

**RSPO PRINCIPLE AND CRITERIA
PUBLIC SUMMARY REPORT**

- Initial Assessment
- Annual Surveillance Assessment (1)
- Recertification Assessment (Choose an item.)
- Extension of Scope

Client Company name (Parent Company): Johor Corporation
Client company Address: 705, 80990 Johor Bahru, Johor, Malaysia
Certification Unit: Kulim (Malaysia) Berhad Bukit Layang Estate
Location of Certification Unit: Jalan Sungai Tiram, Mukim Sg Tiram, 81800 Johor Bahru, Johor, Malaysia
Date of Final Report: 13/03/2021

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Section 1: Scope of the Certification Assessment

1. Company Details			
Parent Company	Johor Corporation		
RSPO Membership Number	1-0080-09-000-00	Membership Approval Date	15/06/2009
Address	Ulu Tiram, 80990 Johor Bahru, Johor, Malaysia		
Palm Oil Mill / Group Manager / Estate (Certification Unit)	Kulim (Malaysia) Berhad – Bukit Layang estate		
Location / Address	Jalan Sungai Tiram, Mukim Sg Tiram, 81800 Johor Bahru, Johor, Malaysia		
Website	www.kulim.com.my		
Management Representative	Mdm Salasah Elias	E-mail	salazah@kulim.com.my
Telephone	07- 8611611	Facsimile	07- 8631084

2. Certification Information			
Certificate Number	RSPO 720133	Date of First Certification	7/4/2020
		Certificate Start Date	7/4/2020
		Certificate Expiry Date	6/4/2025
Scope of Certification	Production of Fresh Fruit Bunches (FFB)		
Visit Objectives	The objective of the assessment was to conduct annual surveillance assessment to ensure the elements of the proposed scope of registration and the requirements of the management standard are effectively addressed by the organization's management system and to confirm the forward strategic plan.		
Assessment Cycle	<input type="checkbox"/> Initial Assessment <input type="checkbox"/> Recertification Assessment (Choose an item.) <input checked="" type="checkbox"/> Annual Surveillance Assessment (RA Choose an item. ; ASA 1) <input type="checkbox"/> Scope Extension		
Applicable Standards	<input type="checkbox"/> RSPO P&C 2018 for the Production of Sustainable Palm Oil <input checked="" type="checkbox"/> Malaysia National Interpretation 2019 for RSPO P&C 2018 for the Production of Sustainable Palm Oil <input type="checkbox"/> Group Certification 2016 <input type="checkbox"/> RSPO Independent Smallholders Standard 2019		
Supply Chain Module	<input checked="" type="checkbox"/> Identity Preserved <input type="checkbox"/> Mass Balance		

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3. Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date

4. Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base)	Location	GPS Coordinates	
		Latitude	Longitude
Bukit Layang Estate	Jalan Sungai Tiram, Mukim Sg Tiram 81800 Johor Bahru, Johor, Malaysia	1° 34' 56.70" N	103° 57' 46.93" E

5. Description of Supply Base					
Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Bukit Layang Estate	377.20	12.89	7.67	397.76	93.30
Total	377.20	12.89	7.67	397.76	93.30

6. Plantings & Cycle							
Estate	Age (Years)					Mature**	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Bukit Layang Estate	0	78.75	298.45	0	0	377.20	0
Total (ha)	0	78.75	298.45	0	0	377.20	0

7. Certified Tonnage of FFB (Own Certified Scope)				
Estate	Tonnage / year			
	Estimated (April 2020-March 2021)	Actual (April 2020 -January 2021)		Forecast (April 2021-March 2022)
		Previous license period (Nil)	Current license period (April 20 – Jan 2021)	
Bukit Layang Estate	8,995		6,886.66	8,532
Total	8,995		6,886.66	8,532

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8. Certified Tonnage of FFB (from other certified unit(s))				
Estate	Tonnage / year			
	Estimated (April 2020-March 2021)	Actual (April 2020 -January 2021)		Forecast (April 2021-March 2022)
		<i>Previous license period (Nil)</i>	<i>Current license period (April 20 – Jan 2021)</i>	
Nil	N/A	N/A	N/A	N/A
Total				

