 6 and 10 December 2013. The Assessment Programme is included as Appendix “D”.

The Programme included assessments of the Mill, Rengam and Sindora Estates against all of the RSPO Principles & Criteria: 2007; MY-NI Indicators and Guidance : 2010 and the RSPO Supply Chain Certification Standard : November 2011, Module E – CPO Mills : Mass Balance. The Estates were selected for assessment on the basis of environmental risks (Sindora Estate) and time since previous site visit.

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

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

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

### 2.3 Stakeholder Consultation

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

## 3.0 ASSESSMENT FINDINGS

### 3.1 Summary of Findings

During this Recertification Assessment, Nonconformities were assigned to Major Compliance Indicator 2.1.1 and Minor Compliance Indicator 5.3.2. Eight (8) Observations/Opportunities for improvement were identified. Refer Section 3.2 Page 17 for details. Kulim prepared a Corrective Action Plan for addressing the identified Nonconformities, which BSi reviewed and accepted.

Review of the nonconformities assigned at Sindora during previous assessments (CR01, CR03, CR05 and CR06) found corrective actions were being effectively and consistently implemented and the nonconformities remain closed. The Nonconformity (CR07) assigned during ASA4 was followed up and closed. The four (4) Observations/Opportunities for Improvement identified during ASA4 also were followed up to check the effectiveness of corrective actions. Refer Section 3.3 Page 18 for details.

#### **PRINCIPLE 1: Commitment to Transparency**

Kulim has maintained up to date policies, procedures and management plans for provision of information to the public on request. The requests for information are received at Head Office and are then forwarded to the Estates and Mills for provision of site specific information. Requests for information were received only from Government Departments and the MPOB.

**Criterion 1.1: Growers and Millers provide adequate information to other stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate**

**languages and forms to allow for effective participation in decision making.**

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

The Mill and Estates have implemented the “Communication and Consultation Management guidelines” as evidenced by the maintenance of filing systems for recording written requests for assistance and information. Inspection of a sample of records found that requests for information were received only from Government Departments, NUPW and the MPOB. The sample of records indicated requests for the Estates and Mill to provide information, such as for MPOB surveys, were replied to in a timely manner. For example, the Mill received a request from MPOB 1 April 2013 regarding Survey on OER, POME & BIOGAS to which the Mill replied with the completed survey 18 May 2013. (1.1.1)

**Criterion 1.2: Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.**

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

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

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

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

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

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

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

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

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

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

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

Kulim has maintained the systems for documentation, checking and assessment of legal compliance with applicable laws and regulations. Inspection of records showed that the Sindora Mill and the Estates visited have maintained legal compliance with statutory requirements (with the exception noted for Estate compressors), such as the Factories & Machinery Act 1967, the OSH Act 1994, the Environmental Quality (Clean Air Regulation) 1978 and the Employment Act 1955.

The program to survey and locate all boundary stones was completed by independent surveyors. Inspection of a sample of boundary stones at each of the Estates visited confirmed these were clearly marked and visibly maintained. Interview of local community representatives confirmed there were no land tenure disputes with Kulim.

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

Review of internal audit and consultant reports showed that the Mill and the Estates visited had maintained legal compliance with applicable laws and regulations, with the exception identified for Estate compressors. For example, Sindora Mill boiler emissions were tested on 24 August 2013 by Spectrum Laboratories (Johor) Sdn Bhd and confirmed the level of dust particulate was in compliance with Regulation 25 of the Malaysian Environmental Quality (Clean Air) Regulations, 1978. The sulphuric acid and oxides of nitrogen measured for the stack were within the Regulations, Standard C limits of 0.2 gSO<sub>3</sub>/Nm<sup>3</sup> and 2.0 g Nox/Nm<sup>3</sup>, respectively. Ambient air quality at areas within and surrounding the Mill were tested by Spectrum Laboratories (Johor) Sdn Bhd on 23 and 24 August 2013 and the Total Suspended Particulates, sulphur dioxide and nitrogen oxide monitored were within the Malaysian recommended Environmental Air Quality Guideline limits of 260 ug/m<sup>3</sup>, 0.04 ppm and 0.17 ppm respectively. Review of monthly reports to DOE of boiler smoke opacity indicated compliance with the Malaysian recommended Environmental Air Quality Guideline.

Mill effluent is treated in effluent ponds and used for composting with EFB and the balance is recycled to the palms by land application in furrows. The BOD of treated mill effluent complied with licence limits of 5,000 mg/L throughout the year (Figure 5) and the maximum BOD was 93 mg/L at the Mill in April 2013.



**Figure 5: BOD (mg/L) of Treated Mill Effluent**

Water supplied to housing from the government reticulated supply and from Kulim operated water treatment plants showed compliance with the Malaysian Drinking Water Quality Standard. The Mill and Estates carry out daily checks of pH and residual free chlorine and at some locations, jar tests to determine the dosing of flocculant. In addition, samples are sent to the Kulim Central Laboratory monthly or an external consultant.

Inspection of pay records found that the Mill and the Estates complied with the Employment Act 1955 and the Department of Labour monthly overtime limit. Sindora Mill holds an approval from Labour Department for extension of overtime hours to 130 hours per month that remains current to 06-05-2018. (2.1.1)

**CR10 – A Nonconformity was assigned because the DOSH Inspector visit 19/02/2013 notified Rengam Estate to apply for a Certificate of Fitness for the air compressor, but at the time of the Recertification Assessment visit this had not been issued. Sindora Estate also did not hold a Certificate of Fitness for the workshop air compressor – refer Section 3.2 Page 17.**

Kulim maintains a Register of Legal Requirements for the Mills and Estates that was updated in 2013 to include the Wildlife Conservation Act 2010. In addition, each operation has a List of Licenses showing the expiry dates. (2.1.2)

Kulim has implemented a system of regular visits by the Mill Visiting Engineer and the Plantation Inspector, respectively who audit legal compliance during site visits. The Mill Visiting Engineer visited Sindora Mill on 13 September 2013 he reported that all statutory requirements were being met. A sample of statutory licenses was checked and found to be current. (2.1.3)

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

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

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

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

Kulim has completed the program of surveying the boundaries of all of its properties and installing boundary stones. Each of the Estates visited held a copy of a map showing the locations of boundary stones. Inspections of a sample of boundary stones (for example Stone Number 56 at Rengam P05 Block 04) at each of the Estates visited confirmed boundary stones are clearly marked with poles painted red and white. The maintenance program consists of quarterly weeding and annual painting of the boundary marker poles. (2.2.3)

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

**Criterion 2.3 – Use of the land for oil palm does not diminish the legal rights of other users without their free, prior and informed consent.**

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

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

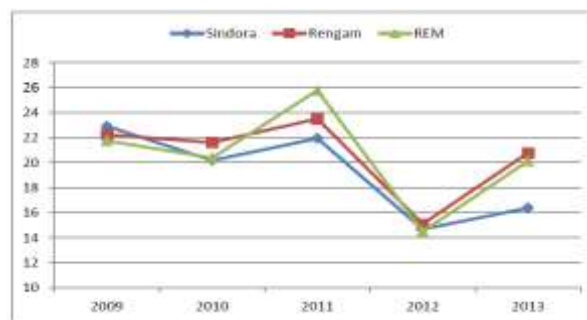
There is no customary land or negotiated agreements for any of the Kulim land. (2.3.3)

**PRINCIPLE 3: Commitment to Long Term Economic and Financial Viability**

Kulim has implemented a management system for monitoring and reporting of performance against production targets for achieving long-term economic and financial viability. Reports were available showing the details of production and costs. Kulim has continued its commitment to sustainability by funding capital expenditure for improvements at the Mill and Estates such as the replanting program.

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

The Sindora Mill and the Estates have an annual operating budget for the calendar year 2013 and five-year projections (2013 – 2018) for production. The budgets include performance targets for production and quality and each of the operating units reports monthly results to senior management. The average annual FFB yield for the Estates (Figure 6) has increased between 2012 and 2013 due to good seasonal conditions. (3.1.1)



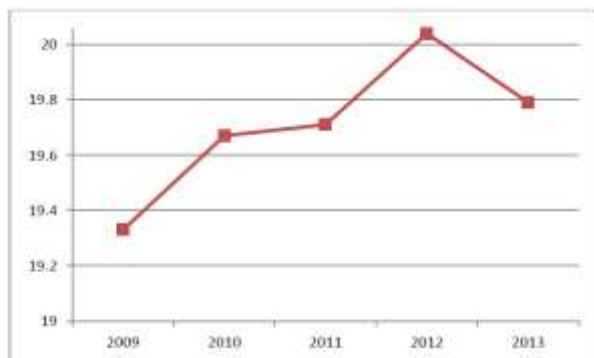
**Figure 6: Average Annual FFB Yield 2009 – 2013**

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

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

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

The Mill Visiting Engineer visited Sindora Mill on 13 September 2013. The average annual OER (Figure 7) has decreased from 20% in 2012 to 19.8% in 2013. This was explained as being due to several factors: a higher proportion of the FFB processed at the Mill was purchased from outside suppliers; a general decreasing OER trend in Malaysia and heavy rain resulting in “forced ripening” of the crop.



**Figure 7: Average Annual Mill OER (%) 2009-2013**

The boundaries of stream buffer zones that will be reinstated at future replanting were maintained and inspection showed that herbicides had not been applied to these areas. Inspection of recently replanted areas minor deviations from the Kulim Buffer Zone Policy as noted below where Observations have been raised. The use of pesticides is closely controlled and an important element of the IPM programme. Kulim has continued to give high priority to employee health and safety through training and implementation of safe work practices.

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

Sindora Mill SOPs were reviewed in May 2010, for example “Operation of the Effluent Treatment Plant” Ref SM/WI/15, Issue No 2, 03 May 2010. In 2013, Kulim reviewed the SOPs for the Mill and Estates operations and has uploaded these to the Kulim Portal. Sindora Mill has maintained certification of their Quality Management System to the ISO 9001:2008 standard (Certificate No AR1825, current to 21 November 2014). Implementation of SOPs at the Mill was checked by internal audits and the external ISO9001 audit. (4.1.1)

The Mill and Estates maintain records of the monitoring carried out internally and by the Mill Visiting Engineer and the Plantation Inspector’s visit. Copies of the reports were available at the Mill and the Estates, together with the Manager’s response to issues raised. The Plantation Inspector visited Sindora Estate on 14-15 November 2013 and the Manager replied to issues raised on the 20 November. (4.1.2)

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

The Kulim Agronomists maintained the programme of foliar and soil sampling for assessment of palm nutrition and making recommendations for the annual fertiliser plan, specific to each Estate. For example, the Agronomist visited

Sindora Estate on 29 and 30 July 2013 and carried out inspection of the palms and foliar sampling. (4.2.1)

Sindora Estate soil sampling was carried out in June 2013 and analysed by UTCL Laboratory, with the results received by the Estate in July 2013. (4.2.2)

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

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

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

Kulim has identified steep areas for setting aside as conservation areas when replanting is due. Inspection of field conditions at each of the Estates visited showed well established and maintained groundcover vegetation. Kulim has implemented roto-slashing of harvesting paths at flat and gently sloping areas, in preference to use of herbicide. Inspection of field conditions at sloping areas and terraces, found stacking of pruned fronds along the contour for protection against soil erosion was relatively consistent. (4.3.2) **Observation 01 – Groundcover vegetation generally was good throughout Rengam Estate, but needs improving at low-lying areas at P03 Block 2 – refer Section 3.2 Page 18.**

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

There are no peat soils at the Sindora Supply base Kulim owned Estates. (4.3.4)

There are no sandy, low organic matter or acid sulphate soils at any of the Sindora Mill supply base Kulim Estates. (4.3.5)

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

The programme of demarcating buffer zones for reinstatement at future replanting had been completed by painting “blue and white” rings around the trunks of palms to show clearly the boundaries. At locations where replanting is due, the Estates have ceased the application of chemicals to palms within the demarcated buffer zones. (4.4.1) **Observation 02 – At Rengam and Sindora Estates several recently planted palms (P13) were too close to the drain edge, indicating inadequate supervision of planting to ensure compliance with Kulim’s Buffer Zone Policy – refer Section 3.2 Page 18.**

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

Inspections of Sindora Mill and the Estates visited showed that point source pollutants were well controlled through

maintenance of pollution control devices. Records were available to show that the PCDs had been inspected and cleaned regularly. The Mill and Estates carry out monthly monitoring of water quality upstream and downstream of the operations. Review of a sample of records indicated no significant difference in concentrations of, for example, BOD, total nitrogen, total phosphorus and TSS between upstream and downstream locations. (4.4.3)

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

The Mill monitors and reports water usage monthly to Kulim head office. The water usage increased slightly between 2009 and 2014 (Figure 8). The Mill has recently investigated the cause of the high usage and found this was due to a faulty water control valve, which was replaced. The Mill also has automated the water addition to the hot water tank, which was previously controlled manually. (4.4.5)

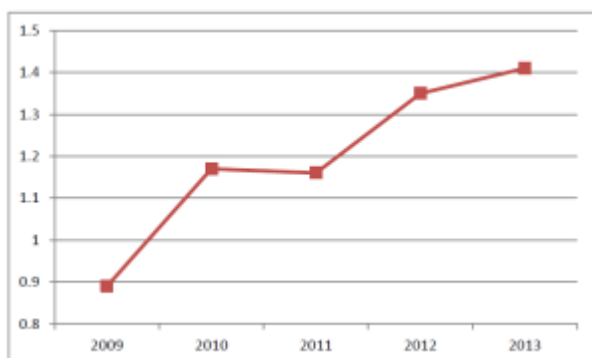


Figure 8: Annual Mill Water Usage (t/tFFB) 2009-2013

Inspection of the Mill and Estates visited showed that Kulim has taken appropriate precautions to prevent drainage into protected areas. (4.4.6) **Observation 03** – Inspection of Anaerobic Pond #4 showed that a drain had been dug along the top of the embankment to prevent rainfall from flowing down the outer slope. However, the drain needs to be inspected by the Civil Engineer as there may be a risk of increasing water infiltration to the impoundment wall – refer Section 3.2 Page 18.

The water management plan for Sindora Mill describes the recent changes that have been made to reduce water usage. At the Estates, rainwater tanks have been installed for providing water for general cleaning and washing vehicles. (4.4.7)

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

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

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

Kulim continued the programme for establishment of beneficial plants (*Turnera subulata* and *Cassia cobanensis*) along roadsides through the Estates for control of leaf eating insects. Barn owls have been introduced at each Estate for control of rats and annual census indicated average occupancy at some estates such as Sindora 53%. (4.5.2)

The Estates maintain records for each oil palm block of the quantity of pesticides applied. (4.5.3)

Kulim monitors pesticide usage at each of the Estates (Figure 9). The usage of pesticides is specific to the field conditions at each Estate, which often vary considerably due to environmental factors, such as replanting and the age of palms. Sindora Estate has undergone a major replanting program and pesticide usage as indicated by Toxicity Units/ha increased significantly in 2012 due to the application of Ally for control of broadleaf weeds. (4.5.4)

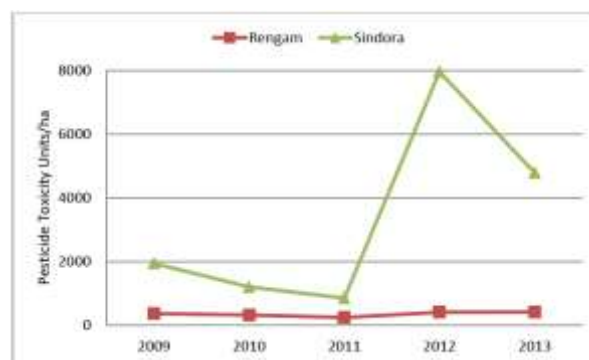


Figure 9: Annual Pesticide Usage 2009-2013

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

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

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

Inspection of the pesticide stores at the estates visited were stored safely in accordance with the manufacturer's



instructions. Inspection of pesticide stores at Rengam and Sindora Estates confirmed that all pesticide storage areas had spill containment, adequate convective ventilation, clear labelling, physical separation by type of chemical, and safety instructions. (4.6.3)

Kulim Head Office has supplied copies of MSDS in Bahasa Malaysia to each of the Estates. Inspections at Rengam and Sindora Estates confirmed information on the safe handling of pesticides was displayed at the pesticides store and mixing area. (4.6.4)

Each of the Estates visited held a copy of the results of the medical surveillance carried out in accordance with CHRA requirements. For example, surveillance was carried out at Rengam Estate for 30 workers on 13 April 2013 by Medini Occupational Health Services, Johor Bahru. Review of the Report showed all were confirmed fit to work with pesticides. All sprayers interviewed were included in the list of participants for the above surveillance. (4.6.5)

**Observation 04** – *Inspection of records showed that Sindora Estate has conducted the CHRA medical surveillance for all pesticide operators, except the person who does the measurement and mixing of pesticides – refer Section 3.2 Page 18.*

All female sprayers interviewed indicated they were transferred to other duties once confirmed pregnant and they wished to continue working. They also stated they could not return to work as a sprayer if they were still breastfeeding. (4.6.6)

Kulim uses WHO Type 1A and Type 1B chemicals only on the basis of pest census data when a threshold level is exceeded. Rengam Estate has not had an outbreak of bagworm requiring treatment for more than 10 years. Kulim has continued to use paraquat dichloride for control of volunteer oil palms and for weeds in immature palms, although usage since 2009 has decreased by 60% at Sindora Estate, but there has been no change at Rengam. Kulim Plantation Department advised that they have kept up to date with research and investigations, but to date there is no suitable economic alternative to the contact herbicide paraquat dichloride. (4.6.7)

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

Sindora Mill CPO was tested for pesticide residues by Lotus Laboratory Services on 20 December 2011, Report No LS/MS/B9445/11. No pesticide residue was detected in the sample. (4.6.9)

Kulim Estates maintain records of pesticide use, as reported for Indicator 4.5.4 above. Daily issues of pesticides are recorded on the Bin Card for each pesticide. At the end of each month, these quantities are transferred onto a monthly summary including active ingredient and records of monthly usage are available for the past 5 years. (4.6.10)

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

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

The Mill reviewed the Safety Risk Assessment (HIRAC) for the main tasks 28 October. (4.7.1 b)

In addition to specific training courses, safety briefings are given during muster to reinforce awareness, such as correct wearing of PPE. For example, Rengam Estate conducted “Awareness on Selection and Correct use of PPE” training carried by Syarikat Jun Chong Sdn Bhd on 22 March 2013 with 25 attendees. (4.7.1 c)

**Observation 05** – *A Nonconformity was initially assigned at Rengam Estate maintenance workshop because the safety training/awareness appeared ineffective as indicated by a damaged electric arc welding power lead, a faulty welding PPE shield and failure to use the oxy-acetylene welding goggles supplied. The faulty items were replaced immediately however attention is required to training and workplace inspections – refer Section 3.2 Page 18.*