9. Non-Certified Tonnage of FFB (outside supplier – excluded from certificate)				
Independent FFB Supplier	Tonnage / year			
	Estimated (April 2020-March 2021)	Actual (April 2020 -January 2021)		Forecast (April 2021-March 2022)
		<i>Previous license period (Nil)</i>	<i>Current license period (April 20 – Jan 2021)</i>	
Nil	N/A	N/A	N/A	N/A
Total		88,762.35		

10. Certified Tonnage			
Mill Capacity: 0 MT/hr	Estimated (April 2020-March 2021)	Actual (April 2020 - January 2021)	Forecast (April 2021-March 2022)
	FFB	FFB	FFB
	8,995	6,886.66	8,532
SCC Model: IP	CPO (OER: 20.00%)	CPO (OER: 19.70%)	CPO (OER: 20.00%)
	1,799.00	1,356.67	1,706.40
	PK (KER: 5.00%)	PK (KER: 5.25%)	PK (KER: 5.00%)
	449.75	361.55	426.60

Section 2: Assessment Process

Certification Body:

BSI Services Malaysia Sdn. Bhd. (ASI Accreditation Number: ASI-ACC-067)
Suite 29.01 Level 29, The Gardens North Tower,
Mid Valley City, Lingkaran Syed Putra,
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BSI is a leading global provider of management systems assessment and certification, with more than 84,000 certified locations and clients in over 180 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems. BSI is ASI Accredited (ASI-ACC-067) to conduct RSPO assessment since 31/10/2014 with accredited office located at Kuala Lumpur, Malaysia.

2.1 Assessment Methodology, Programme, Site Visits

The on-site assessment was conducted on 8-9/02/2021. The audit programme is included as Section 2.3.

The approach to the audit was to treat the group of estates as an RSPO Certification Unit. A range of occupational health and safety, environmental, best practice management, and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas, local communities engagement and workers welfare and safety.

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. Malaysia National Interpretation 2019 for RSPO P&C 2018 for the Production of Sustainable Palm Oil was used to guide the assessment of information to assess compliance. The comments made by external stakeholders were also taken into account in the assessment.

The approach to the audit was to treat the Bukit Layang estate as an RSPO Certification Unit. There was no mill was audited during this audit, this was a single estate.

- The minimum sample size is four estates. Sample size for certification unit with more than four (4) estates were determined based on formula $N = (0.8\sqrt{y}) \times (z)$ where y is the number of estates and where z is the multiplier defined by risk assessment
- As for the smallholders, the sample were determined following the RSPO Management System Requirements and Guidance for Group Certification of FFB Production (2016). The sampling of smallholders were based on the formula $(0.8\sqrt{y}) \times (z)$; where y is total number of independent group member and where z is the multiplier defined by the risk assessment. The sampled smallholder listed in Appendix I.

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

Structured worker interviews with male and female workers and staff were held in private at the workplace in the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Section 3.5.

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All the previous nonconformities are remains closed. The assessment findings for the initial assessment/annual surveillance assessment are detailed in Section 3.4. The major non-conformance was closed off-site due to minimal risk and it involves amendment in documentation only.

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

For Initial and Re-certification assessment, the report was externally reviewed by RSPO approved Certification Reviewer prior to certification decision by BSI.

For Annual surveillance assessment, the report was internally reviewed and approved by BSI qualified certification reviewer.

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

Assessment Program					
Name (Mill / Supply Base)	Year 1 (Certification)	Year 2 (ASA 1)	Year 3 (ASA 2)	Year 4 (ASA 3)	Year 5 (ASA 4)
Bukit Layang Estate	√	√	√	√	√

Tentative Date of Next Visit: February 22, 2022 - February 23, 2022

Total No. of Mandays: 4.5

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2.2 BSI Assessment Team:

Team Member Name	Role <i>(Team Leader or Team member)</i>	Qualifications <i>(Short description of the team members)</i>
Muhamad Naqiuddin Mazeli	Team Leader	He graduated with Bachelor of Science Horticulture at University Putra Malaysia. He started his career in 2009 as Researcher at Sime Darby Research Seed Centre and manage for Quality control for seed production for paddy, chilli and corn with collaboration with Malaysian Agricultural Research and Development Institute (MARDI) for 4 years. During the period, he was also involved with Nestle project on Red Rice production. He later joins the Sime Darby Plantation Berhad Sustainability Team in 2013 as Sustainability Executive. Joining the sustainability team, he managed, implemented and monitored the RSPO, ISCC, MSPO and ISO 9001 and ISO 18001 certification requirements for the estates, mills, refineries and Smallholder scheme. He also support in providing training and internal audits related to RSPO, MSPO and other certifications where applicable to the operations within Sime Darby Plantation. He is a trained Safety Officer and he managed the Occupation Safety and Health of Northern Region Sime Darby Plantation Berhad operations. During this assessment, he assessed on the aspects of legal, estate best practices, environmental aspect and Biodiversity. He is fluent in Bahasa Malaysia and English languages.
Mohamed Hidir Zainal Abidin	Team Member	He holds Bachelor Degree in Chemical Engineering, graduated from National University of Malaysia on 2006. He has 7 years working experience in palm oil industry specifically on palm oil milling for 5 years. He also has the experiences as auditor for several standards including ISO 9001, ISO 140001, OHSAS 18001, MSPO and RSPO in his previous work with another certification body. He completed the ISO 9001 Lead Auditor Course, ISO 14001 Lead Auditor Course and OHSAS 18001 Lead Auditor Course in 2012, Endorsed RSPO P&C Lead Auditor Course in 2013, MSPO Awareness Training in 2014 and Endorsed RSPO SCCS Lead Auditor Course in 2015. He had been involved in RSPO auditing since May 2012 in various plantation companies in Malaysia. In this assessment, he assessed on the aspects of social. He is fluent in Bahasa Malaysia and English languages.
Vijay Kanna Pakirisamy	Team Member	He holds a bachelor's degree in Agribusiness Science Management with Honours from University Utara Malaysia in 2010. He gained his working exposure in the plantation sector, serving as an Assistant Manager with KL Kepong and IOI Plantations and as a Sr. Assistant Manager with United Plantations Berhad. Throughout his 10 year tenure in the oil palm industry, he has been part of the operations team that implements standards within the estate such as RSPO, MSPO, ISCC and FINWATCH. He has completed ISO IMS 9001, 14001, 45001(OHS 18001) Lead Auditor Course in November 2019, endorsed RSPO P&C Lead Auditor Course in October 2019 and endorsed MSPO Lead Auditor Course in November 2019. During this assessment, he assessed on the aspects of Occupational, Health & Safety and estate best practices. He is fluent in Bahasa Malaysia and English languages.

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Accompanying Persons:

Name	Role
Not Applicable	

2.3 Assessment Plan

The Assessment plan was sent to the client prior to the assessment (attached assessment plan).

Date	Time	Subjects	(MNM)	(VKP)	(MHZA)
Sunday, 7/2/2021		Audit team travelling to JB	√	√	√
Monday, 8/2/2021	0830-0900	Opening Meeting with MSPO: <ul style="list-style-type: none"> • Opening Presentation by Audit team leader. Confirmation of assessment scope and finalize Audit plan.	√	√	√
	0900-1230	Bukit Layang Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc.	√	√	√
	1230-1330	Lunch	√	√	√
	1330-1630	Document review P1 – P7: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc).	√	√	√
	1630-1700	Interim Closing briefing	√	√	√

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Date	Time	Subjects	(MNM)	(VKP)	(MHZA)
Tuesday 9/2/2021	0830– 1000	Bukit Layang Estate Continue with unfinished document review: Document review P1 – P7: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc).	√	√	√
	0830– 1000	Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)			√
	1100– 1130	Prepare for closing meeting	√	√	√
	1130– 1230	Closing Meeting	√	√	√

Section 3: Assessment Findings

3.1 Normative requirement applied for this assessment:

- Kulim (Malaysia) Berhad Multiple Management Units / Time Bound Plan
- RSPO Principle and Criteria (P&C) 2018 for the Production of Sustainable Palm Oil
- RSPO Group Certification Standard 2016
- Malaysia National Interpretation 2019 for RSPO P&C 2018
- Independent Smallholder Standard 2019