Workers at Sindora Estate and the Mill were observed to be wearing appropriate PPE for the specific task being carried out and the PPE was worn correctly and consistently across most of the sites visited. At the time of the Rengam Estate site visit it was raining and no spraying was being carried but during interview, sprayers advised they were provided with waterproof apron, respirator, helmet, gloves and boots and indicated awareness of correct safety precautions to be observed whilst working with pesticides. Records were available of PPE issued to individual workers and contractors, including signatures to confirm receipt. (4.7.1 d)

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

Records were available confirming that quarterly OSH meetings had been held at the Mill and the Estates. For example, the Mill carried out the third OSH meeting of the year on 24 September 2013 with 4 Management, 3 Supervisors and 10 worker representatives in attendance. Rengam Estate fourth quarterly meeting was held 20 November 2013 with 14 Management and 11 worker representatives in attendance. The meeting minutes included details of topics discussed, such as poisons storage, and reports from each of the following work areas: Harvesters, fertilisers, tractor, workshop, accidents. (4.7.1 f)

The Mill and Estates have site specific Plans including maps showing assembly areas and up-to-date lists of emergency contacts with training conducted to communicate the Plan. Interviews of Mill and Estates staff and workers confirmed understanding of emergency response. (4.7.1 g)

First Aid Training is carried out, for example the Rengam Estate Health Assistant conducted training on 27 November 2013 for 19 participants including management, mandors, field supervisors and bunch counters and for 9 Mill workers on 19 November 2013. (4.7.1 h)

First Aid Kits are installed at various work stations at the Mill and Estates and inspection confirmed these had been appropriately stocked. For example, Rengam Estate Maintenance Workshop kit was restocked on 21 November 2013. (4.7.1 i)

All accidents are investigated and reported to Head Office (Figure 10). The LTA Index (number of lost days per 200,000

man hours worked) is updated monthly for each Mill and Estate. Sindora Mill reported two accidents in 2013, one work related and the other a road accident outside the Estate, with 15 and 12 lost days, respectively. The Estates generally had lost time accidents associated with minor injuries during harvesting. Accident statistics are reported monthly to head office and yearly to DOSH, with the report for 2012 calendar year issued on 08 January 2013. (4.7.2)

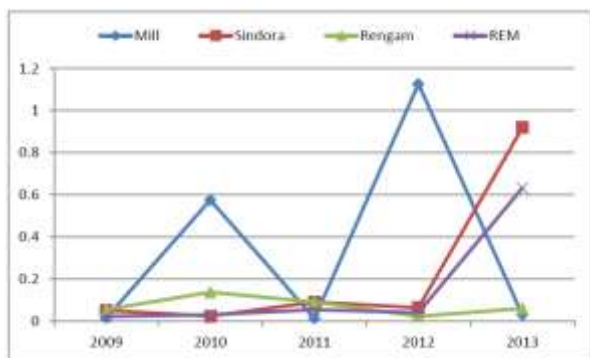


Figure 10: LTA Index 2009-2013

Staff and local workers are covered by Social Security Organisation Insurance (SOCSO). Foreign workers are covered by Berjaya Sompo Insurance Berhad, for example, 137 foreign workers at Rengam Estate are covered under policy number 13DJB/WWSCZ14361 current to 31/12/2013. (4.7.3)

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

Kulim has prepared an Annual Training Plan 2013 that lists the internal and external training courses scheduled for the Mills and Estates during the year. In addition each Mill and Estate has a schedule of “on-the-job” training for the main tasks. The Mill and each of the Estates visited maintained training records for individual staff and workers, including induction of new workers. For example, inspection of the Mill training records cross referenced to the Training Programme found that the specified Effluent Sampling Technique training was carried out 22 March 2013 for 3 workers and 2 managers. Sindora Estate conducted FFB transport contractor training in March 2013 and Tractor driver safety training in April 2013. (4.8.1)

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

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

Inspections confirmed that conservation set-asides were being maintained, except for one area at Rengam Estate

where the situation has changed due to the failure of a water pond embankment.

Solid wastes are separated at source and recyclables are stored for sale to a recycler. The majority of the Kulim Estates continued to consign empty pesticide containers to G-Planter, a government licensed recycler. Non-recyclables are disposed in small landfills in accordance with Local Government sanitary landfill regulations. Management of the land application of treated effluent needs improving to prevent discharge.

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

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

Sindora Mill prepared the Environmental Improvement Plan for the 2013 year on the 12 January 2013. Improvements identified and implemented during 2013 include reduction of water usage through elimination of leaks in the system and automating water supply to the hot water tank. Each of the Estates visited has prepared an Improvement Plan that was based on the environmental impact risk assessment results. (5.1.2)

**Criterion 5.2: The status of rare, threatened or endangered species (ERTs) and high conservation value habitats, if any, that exists in the plantation or that could be affected by plantation or Mill management, shall be identified and their conservation taken into account in management plans and operations.**

Kulim continued to engage with the Wildlife Conservation Society, Johor Branch, who has completed the survey of birds and bats at Sindora Estate and the nearby Endau-Kota Tinggi Department of National Parks & Wildlife Reserve. There is no HCV bordering Rengam Estate. The Estate has maintained the two patches of remnant secondary forest identified for conservation in the 2007 biodiversity survey; the disused bungalow for bat roosting and two riparian areas for stream protection. (5.2.1)

Kulim engaged a consultant in 2007 to conduct a biodiversity assessment of the land at each of the Mills and Estates as well as preparation of site-specific short-term and long-term HCV Management Plans. Field inspections confirmed the HCV Management Plans have been implemented, except for one location at Rengam Estate. (5.2.2)

**Observation 06** – The protection of set-aside conservation areas could be strengthened by implementing a policy requiring sign-off by top management before any such land can be converted to use for other purposes, such as planting of oil palm. (An old water supply pond at Rengam Estate was identified for conservation in 2007, but the pond wall was destroyed by a flood shortly afterwards. The 1.7 ha of low-lying land has been unused since 2007 and was recently drained and converted to oil palm, following an internal assessment. Although this area was no longer suitable for

the original conservation purpose as habitat for water birds, there may have been other alternatives.) – refer Section 3.2 Page 18.

Kulim continued to support the Kulim Wildlife Defenders Program through a range of activities involving school children around Kulim Estates as well as the Estate communities and Estate workers on awareness for the prevention of human-wildlife conflict. At Rengam and Sindora Estates, the signs warning of the protection of conservation set-asides have been maintained. (5.2.3)

**Observation 07** – The program to discourage illegal collection of materials from HCV areas needs improving as inspection found several saplings had recently been cut and removed from the edge of the secondary forest at Rengam Estate P89 Block 6 – refer Section 3.2 Page 18.

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

Kulim has identified wastes and sources of pollution in the environmental aspects and impacts register and prepared a Waste Management Plan which follows the hierarchy of "reduce, re-use, recycle or dispose". Inspection confirmed the Sindora Mill solid wastes were consistently controlled in accordance with the Waste Management Plan. EFB was shredded in a hammer Mill then composted with treated Mill effluent. Boiler ash and fly ash were stored in bunkers to prevent material from entering the stormwater drain system. Recyclables, such as scrap metal, were stored in a designated area for sale to a recycler. Non-recyclables and domestic refuse were disposed in a small landfill located within the Estates.

Scheduled wastes, such as spent lubricating oil and used chemical containers, are stored in secure purpose-built stores. Inspection of the scheduled waste stores and associated records confirmed the monthly stocktakes were kept up to date and the scheduled wastes were well controlled and were collected by DOE Licensed contractors.

Sindora Mill has contracted KA Transport for collection of scheduled waste and transport to Kualiti Alam. Copies were available of scheduled waste consignment notes, for example, Rengam Estate arranged scheduled waste collection by G-Planter, Lorry #JMG1008 on 02 December 2013.

Medical wastes are stored securely at each Clinic prior to transfer to Sindora Clinic for collection by Pantai Medinvest. Records were available for management of medical wastes from each Mill and Estate clinic visited, for example, recent transfer to Pantai Medinvest Sdn Bhd, on 08 November 2013.

Inspection of the small landfills at Rengam and Sindora Estates showed that wastes were being disposed in accordance with regulatory requirements for municipal landfills. (5.3.1)

The Mill and Estates continued to implement the Waste Management Plan for control of solid and liquid wastes, except for the issue noted below for the land application of treated mill effluent. (5.3.2)

**CR11** – A Nonconformity was assigned at Sindora Mill, because at the time of site inspection, treated effluent was being added to Block B of the furrow system for land

application, however following recent heavy rain, the operator had not carried out a thorough pre-start check to identify that the system already was full and effluent mixed with rainwater was overflowing from the lower end of the furrow system and discharging to the roadside drain. This indicates the operational plan is ineffective to prevent pollution – refer Section 3.2 Page 17.

Inspection of the replanted area at Rengam Estate showed the felled palms had been chipped and the waste retained for organic matter. Boiler ash and fly ash were stored in bunkers to prevent material from entering the stormwater drain system. Inspection confirmed the EFB that is excess to composting requirements is recycled to the estate as mulch. Approximately 50% of the treated effluent is applied to the palms in a furrow system. (5.3.3)

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

The Mill maintains records of energy usage, which is reported monthly to head office. The use of the steam turbine for electricity generation has been optimised in order to reduce the dependence on diesel fossil fuel. Sindora Mill processed a larger quantity of crop in 2013 requiring extended processing hours. This is reflected in the increase in the rate of renewable energy usage between 2012 and 2013 (Figure 11). However this reduced the need to run the diesel genset to produce standby power. (5.4.1 and 5.4.2)

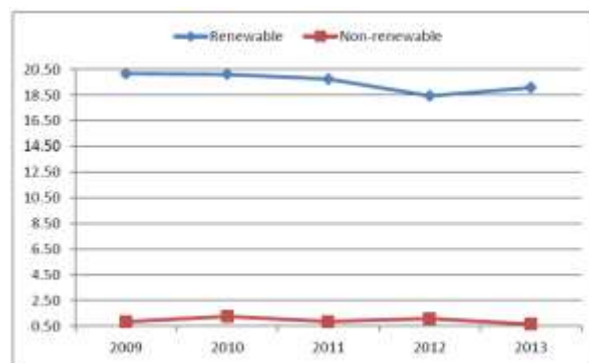


Figure 11: Mill Energy Usage (kWh/tFFB) 2009-2013

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

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

The use of fire for waste disposal was not found at any of the locations visited at the Mill and Rengam and Sindora Estates. (5.5.3)

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

Kulim has documented the sources of pollution in the environmental aspects and impacts register and plans for

pollution prevention are included in the environmental improvements plan that is reviewed annually. Point sources of pollution generally are well controlled. Although there is presently no project planned for Sindora Mill, Kulim is implementing a project at Sedenak Mill for methane capture from effluent treatment, with the aim of reducing greenhouse gas emissions. (5.6.1 and 5.6.2)

There is no peat soil at the Sindora Mill supply base Kulim Estates. (5.6.3)

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

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

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

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

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

Kulim continued to maintain a good relationship with FFB suppliers, contractors and outgrowers who confirmed that dealings were fair and transparent.

**Criterion 6.1: Aspects of plantation and Mill management, including replanting, that have social impacts are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.**

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

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

Review of documents indicated stakeholders did not raise any significant issues that would require development of a management plan for implementation of improvements. The issues raised have been documented and were being addressed by the Estates. (6.1.3)

**Criterion 6.2: There are open and transparent methods for communication and consultation between growers and/or**

**Millers, local communities and other affected or interested parties.**

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

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

Inspection of records showed that the Mill and Estates maintained their lists of stakeholders up to date, for example, Sindora Estate List was updated 12/08/2013. Inspection of records at all locations also indicated that written communications were replied to promptly with the correspondence kept on file. For example, the Mill met with 6 FFB contractors on 12 June 2013 with Meeting Minutes recording the suppliers request to receive early information regarding any quotas given so they can manage their crop at the ramp, to which the Mill Manager agreed. (6.2.3)

**Criterion 6.3: There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties.**

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

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

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

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

**Criterion 6.5: Pay and conditions for employees and for employees of contractors always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.**

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

Inspection of a sample of employee contracts confirmed that terms and conditions are clearly outlined and have been signed by the worker. Interview of Staff and Workers confirmed this also. (6.5.2) **Observation 08 – Review of harvester’s contracts at Rengam Estate found they were**

available for all harvesters interviewed, however they indicated they were not aware of having a contract or of their contract Terms and Conditions. This would indicate insufficient awareness given at time of hire – refer Section 3.2 Page 18.

The majority of the workforce is made up of single male foreign workers recruited from Indonesia. Interviews of local and foreign workers indicated satisfaction with the standard of housing and facilities. For example, at Rengam Estate the company is in the process of refurbishing the 108 houses with 36 completed during 2012, 36 during 2013 and the remaining 36 to be refurbished during 2014. Interview of residents at all locations visited and inspection of “Housing Repairs Register” indicated repairs are carried out in a timely manner with no outstanding entries found in the Registers. Electricity and water are provided 24/7 and schools are located nearby with Kulim providing transport. A uniform is provided annually by the company to each primary school student. Residents at all company housing have access to facilities established by the company, such as health clinic, sports field, community hall, crèche, and places of worship. (6.5.3)

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

Interviews of staff and workers and the NUPW Branch Secretary, Kluang Office confirmed Kulim supports freedom of association. At each Mill and Estate there is a local committee made up of union representatives elected by members. Records are kept of meetings between company representatives and the local union committee members, for example Sindora Estate held a meeting on 18 March 2013. Interview of Staff and Workers confirmed their awareness of freedom of association and though not all indicated they were “members” they knew the name of their NUPW Worker Representative and were provided information from any meetings held. (6.6.1 and 6.6.2)

**Criterion 6.7: Children are not employed or exploited. Work by children is acceptable on family farms, under adult supervision and when not interfering with education programmes. Children are not exposed to hazardous working conditions.**

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

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

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

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

**Criterion 6.9: A policy to prevent sexual harassment and all other forms of violence against women and to protect their reproductive rights is developed and applied**

The Kulim Policy on Sexual Harassment and prevention of Violence against women is displayed on notice boards at the Mill and Estate Offices. Interviews of internal and external stakeholders confirmed awareness and understanding of the Policy. (6.9.1)

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

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

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

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

The public infrastructure is well developed near the Mill and the Estates visited and government services are readily accessible. Kulim has continued to make appropriate contributions to local communities in the form of donations and assistance to schools and places of worship and donations for religious festivals.

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

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

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



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

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

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

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

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

During this Recertification Assessment Nonconformities were assigned to Major Compliance Indicator 2.1.1 (CR10) and Minor Compliance Indicator 5.3.2 (CR11). The Assessment Team also identified eight (8) Observations/Opportunities for Improvement. The progress with these will be checked at the next Assessment Visit.

#### **CR10 – Major Compliance Indicator 2.1.1 – Evidence of compliance with legal requirements.**

*A Nonconformity was assigned because the DOSH Inspector visit 19/02/2013 notified Rengam Estate to apply for a Certificate of Fitness for the air compressor, but at the time of the Recertification Assessment visit this had not been obtained. Sindora Estate also did not hold a Certificate of Fitness for the workshop air compressor.*

#### **Corrective Actions**

Kulim Safety Training & Services Sdn Bhd (KSTS) has already liaised with DOSH Inspector Negeri Johor to undertake the inspection of air compressor at Rengam and Sindora Estate as well as other Kulim Estates and Mills once a year for the issuance of the Certificate of Fitness.

KSTS to submit an annual inspection schedule program and monthly progress report on the inspection conducted by DOSH Inspector to Sustainability Department for review.

#### **Objective Evidence Provided:**

*An acknowledgement signed by En Hairozie bin Asri, Statutory Section Head of Jabatan Kesihatan dan Keselamatan Pekerjaan (DOSK) Negeri Johor dated 5/02/2014 and payment voucher ref JH/BIL/14/91 from the same agency dated 5/02/2014 was provided as objective*

*evidence that Kulim has made the application through KSTS to obtain and renew the “Certificate of Fitness” for the air compressors at Rengam and Sindora Estates – refer Appendix F Documents 1a – 1e.*

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

#### **CR11 – Minor Compliance Indicator 5.3.2 – Having identified wastes and pollutants, an operational plan should be developed and implemented, to avoid or reduce pollution.**

*A Nonconformity was assigned at Sindora Mill, because at the time of site inspection, treated effluent was being added to Block B of the furrow system for land application, however following recent heavy rain, the operator had not carried out a thorough pre-start check to identify that the system already was full and effluent mixed with rainwater was overflowing from the lower end of the furrow system and discharging to the roadside drain. This indicates the operational plan is ineffective to prevent pollution.*

#### **Corrective Actions**

##### **Immediate action:**

Sindora Mill took immediate corrective action by repairing the furrow and amending the work instruction. Work instruction SM/WI/15 has included the new procedure for furrow operation dated 5/12/2013.

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

##### **Long term Corrective action:**

1. Pre-start checklist for furrow operation is developed and monitored by the mill.
2. ERP on furrow rupture training need to be conducted at least once a year and a record of training should be maintained.
3. Mill to carry out weekly inspection on the furrow condition and record of inspections should be kept.
4. Additional guideline should indicate that the last furrow has to be constructed and kept empty for any contingency especially during rainy season.

#### **Objective Evidence Provided:**

*Additional to repairing the furrow and preparing a new Work Instruction, Sindora Mill conducted training on 5/12/2013 for the procedure of operating the effluent treatment pond and furrow system, especially during the rainy season – refer Appendix F Document 2a.*

*Daily monitoring of Mill Effluent will be recorded in a register – refer Appendix F Document 2b.*

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

**Observations/Opportunities for Improvement**

- 01 (4.3.2)** Groundcover vegetation generally was good throughout Rengam Estate, but needs improving at low-lying areas at P03 Block 2.
- 02 (4.4.1)** At Rengam and Sindora Estates several recently planted palms (P13) were too close to the drain edge, indicating inadequate supervision of planting to ensure compliance with Kulim’s Buffer Zone Policy.
- 03 (4.4.6)** Inspection of Anaerobic Pond #4 showed that a drain had been dug along the top of the embankment to prevent rainfall from flowing down the outer slope. However, the drain needs to be inspected by the Civil Engineer as there may be a risk of increasing water infiltration to the impoundment wall.
- 04 (4.6.5)** Inspection of records showed that Sindora Estate has conducted the CHRA medical surveillance for all pesticide operators, except the person who does the measurement and mixing of pesticides.
- 05 (4.7.1)** A Nonconformity was initially assigned at Rengam Estate maintenance workshop because the safety training/awareness appeared ineffective as indicated by a damaged electric arc welding power lead, a faulty welding PPE shield and failure to use the oxy-acetylene welding goggles supplied. The faulty items were replaced immediately however attention is required to training and workplace inspections.
- 06 (5.2.2)** The protection of set-aside conservation areas could be strengthened by implementing a policy requiring sign-off by top management before any such land can be converted to use for other purposes, such as planting of oil palm. (An old water supply pond at Rengam Estate was identified for conservation in 2007, but the pond wall was destroyed by a flood shortly afterwards. The 1.7 ha of low-lying land has been unused since 2007 and was recently drained and converted to oil palm, following an internal assessment. Although this area was no longer suitable for the original conservation purpose as habitat for water birds, there may have been other alternatives.)
- 07 (5.2.3)** The program to discourage illegal collection of materials from HCV areas needs improving as inspection found several saplings had recently been cut and removed from the edge of the secondary forest at Rengam Estate P89 Block 6.
- 08 (6.5.2)** Review of harvester’s contracts at Rengam Estate found they were available for all harvesters interviewed, however they indicated they were not aware of having a contract or of their contract Terms and Conditions. This would indicate insufficient awareness given at time of hire.