3.2 Multiple Management Units and Time Bound Plan

Requirement	Assessment	Compliance
Does the plan include all current subsidiaries, estates and mills that is under the control of the holding company?	Yes, the plan includes all current subsidiaries, estates and mills that is under management control. Bukit Layang Estate has been certified with RSPO in April 2020 and Eng Lee Heng has been certified with RSPO under Wild Asia Group Scheme in May 2020. PT TPR and PT RAJ is now under rehabilitation process.	Yes
Have all the estates and mills certified within five years after obtaining RSPO membership?	Yes, all the estates and mills certified within 5 years after obtaining RSPO membership. Only Indonesian units, PT RAJ & PT TPR have not been certified yet and is proposed to be certified in 2021.	Yes
Have there been any new acquisitions? If yes, the new acquisitions shall be certified within three-year from the date of acquisition. Certification plan for the new acquisition shall be available.	No. There have not been any new acquisitions.	Yes
Have there been any changes to the time-bound plan since the last audit (both new acquisition and existing)? If yes, justification is required. Is this consistent with the ACOP reporting?	There have been no changes to the time bound plan since all the estates and mill under Johor Corporation are already RSPO certified. This is consistent with the RSPO ACOP reporting. The link provided below: https://rspo.org/members/310/Johor-Corporation	Yes
Have there been any isolated lapses in implementation of the plan? If yes a Minor non-compliance shall be raised	There is no isolated lapse in Time Bound Plan except for smallholder proposed certification program that halted due to unstable supply to the mill.	Yes
Have there been any fundamental failure (e.g. unable to justify delay in planning the assessments) to	There has been no fundamental failure to proceed with the implementation of the plan.	Yes

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proceed with implementation of the plan? If yes a Major non-compliance shall be raised		
Un-Certified Units or Holdings		
No replacement after dates defined in NIs Criterion 7.3: <ul style="list-style-type: none"> • Primary forest. • Any area required to maintain or enhance HCVs in accordance with RSPO P&C criterion 7.3. 	As of to date there are no new plantings that replace primary forest under Johor Corporation.	Yes
Any new plantings since January 1 st 2010 shall comply with the RSPO New Plantings Procedure.	There are no new plantings since January 1 st 2010 at Johor Corporation estates.	Yes
Any Land conflicts are being resolved through a mutually agreed process, such as RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 2.2, 6.4, 7.5 and 7.6.	No land conflict under all certification units as verified through RSPO RaCP tracker.	Yes
Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 6.3.	No labour dispute within all certification units.	Yes
Any Legal non- compliance is being addressed through measures consistent with the requirements of RSPO P&C criteria 2.1	No legal non-compliance within all certification units.	Yes
Did the company conduct internal audit against the uncertified management units requirement? If yes, a positive assurance statement shall be available.	RSPO internal audit assessment for all uncertified units been conducted and the report had been submitted to all unit for improvement plan. The report indicated no systematic failures to proceed with implementation that should be raised as major nonconformities.	Yes
Have there been any stakeholder (including NGO) consultation conducted?	Stakeholder Meeting was conducted on 9/2/2020 for Bukit Layang estate. Seen the attendance list of the stakeholder found that government authorities, local communities, FFB suppliers, neighboring plantation, contractors and suppliers were participated in the meeting. No stakeholder comments or complaints received.	Yes

3.3 Progress of scheme smallholders and/or outgrowers

Progress of scheme smallholders or outgrowers towards compliance with relevant standards		
Requirement	Remarks	Compliance
Has 100% of scheme smallholders and/or scheme outgrowers comply with the standard within three years of the mill's initial certification? OFI shall be raised if after one year where 100% of the scheme smallholders and scheme outgrowers are not in compliance, a minor NC after two years, and a major NC if this requirement is not met after three years.	Not applicable as there are no scheme smallholders or scheme outgrowers under the certification unit.	Yes

3.4 Details of Nonconformities

The nonconformities are listed below. The findings summary of the assessment by criteria are listed in Appendix A. During this Assessment there were no nonconformities raised. The implementation of the Corrective Actions for the Critical Nonconformity(ies) has been verified for its effectiveness and closed accordingly.