Progress with the eight (8) Observations/Opportunities for Improvement will be followed up during the 2014 Surveillance Assessment visit.

**Noteworthy Positive Observations**

- The Company has continued to invest capital for improving Mill performance and throughput.

- The Company has continued with the replanting programme to reduce the overall age profile of palms.
- Improvements in FFB yield, which is a good indicator of efficient production.
- Kulim continues to maintain a very good relationship with both internal and external stakeholders.
- Gender Committees were very active at all locations visited, with a good level of support from Management. This has resulted in creating a social network for female staff and worker engagement.
- Kulim has continued to engage with the Wildlife Conservation Society, Johor Branch.

**3.3 Status of Nonconformities (Major and Minor) Previously Identified**

Corrective Actions implemented for the Nonconformities identified at Sindora Mill and Estates during previous Assessments (CR01, CR03, CR05 and CR06) remain in place and the nonconformities remain closed. Review of the Nonconformity issued during ASA4 found corrective actions had been consistently implemented as detailed below:

**ASA4 Nonconformity Reference CR07: Minor Compliance Indicator 4.4.6 – Water drainage into protected areas is avoided wherever possible. Appropriate mitigating measures will be implemented following consultation with relevant stakeholders.**

*A Nonconformity was assigned at Sindora Mill, because significant tension cracks have developed on top of the wall of the “Holding Pond” constructed in July 2012 for storage of sludge removed from the aerobic effluent treatment ponds. There is risk of failure of the structure, which is likely to discharge high BOD effluent into protected receiving waters.*

**Recertification Findings:** Kulim prepared an engineering design for an abutment to strengthen the pond wall. Inspection confirmed the abutment had been constructed and groundcover vegetation was well established to prevent erosion from rainfall runoff.

The Assessment Team concluded that Kulim had implemented appropriate and effective corrective actions and the Nonconformity was closed 3 December 2013.

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

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

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

- 03 (4.3.2)** At the Sindora and Palong Mill compost sites, control of soil erosion needs improving to prevent sediment from entering the monsoon drain and depositing in the stormwater pond.

**Recertification Findings:** *Inspection confirmed considerably improved groundcover vegetation had been established to*

prevent soil erosion and both Mills had installed a small weir to prevent sediment entrained with runoff from entering the stormwater pond. The Mills also had carried out de-silting of the ponds.

**08 (4.7.1)** The identification of safety hazards could be improved by consistent implementation of workplace inspections using a standard checklist.

**Recertification Findings:** Locations visited during the Recertification Assessment found consistent implementation, except for one situation at Rengam Estate – refer Section 3.2 Page 17 Observation 05.

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

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

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

#### 3.4 Issues Raised by Stakeholders and Findings with Respect to each issue

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

#### Issues Raised by Stakeholders during Recertification

Stakeholders contacted had only positive comments about Kulim and no issues were raised by either Internal or External stakeholders during the Recertification Assessment.

#### 4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

##### 4.1 Date of Next Surveillance Visit

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

##### 4.2 Date of Closing Nonconformities (Major and Minor)

Table 5: Status of Nonconformities

CAR	CLASS	ISSUED	CLOSED
CR01 4.4.6 Sindora Mill	Minor	24/07/2008	21/01/2010
CR02 5.6.3 Kuala Kabong	Minor	24/07/2008	21/01/2010
CR03 6.5.2 Sedenak & Sindora Mills	Minor	27/07/2008	21/01/2010

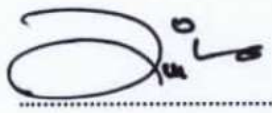
Table 5 Cont'd: Status of Nonconformities

CAR	CLASS	ISSUED	CLOSED
CR04 5.3.2 Tereh Mill	Minor	21/01/2010	10/01/2011
CR05 5.3.3 Sindora Estate	Minor	21/01/2010	13/01/2011
CR06 5.3.2 Sindora Mill	Minor	13/01/2011	05/11/2011
CR07 4.4.6 Sindora Mill	Minor	12/11/2012	"closed" 03/12/2013
CR08 4.3.2	SEDENAK MILL AND SUPPLY BASE		
CR09 4.7.1	SEDENAK MILL AND SUPPLY BASE		
CR10 2.1.1 Rengam & Sindora Estates	Major	10/12/2013	"closed" 06/02/2014
CR11 5.3.2 Sindora Mill	Minor	10/12/2013	"closed" 25/01/2014
CR12 2.1.1	TEREH MILL AND SUPPLY BASE		
CR13 4.7.1	TEREH MILL AND SUPPLY BASE		
CR14 5.3.2	TEREH MILL AND SUPPLY BASE		
CR15 2.1.1	PALONG MILL AND SUPPLY BASE		

#### 4.3 Sign-off of Recertification Assessment Findings

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

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



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

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



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

# ***Appendix “A”***

## ***RSPO/BSI Certificate Details***

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

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

Website: [www.kulim.com.my](http://www.kulim.com.my)

Standards: RSPO Principles & Criteria : 2007; Malaysia National Interpretation & Guidance : 2010; RSPO SCCS 2011  
 Module E – CPO Mills : Mass Balance

SINDORA PALM OIL MILL AND SUPPLY BASE	
Location	Kluang, Johor, MALAYSIA
Address	Sindora Palm Oil Mill, KB 501, 86009 Kluang, Johor, MALAYSIA
GPS Location	E 103° 27' 44.316" N 1° 59' 7.3392"
CPO Tonnage Total Production (mt)	39,177
PK Tonnage Total Production (mt)	11,618
Company owned Estates FFB Tonnages (mt)	Sindora (52,178); Rengam (44,495); REM (36,517)
"Outside" Estate and FFB Traders Tonnages* (mt)	60,447
CPO Tonnage Claimed** (mt)	26,759
PK Tonnage Claimed** (mt)	7,935

\* Production from "Outside" Estate Nilai Megah and FFB Traders is excluded from the Certificate.

\*\* The tonnage claimed is the proportion of the total FFB production sourced from Company owned Estates.



# ***Appendix “B”***

## ***Supply Chain Assessment***

**APPENDIX A – SUPPLY CHAIN ASSESSMENT REPORT – RSPO SCCS 2011 Module E – CPO Mills: Mass Balance****KULIM (MALAYSIA) BERHAD (SINDORA MILL)****Certified Mill Production – 01 November 2012 – 31 October 2013**

MILL	CAPACITY	CSPO	CSPK
Sedenak	75 t/hr	35,915	10,016
Sindora	45 t/hr	29,590	9,113
Tereh	60 t/hr	61,861	16,939
Palong	40 t/hr	24,855	6,572
<b>TOTAL</b>		<b>152,221</b>	<b>42,640</b>

**Total Sales<sup>\*</sup> of Kulim Certified Mill Products – 01 November 2012 – 31 October 2013**

CSPO	CSPK
136,942	19,529

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

**Total Sales<sup>\*</sup> of Kulim Certified Mill Products – 01 November 2012 – 31 October 2013**

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

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

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

Month	Sindora	Rengam	REM	Sungai Papan	Total FFB/Month
Nov-12	4,686.65	5,507.32	3,635.49	–	13,229.46
Dec	4,849.99	5,708.05	3,442.41	–	14,000.45
Jan-13	4,278.76	4,070.35	3,283.88	–	11,632.99
Feb	3,807.57	3,425.53	2,676.14	–	9,909.24
Mar	3,951.28	3,433.62	2,525.79	–	9,910.69
Apr	4,337.22	3,549.09	2,599.92	–	10,486.23
May	4,348.62	3,721.6	2,786.15	197	11,053.37
Jun	4,203.23	3,841.26	2,802.88	2,654.11	13,501.48
Jul	5,233.18	5,112.74	3,038.2	2,865.55	16,249.67
Aug	4,807.72	3,942.65	3,322.53	–	12,072.90
Sep	4,737.25	4,920.36	3,969.94	–	13,627.55
Oct	4,923.97	5,043.36	3,677.42	–	13,644.75
<b>TOTAL</b>	<b>54,165.44</b>	<b>52,275.93</b>	<b>37,760.75</b>	<b>5,716.66</b>	<b>149,918.78</b>

**Certified Company Details**

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

**Contact Person:**

Mr Sallehuddin Mohd Noh  
 Senior Manager  
 Phone: +6078611611  
 Fax: +6078631084  
 Email: [sallehuddin@kulim.com.my](mailto:sallehuddin@kulim.com.my)

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

**Certification Body Details**

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

**Contact Person:**

Mr Aryo Gustomo  
 BSi RSPO Scheme Manager  
 Phone: +65 6270 0777  
 Fax: +65 6270 2777  
 Email: [Aryo.Gustomo@bsigroup.com](mailto:Aryo.Gustomo@bsigroup.com)

**Summary**

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

**Conclusion**

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

## Certificate Details

### Background to the Report

#### (a) Report authors

##### Assessor

Mr Charlie Ross, BSi RSPO Lead Auditor

##### CB Management Representative

Mr Aryo Gustomo, BSi RSPO Scheme Manager

#### (b) Previous assessments ASA4

#### (c) On-Site Visits

### Visit Itinerary

Tuesday 03 December 2013 – Sindora Mill – Opening Meeting held at Mill Meeting Room; Weighbridge Station; examined weighbridge records; daily Transaction Report of FFB deliveries, CPO and PK production; CPO Bulk Tank and PK Silo records; CPO Despatch Book; shipments of CPO and PK. Closing Meeting Tuesday 10 November.

People consulted: Rosfazihan Bin Baharoom (Manager); Sheikh Ibrahim Bin Sheikh Awab (Assistant Mill Engineer); Weighbridge Operator.

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

People consulted: Mohd Radzi Mohamed (Marketing Manager)

### Scope

The scope of the assessment covered Sindora Palm Oil Mill and the supply base of Kulim owned Sindora and Rengam Estates. The Supply Chain mechanism used is Mass Balance. The Kulim operations were assessed against the RSPO Supply Chain Certification Standard : November 2011, Module E – CPO Mills : Mass Balance.

### Description of Operation's Management System

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

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

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

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

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

### Certified Volume Purchased and Claimed

The following certified FFB material was received from Kulim Estates during the 01/11/2012 – 31/10/2013 year and processed at Sindora Mill: 149,919 t/FFB.

## Main Report Details

### 1. Documented procedures

- 1.1 The facility shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:
- Complete and up to date procedures covering the implementation of all the elements in these requirements. *Complies – Procedures are controlled documents under the ISO 9001 Quality Management System, are current and include all elements of the Supply Chain for controlling the receipt, sale and dispatch of palm products.*
  - The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the facilities procedures for the implementation of this standard. *Complies – The Marketing Manager has overall responsibility for the Supply Chain traceability activities – planning and executing sales of CSPO & CSPK, aspects of FFB receipts, processing and shipping of palm products. Interview of the Marketing Manager confirmed his knowledge of the RSPO Supply Chain requirements and he was able to demonstrate the use of eTrace to track sales and shipments of products.*
- 1.2 The facility shall have documented procedures for receiving and processing certified and non-certified FFB. *Complies – the Mill Weighbridge SOP covers the receiving of FFB and recording details of the Supplier and Transporter. All deliveries of FFB are subject to verification of documentation and quality checks. For example, Document No: SM/WI/2/ REV No: 0; Issue No:2 /Working Instruction Weighbridge/ 03 May 2010.*

### 2. Purchasing and goods in

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

### 3 Record keeping

- 3.1 The facility shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these requirements. *Complies – Inspection of records at the Mill confirmed these were updated daily.*
- 3.2 Retention times for all records and reports shall be at least five (5) years. *Complies – Records are archived and stored for 3 years, in accordance with ISO 9001 QMS, but 5 years relating to RSPO.*
- 3.3
- The facility shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO, PKO and palm kernel meal on a three-monthly basis. *Complies – the Mill prepares a “Monthly Progress Report” for Head Office on the quantities of crop received by source, processed, dispatch of CPO & PK and the balance held in stock.*
  - All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. *Complies, the volumes held in stock are updated and reported to Head Office daily and monthly.*
  - The facility can only deliver Mass Balance sales from a positive stock. However, a facility is allowed to sell short. *Complies –The Company policy is to only make sales of stocks of palm product held in storage. The company did not make any physical deliveries of CSPO or CSPK outside of stock holdings.*
- 3.4 The following trade names should be used and specified in relevant documents, e.g. purchase and sales contracts, e.g. \*product name\*/MB or Mass Balance. The supply chain model used should be clearly indicated. *Complies – Kulim uses the prefix MB on the Product Code.*
- 3.5 In cases where a Mill outsources activities to an independent palm kernel crush, the crush still falls under the responsibility of the Mills and does not need to be separately certified. The Mills have to ensure that the crush is covered through a signed and enforceable agreement. *Complies – The Company does not out-source activities to Kernel Crushing Mills.*

### 4. Sales and goods out

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

### 5 Training

- 5.1 The facility shall provide the training for all staff as required to implement the requirements of the Supply Chain Certification Systems. *Complies – Inspection of a sample of records at the Mill and Marketing Department confirmed Kulim maintains records of training. Interviews of Marketing Manager and Mill Staff confirmed knowledge of the Supply Chain requirements. Sindora Mill Assistant Engineers attended RSPO and supply chain training 04-06 September 2013.*

### 6 Claims

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



# ***Appendix “C”***

## ***New Team Members CV***

***Isman Yusoff, Nabila Seth and Dian Ekowati***



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

### 3. PROFESSIONAL QUALIFICATION

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

### 4. DETAILED PROFESSIONAL EXPERIENCE

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

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

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

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

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

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

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

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

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

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## Nabila Seth Mohd Niven

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

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### Professional Qualification (Current)

---

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

### Academic Qualification (Latest)

---

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

### Working Experience (Latest)

---

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



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## Audit Capabilities

- ISO 9001 | Auditor
- RSPO | Social Auditor

## RSPO Audit Experience

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

## DIAN EKOWATI

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 Provinsi Jawa Barat  
 Phone : +62 812 2219 162  
 Email : [dee.ekowati@gmail.com](mailto:dee.ekowati@gmail.com)

### EDUCATION BACKGROUND

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

### PROFESSIONAL HISTORY

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

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

#### **TRAINING AND FELLOWSHIP**

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

**PAPER PRESENTED IN CONFERENCES**

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

**BOOK CHAPTERS IN BAHASA INDONESIA**

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

**ARTICLE IN NATIONAL JOURNAL**

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

## ***Appendix “D”***

### ***Recertification Programme***



**KULIM (MALAYSIA) BERHAD INITIAL RECERTIFICATION PROGRAMME**  
**SINDORA MILL AND SUPPLY BASE 02, 03, 06 and 10 DECEMBER 2013**

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

DATE	TIME	DETAILS	CR	IY	NS	RR	DE	
<b>Monday 2 December SINDORA Rengam Estate</b>	AM	Opening Meeting	√	√	√	√	√	
		Inspect Estate ie any hilly/conservation/HCV areas/buffer zones	√	√				
		Interview Harvesters/Male Fieldworkers/Sprayers	√	√				
		Interview Female Fieldworkers/Sprayers			√	√	√	
		Inspect Stores, Workshop, Landfill	√	√				
		Joint Interview Contractors/Suppliers (Estate Office)	√	√				
		Joint Interview Local Community Representatives (Estate Office)		√	√			
		Interview Office Staff/Workers					√	√
		Review Pay Documentation				√	√	√
		Visit Clinic Interview Staff				√	√	√
	PM	Inspect Housing Interview Residents			√	√	√	
		Contact Government Offices, NGOs and any other relevant Stakeholders			√	√		
		Document Review	√	√		√	√	
		Closing Briefing	√	√	√	√	√	
<b>Tuesday 3 December SINDORA  TEAM 1 Sindora Mill</b>	AM	Opening Briefing	√			√	√	
		Inspect Mill/Effluent Ponds/Stores/Workshop/Landfill /Land Application	√			√	√	
		Interview Male Staff/Workers	√				√	
		Joint Interview Contractors/Suppliers (Mill Office)				√	√	
		Joint Interview Local Community Representatives (Mill Office)	√				√	
		Interview Female Office Staff/Workers	√				√	
		Review Pay Documentation				√	√	
		Visit Clinic Interview Staff				√	√	
		PM	Inspect Housing Interview Residents				√	√
			Document Review including Supply Chain				√	√
	Closing Briefing		√			√	√	
	<b>TEAM 2 Sindora Estate</b>	AM	Opening Briefing		√	√		
			Inspect Estate ie any hilly/conservation/HCV areas/buffer zones		√			
Interview Harvesters/Male Fieldworkers/Sprayers				√				
Interview Female Fieldworkers/Sprayers (if any)					√			
Inspect Stores, Workshop, Landfill				√				
Contact Government Offices, NGOs and any other relevant Stakeholders				√				
Interview Office Staff/Workers						√		
Review Pay Documentation						√		
Joint Interview Contractors/Suppliers/External Stakeholders (Estate Office)				√	√			
Joint Interview Local Community Representatives (Estate Office)				√	√			
PM		Visit Clinic Interview Staff				√		
		Inspect Housing Interview Residents				√		
		Document Review		√	√			
		Closing Briefing		√	√			
<b>Friday 6 December</b>	AM	Telephone Contact Government Departments, NGOs and any other relevant Stakeholders			√			
<b>Tuesday 10 December EPA (Head Office)</b>	AM	Interviews EPA Management, Human Resources, Plantation, Engineering, R&D and Marketing Departments	√					
	PM	Prepare Visit Report and Closing Presentation				√	√	
		Closing Meeting	√			√	√	

## ***Appendix “E”***

### ***List of Stakeholders Contacted***



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

**INTERNAL STAKEHOLDERS**

<b>Mill</b>	<b>Rengam Estate</b>	<b>Sindora Estate</b>	<b>EPA (Head Office)</b>
3 Male Workers (Local) 3 Male Workers (Foreign) 5 Female Staff/Workers 5 Residents at Housing	10 Harvesters 5 Male Sprayers (Foreign) 4 Female Sprayers (Local) 2 Female Staff/Workers Clinic Staff 6 Residents at Housing	5 Harvesters 7 Sprayers (Male & Female) 4 Female Staff/Workers 2 Residents at Housing Clinic Staff	Marketing Department Human Resources Department Property Department Plantation Department Engineering Department

**EXTERNAL STAKEHOLDERS**

<b>Mill</b>	<b>Rengam Estate</b>
SGS Sinar Enterprises (Equipment Supplier) Perniagaan Sengidi (FFB Trader) Guan Leng Trading Sdn Bhd (FFB Trader) Hup Guan Oil Palm TSB (FFB Trader) Optimum Status Sdn Bhd (Mechanical Engineering)	Lai Cheong & Son (FFB Trader) Tegar Abadi Sdn Bhd (FFB Trader) Mr Sajar B Jumin – Village Head

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

## ***Appendix “F”***

### ***Objective Evidence for Closing Nonconformities CR10 and CR11***

**CR10 – Major Compliance Indicator 2.1.1 – Evidence of compliance with legal requirements.**

A Nonconformity was assigned because the DOSH Inspector visit 19/02/2013 notified Rengam Estate to apply for a Certificate of Fitness for the air compressor, but at the time of the Recertification Assessment visit this had not been obtained. Sindora Estate also did not hold a Certificate of Fitness for the workshop air compressor.