Positive Findings	
PF #	Description
PF 1	Good commitment from the management to maintain the system.

3.4.1 Status of Nonconformities Previously Identified and Observations

Non-conformity			
NCR Ref #	1843576-201910-M1	Clause & Category (Critical / Minor)	Indicator 4.7.2 Major
Closed (Yes / No)	Yes	Date of nonconformity Closure	24/03/2020
Statement of Nonconformity:	Found certain risk in operations were not been assessed and documented.		
Requirement Reference:	All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers.		
Objective Evidence:	1) Found during site visit in Landfill area (P03) was not followed as per safety work procedure (P4 C4.1) SOP on Landfill. 2) The activities in landfill eg. using ladder in landfill was not capture in HIRARC (updated 1 Jan 2019). 3) Found portable eye wash in Engine room was not properly maintain as recommended in HIRARC.		

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Corrective Actions:	<p>1)&2) Estate management has briefed the SOP to the workers, Training on Landfill Waste Management was carried out to Landfill Operator, respective Mandore and Field Supervisor on same day of 28 Nov. 2019. Training Evaluation was also done.</p> <p>3)Refill of the eye wash container was immediately done on 28 Nov 2019. Briefing on requirement of First Aid and portable eye wash was conducted on 29 November 2019 for Engine Room/Genset Operator and respective Field Supervisor.</p>
Assessment Conclusion:	<p>1)&2) The management has conducted briefing on SOP Landfill on 28/11/2019 to the mandore, tractor driver and general workers. Seen the training attendance list and training evaluation by the participants was carried out on 28/11/2019 with the result of "Better".</p> <p>3) A training on usage of eyewash was conducted on 28/11/2019 to all the workers that attended the morning muster by Senior Assistant Manager. A daily monitoring checklist of the condition of eyewash was established and implemented since December 2019 at all the workstations with eyewash available. Seen the checklist and all the eyewashes are in good condition. This have been checked by Senior Assistant Manager and verified by the Senior Manager.</p> <p>The implementation of corrective action was effective and thus the major nonconformance was closed on 24/03/2020.</p> <p>ASA 1</p> <p>As per verification on 9/2/2020, all operations have been risk assessed, where procedures and actions were documented and implemented to address the identified risks associated to the work units. HIRARC was used to assess all risk related to the activities in the estate. The HIRARC Register was available for verification. Among the work location sampled was Engine Room, Rat Baiting, Water Treatment, Skid Tank, Covid-19 and Chemical Handling. All HIRARC was last reviewed on 01/01/2021. The effectiveness of the HIRARC is monitored and ensured through checklist and trainings that were conducted by Bukit Layang Estate in each of the operations. Site visits around the estates indicated the control measures of the HIRARC were followed and ensured by the respective managements. Thus The major NC remained close.</p>

Non-conformity			
NCR Ref #	1843576-201910-M2	Clause & Category (Critical / Minor)	Indicator 5.2.1 Major
Closed (Yes / No)	Yes	Date of nonconformity Closure	24/03/2020
Statement of Nonconformity:	HCV was not sufficiently identified.		
Requirement Reference:	Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors)		
Objective Evidence:	During the field assessment at Hotspot 6 at field P14/01, it was observed that there was surrounding community using the reservoir. Base on the HCV		