**Corrective Actions**

Kulim Safety Training & Services Sdn Bhd (KSTS) has already liaised with DOSH Inspector Negeri Johor to undertake the inspection of air compressor at Rengam and Sindora Estate as well as other Kulim Estates and Mills once a year for the issuance of the Certificate of Fitness.

KSTS to submit an annual inspection schedule program and monthly progress report on the inspection conducted by DOSH Inspector to Sustainability Department for review.

**Objective Evidence Provided**

An acknowledgement signed by En Hairozie bin Asri, Statutory Section Head of Jabatan Kesihatan dan Keselamatan Pekerjaan (DOSH) Negeri Johor dated 5/02/2014 and payment voucher ref JH/BIL/14/91 from the same agency dated 5/02/2014 was provided as objective evidence that Kulim has made the application through KSTS to obtain and renew the “Certificate of Fitness” for the air compressors at Rengam and Sindora Estates – refer the following Documents 1a – 1e.

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

## Appendix F Document 1a



**KULIM SAFETY**  
TRAINING AND SERVICES SDN BHD

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

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

29/01/2014

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

Tuan

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

---

Dengan hormatnya perkara diatas adalah dirujuk.

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

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

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

Kerjasama pihak tuan didalam membantu perkara ini amat kami harga.

Sekian. Terima kasih.

Dengan hormatnya,  
**KULIM SAFETY TRAINING AND SERVICES SDN BHD**

  
MORDUCHIR BIN JAMBY  
Pengurus Besar

**Appendix F Document 1b**



## Appendix F Document 1c



**KERAJAAN MALAYSIA**  
**Resit Rasmi**  
**ASAL**

**(Kew.38E)**  
No Resit : 04102114000703  
Tarikh : 05/02/2014

Diterima daripada : LADANG PALOH

No. Kad Pengenalan/No Daftar Perniagaan :

Alamat :

Bil	Perihal Terimaan	Cara bayaran	No rujukan	Kod OSOLJ Amanah	Amaun (RM)
1	PEMERIKSAAN DAN PERKHIDMATAN KILANG DAN JENTERA	TUNAI		71902	40.00
<b>Jumlah</b>					<b>40.00</b>

Ringgit Malaysia: Empat Puluh Sahaja

Catatan : 14/91(6.1.14)

Jabatan: KEMENTERIAN SUMBER MANUSIA  
PTJ: JAB KESELAMATAN DAN KSN PEKERJAAN JOHOR  
Pusat Terimaan: JABATAN KESELAMATAN & KESIHATAN PEKERJAAN JOHOR

(SITI NOR HAFIZZA BTE MD TUGIMAN)

(05/02/2014 11:38:13 AM)

*Ini adalah cetakan komputer dan tidak perlu ditandatangani*

No Kebenaran: BNPK(8.15)248-10(SK.6)J029(52)



mk/1/1

## Appendix F Document 1d

**Salinan Asal**

Rujukan Kementerian Kewangan:



**KERAJAAN MALAYSIA**  
**JABATAN KESELAMATAN DAN KESIHATAN PEKERJAAN MALAYSIA (Johor)**  
 (KEMENTERIAN SUMBER MANUSIA)

Jabatan Keselamatan dan Kesihatan Pekerjaan  
 Johor  
 Tingkat 9, Menara TJB,  
 Jalan Dato Syed Mohd Mufti,  
 80534 Johor Bahru  
 Johor  
 07-2243076

**KENYATAAN BIL TUNTUTAN**

no daftar Tempat Kerja : JH/06/04/2450

Kepada	<b>Ladang Palong</b>
Alamat	Ladang Palong, K.B. 530, 85009 Segamat, Johor.
Untuk Perhatian	<b>Pengurus</b>
Nombor Bil	<b>JH/BIL/14/91</b>
Tarikh Bil	06/01/2014
Pengeluar Bil	Mohamad Fauzi Bin Che Yusoff
Tarikh Cetak	06/01/2014

Sila sempurnakan bayaran dalam masa **tiga puluh (30)** hari dari tarikh bil. Jika pembayaran dibuat dalam bentuk Cek, Kiriman Wang atau Wang Pos hendaklah dipalang (Tidak boleh berniaga) dan dibayar kepada **Jabatan Keselamatan dan Kesihatan Pekerjaan Johor**. Semua bayaran hendaklah disertakan dengan bil ini.

Bil	Tarikh	Rujukan Kami	Perkara	Butir-butir Ringkas	Jumlah
1	14/11/2013	JH PMT 21524	TANK	0.16 m3	40.00
<b>Jumlah (RM)</b>					<b>40.00</b>

*Ini adalah cetakan komputer, dan tidak perlu ditandatangani*





## Appendix F Document 1e



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

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

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

**PEMBERITAHUAN PEMERIKSAAN JENTERA BARU/ ULANGAN**

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

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

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

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

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

Bertarikh pada 05/02/2014

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

Kepada :

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

**CR11 – Minor Compliance Indicator 5.3.2 –Having identified wastes and pollutants, an operational plan should be developed and implemented, to avoid or reduce pollution.**

*A Nonconformity was assigned at Sindora Mill, because at the time of site inspection, treated effluent was being added to Block B of the furrow system for land application, however following recent heavy rain, the operator had not carried out a thorough pre-start check to identify that the system already was full and effluent mixed with rainwater was overflowing from the lower end of the furrow system and discharging to the roadside drain. This indicates the operational plan is ineffective to prevent pollution.*

**Objective Evidence Provided:**

*Additional to repairing the furrow and preparing a new Work Instruction, Sindora Mill conducted training on 5/12/2013 for the procedure of operating the effluent treatment pond and furrow system emphasising the requirement that need to be adhered to especially during rainy season – refer Appendix F Document 2a.*

*Daily monitoring has also been conducted and recorded in a register – refer Appendix F Document 2b.*

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





WORKING INSTRUCTION		
Rev. No : 0	OPERATION OF EFFLUENT TREATMENT PLANT & FURROWS	Doc. No : SMWI/15
Issue No : 2		Date : 3 May 2010

#### 1. PURPOSE

- To collect all wastewater (effluent) from the mill.
- To retain effluent in ponds for biological activities to take place whereby all solid waste, oil and grease are digested and reacted to form volatile gas.
- Discharge effluent with BOD less 100ppm (BOD < 100ppm).
- To operate and manage incoming effluent from final discharge by using furrow system.
- To minimise land/water pollution.

#### 2. SCOPE

This procedure applies to the effluent treatment plant and Furrows at SINDORA PALM OIL MILL.

#### 3. RESPONSIBILITY

Effluent treatment plant and furrow operator is responsible to the procedure herein.

#### 4. DEFINITION

QEMR/M.M:	Quality and Environmental Management Representative/Manager
DQEMR 2 :	Deputy Quality and Environmental Management Representative/Asst.Manager
L.C :	Lab Conductor
W.B.O :	Weighbridge Operator
E.T.P :	Effluent Treatment Pond
UTCL :	Ulu Tiram Central Laboratory
DOE :	Department of Environment
E.T.O :	Effluent Treatment Pond Operator
F.O :	Furrow Operator

#### 5. REFERENCE

MS ISO 9001:2008

#### 6. OPERATION PROCEDURE

- The wastewaters from the mill especially from hydro cyclones, sterilisers, clarification station are drained into the sludge pit.
- Effluent transfer pump operates automatically when effluent (waste water) level in the sludge pit is high. The effluent is pumped via piping.
- The effluent is discharged to Cooling pond No.1 and flows in series through Cooling Pond No. 2 and No. 3 by overflowing system.
- Sprayers by using pump from pump house no. 1 and no. 3 respectively will be used to break the scum formed on the surface of Anaerobic Pond No.1 and Anaerobic Pond No. 2 which was due to anaerobic reaction.
- The effluents will undergo biological treatment when going through Anaerobic Pond No. 1, No. 2 and No. 3 by gravity flow. Pump will be operated to Anaerobic Pond no.4, if necessary. The



**SINDORA**  
BERHAD  
**SINDORA PALM OIL MILL**  
(COMPANY NO: 13418-K)

WORKING INSTRUCTION		
Rev. No : 0	OPERATION OF EFFLUENT TREATMENT PLANT & FURROWS	Doc. No : SMWI/15
Issue No : 2		Date : 3 May 2010

recycling pump at Pump House no. 3 is to promote circulation for better reaction and serves as mixing as well.

- f) The treated effluent from Anaerobic Pond No. 4 is pumped to Bio filter Tower sump for further waste water treatment.
- g) From the sump, the treated effluent is pumped through spray nozzles at the top of the Bio filter Tower.
- h) From the Biofilter Tower, the waste water will flow to the aeration pond. 3 units of surface aerators shall be used to aerate the waste water in the aeration pond.
- i) The supernatant shall then overflow into the examination sump and a well before being applied to the furrow system for land application.
- j) Effluent water from final discharge will be pumped to the main tank at disposal area (furrow). Effluent water from main tank will be distributed to Furrow A and Furrow C evenly in the same pipe line and Furrow B in different pipe line. All effluent water will be distributed into the furrow depending on the availability and capacity of the furrow.

## 7. **PROCESS MONITORING**

### 7.1 **Daily Routine Monitoring Of Effluent Treatment Pond Activity**

- a) When the anaerobic ponds are still in the initial stage of activation, pH of effluent in the pond has to be closely monitored. The sample is taken at least twice weekly from 4 sides of the pond, well mixed and tested for pH and temperature. If pH falls, corrective action has to be taken by adding soda ash or bunch ash.
- b) Pond activity is in normal condition if pH is between 6.5 or above.
- c) For any effluent water discharged from ponds to land application, a sample should be taken fortnightly for BOD testing only. Sample will be sent to UTCL or other accredited laboratories for BOD testing.
- d) Full test should be carried out to all effluent treatment ponds once a month and results will be submitted to DOE.
- e) The E.T.O has to ensure that all pumps, piping, drainage and aerators are in good working condition.
- f) When there is discharge of treated effluent to furrows in the field for land application, the operator has to ensure that the discharge is directed to the furrows.
- g) Operator has to ensure that all ponds are not filled exceeding its maximum level. Maximum level is at 1 feet from bund top level.
- h) Daily monitoring via report book should be used to report all the condition if necessary and submitted to DQEMR or his representative for daily verification.
- i) Recording of flow meter for the quantity of raw effluent and final discharge effluent should be recorded in daily record book. Daily record book should be submitted to DQEMR or his representative for daily verification.
- j) Sludge oil trapped in the cooling pond need to be checked and estimated the quantity. The estimate figure should be reported to DQEMR.
- k) Marketing Department will engage outside buyer with valid licence issued by MPOB to buy the sludge oil in cooling pond.





<b>WORKING INSTRUCTION</b>		
Rev. No : 0	OPERATION OF EFFLUENT TREATMENT PLANT & FURROWS	Doc. No : SMWW/15
Issue No : 2		Date : 3 May 2010

### **7.2 Daily Routine Monitoring Of Furrow Activity**

- a) The E.T.O should check the level of the pond and communicate with F.O. before deciding to pump the final discharge effluent. This is to ensure that the F.O. can arrange properly the distribution of water at furrow.
- b) The F.O. need to check every single furrow and piping condition before deciding to release the water to the desired furrow. Any damaged furrow or piping should not be used to fill up water before it is repaired satisfactorily.
- c) If the water level in the furrow is full, the F.O. shall not pump the final discharge effluent. The situation shall be reported to DQEMR.
- d) Any damage to furrows or piping need to be reported to DQEMR or his representatives for their action. Repair report for piping or furrow need to be submitted to DQEMR or his representatives for immediate action.
- e) Last line or bottom of furrow needs to be kept empty for safety purpose especially during rainy season in order to avoid overflow or spillage.
- f) The F.O. should be prepared especially during rainy season in order to control and communicate with DQEMR for any emergency case that will happen to effluent or furrow.

### **7.3 Monitoring & Mitigating Of Bund Wall Condition to Prevent Rupture**

- a) The operator shall carry out daily inspection of the bund wall condition and report to the DQEMR or his representatives who is in charge of ETP operation for any leak, traces of leak or crack at the bund wall.
- b) The operator shall record the condition of the bund wall in his ETP report to the DQEMR 2 weekly. Any abnormal condition of the bund wall shall be brought to the attention of QEMR/M.M or DQEMR 2 immediately for corrective action to be taken.
- c) The frequency of bund walls inspection shall be intensified during the monsoon season, particularly after heavy downpour.

## **8. MAINTENANCE**

- 8.1 All pumps are to be checked and serviced monthly.
- 8.2 All piping is to be checked for leaks and repair carry out as soon as possible.
- 8.3 Debris and solid/silt in the sump or pond especially near the intake points of transfer pumps are to be cleared as and when necessary.
- 8.4 Clear blockage in the Biopac tower sprayers, if any.
- 8.5 Check all surface aerators monthly.

## **9. CORRECTIVE ACTION**

### **9.1 Corrective Action For Non-Conformance In Effluent Discharge**

- a) Increase mixing by recycling.
- b) Reduce or stop feeding if necessary.
- c) Load healthy seed sludge from non-affected pond.



**SINDORA**  
BERHAD  
**SINDORA PALM OIL MILL**  
(COMPANY NO: 13418-K)

WORKING INSTRUCTION		
Rev. No : 0	OPERATION OF EFFLUENT TREATMENT PLANT & FURROWS	Doc. No : SMWI/15
Issue No : 2		Date : 3 May 2010

- d) Monitor the control parameters closely.
- e) Add alkaline (soda ash) when pH valve drop to below 5.

9.2 **Corrective Action For Furrow Rupture or Over flow**

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

9.2 **Corrective Action To Prevent Bund Rupture**

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

10. **RELATED RECORDS**

- a) The operator has to keep a record of pump running hours and dosage of soda ash to increase pond pH, if any – **LB 16**.
- b) The L.C has to keep a record of pond pH and monthly analysis results of sample sent to UTCL – **LB 14**.
- c) The record of quarterly return ( **MO20** ) on effluent sent to DOE has to be kept at Administration Office.
- d) Record of quarterly returns (AS 3) on effluent sent to Director of Environment has to keep at the administration office. ( **MO 20** )
- e) W.B.O shall keep a record for sale sludge oil and executives will verify it. ( **WB 16** )
- f) The operator has to keep a record of volume of effluent discharged daily for checking by the L.C/DQEMR 2.

11. **APPENDIX**

Nil.



**Appendix F Document 2a – Training Record****REFRESHER TRAINING FOR EFFLUENT AND FURROW OPERATOR**

Date : 5.12.2013

Time : 10.00a.m. -12.00 p.m.

Trainer : Sheikh Ibrahim bin Sheikh Awab

Participant:

- |                        |                    |
|------------------------|--------------------|
| 1. Aine bin Masal      | General Supervisor |
| 2. Juara               | Effluent Operator  |
| 3. Razali M. Saat      | General worker     |
| 4. Mohd. Farid bin Ali | Furrow operator    |



The training is mainly about the procedure for the operation of Effluent treatment pond and furrow. The focused for this training is to ensure that the responsible operator knows how or when to operate the pump even in emergency condition during heavy rains Below are some of the highlighted issues that was briefed to the operator:

- i. Onsite training
- ii. The location plan of effluent ponds and furrows.
- iii. The exact piping location in effluent and furrows.
- iv. The procedure to start pumping from effluent last discharge to furrow.
- v. The critical area that need to be concentrate during emergency case.
- vi. Emergency procedure for bund rupture.

The training ended at 12.00 p.m.

Prepared by,



Sheikh Ibrahim bin Sheikh Awab  
Assistant Manager

Checked and Confirmed by,



Rosfazihan bin Baharoom  
Mill Manager

(Page 2 of 2)

**Appendix F Document 2b – Effluent Pond Monitoring Register**

**Sindora Mill**

**Effluent Pond Monitoring Register**

**SINDORA BERHAD**

SINDORA PALM OIL MILL  
 KU 501, 86009 Kluang, Johor Darul Takzim  
 Tel: 07-7056161 Fax: 07-7056162

**LAPORAN KEADAAN KOLAM RAWATAN EFFLUENT**

**1. PARAMETER KOLAM**

Tarikh : 15-01-2011

KOLAM / POND	PARAS/LEVEL	PH	SUHU	CATITAN
1. Anaerobik Pond No. 1	17ft/10ft	7.40	30	
2. Anaerobik Pond No. 2	17ft/10ft	7.60	30	
3. Anaerobik Pond No. 3	17ft/10ft	8.00	29	
4. Mixing Pond No. 1	3/4	4.00	26	
5. Mixing Pond No. 2	3/4	4.50	22	
6. Mixing Pond No. 3	3/4	5.00	42	
7. Bio-Pac Pond	3/4	8.50	28	
8. Holding Pond	-	-	-	
9. Anaerobik Pond No 4	17ft/10ft	8.50		

**2. PUMP / PAIP**

KOLAM / POND	OPERASI		KEADAAN		CATITAN
	YA	TIDAK	YA	TIDAK	
1. Pump POME1 No. 1	✓		✓		
2. Pump POME1 No. 2	✓		✓		
3. Pump POME1 Bio-Pac	✓		✓		
4. Pump Slurry (Ponton)	✓		✓		
5. Pump Diesel		x		x	
6. Mono Pump		x		x	
7. Kew Pump Bio-Pac	✓		✓		
8. Kew Pump (Recycle)	✓		✓		
9. Aerator Bio-Pac	✓		✓		
10. Aerator / Blower	✓		✓		

**3. KEADAAN KOLAM (TEBING / PAIP / ALIRAN)**

KOLAM / POND	KEADAAN				CATITAN
	A	B	C	D	
1. Anaerobik Pond No. 1	✓				
2. Anaerobik Pond No. 2	✓				
3. Anaerobik Pond No. 3	✓				
4. Mixing Pond No. 1	✓				
5. Mixing Pond No. 2	✓				
6. Mixing Pond No. 3	✓				
7. Bio-Pac Pond	✓				
8. Holding Pond	✓				
9. Furrow A	✓				
10. Furrow B	✓				
<b>TOTAL FINAL EFF. PUMP</b>			(69410 - 69232)		149 METER

Note : A - Baik B - Sedikit Kurang C - Tertutup / Pertampakan / Tebing Pecah D - Rotor & Rabaikan ke Air

Lain-Lain Hal : - Pump air dari kolam no 3 ke no 1  
 - lain-lain baik.

Dilaporkan Oleh :



Disahkan Oleh :



Disahkan Oleh :