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	classification, this could be potential HCV 5. Due to the Bukit Layang Estate is located within the Johor State reservoir, there are other potential HCV including HCV 4, HCV 3 and HCV 2. The biodiversity assessment report did not report these potential HCVs.
Corrective Actions:	SQD will develop Guideline on HCV assessment based on HCV assessments for RSPO certification: Reporting Requirements.
Assessment Conclusion:	<p>A revised Biodiversity assessment report was done to identify the HCV categories. HCV 3, HCV 4 and HCV 6 was identified. Besides, the reservoir has been identified as HCV 4. The identification of the reservoir area after consulted with the BAKAJ officer on 5/3/2020 through email and responded by the officer on 11/3/2020. Seen the email correspondence of the consultation. Besides, during the HCV assessment, neighbouring stakeholders such as plantations, prawn pond's owner, water treatment plant's officer and etc as per the attendance list of Social Impact Assessment & HCV Assessment. Besides, SQD developed Guideline of HCV/ HBV Assessment based on RSPO guidelines to identify any rare, threatened or endangered species of High conservation habitats within KULIM area of operations or could be affected by KULIM operations and to ensure that any rare, threatened or endangered species or high conservation value habitats are taken into account in Management Plans and Operations.</p> <p>The implementation of corrective action was effective and thus the major nonconformance was closed on 24/03/2020.</p> <p>ASA 1</p> <p>A Biodiversity Assessment was conducted internally by Mr Muhammad Syam Zakaria and Mr Sarawanan on 14/03/2019. The assessment has identified "hotpots", type of wildlife and flora. During the field assessment there 2 type of HCV been declare as HCV 3 and HCV 4 under Bkt laying estate by the management with total 12.89ha, the report was available at site for review and this Major NC remained close.</p>

Non-conformity			
NCR Ref #	1843576-201910-M3	Clause & Category (Critical / Minor)	Indicator 5.6.2 Major
Closed (Yes / No)	Yes	Date of nonconformity Closure	24/03/2020
Statement of Nonconformity:	However the following are found to be insufficient identified and/or implemented.		
Requirement Reference:	Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimize them implemented.		
Objective Evidence:	<p>1. There is no GHG emission identified from electricity generation (carbon emission), fossil fuel consume for mechanization equipment (carbon emission) and landfill waste disposal (methane emission).</p> <p>2. The implementation records of biocompost is not available and confirmed by the staff that there is no biocompost applied in this estate. The action identified for fertilizer usage is no appropriate.</p>		

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Corrective Actions:	SQD will develop Guideline on Pollution and Emission Management Plan. Training will be conduct for OUs regarding the Guideline.
Assessment Conclusion:	<p>1. Management has revised the Pollution & Emission Management Plan by included the emission of green house gas (GHG) from all the sources on 6/1/2020 such as:</p> <ul style="list-style-type: none"> • Use of fossil fuel for mechanization equipment • Use of fossil fuel for operation of diesel engine (electricity generation) • All running vehicles • Fertilizer usage • Landfill waste disposal <p>Fertilizer usage has been identified for the fertilizer application as per the Agriculture Manual and Agronomist recommendation.</p> <p>Besides, the SQD has developed Pollution and Emission procedure with Doc. No.: SQD/SMS/5.8 dated 1/1/2020 with effective date on 31/1/2020. The objective of the procedure is to reduce pollution and emissions from all polluting activites including greenhouse gas emissions, particulate/ soot emissions and effluent. A training on Waste, Pollution & Emission Management Plan was carried out on 14/1/2020 at Sedenak Mill which involved all the operating units included Bukit Layang Estate. Seen the training attendance.</p> <p>The implementation of corrective action was effective and thus the major non-conformance was closed on 24/03/2020.</p> <p>ASA 1</p> <p>From the verification on GHG v4 and data verification as per fertiliser record, diesel and other record was accurate accordingly thus Major NC remained close.</p>

Non-conformity			
NCR Ref #	1843576-201910-N1	Clause & Category (Critical / Minor)	Indicator 4.1.2 Minor
Closed (Yes / No)	Yes	Date of nonconformity Closure	9/2/2021
Statement of Nonconformity:	Found the mechanism on implementation was inadequate.		
Requirement Reference:	A mechanism to check consistent implementation of procedures shall be in place.		
Objective Evidence:	The baseline survey report at Bukit Layang estate been done on 24 May 2018 by Sustainability and Quality Department found an issue regarding to using the old house in Linesite as their fertilizer store because safety issue pertaining to space and as per SOP no smoking within 10 meter area, the management already budgeted to build a new fertilizer store on 2021. However, no safety temporary measure was taken until today.		
Corrective Actions:	The New fertilizer store will be constructed as per the requirement (s) in June 2020. Meanwhile Estate will reinforce the communication of the rules and regulation required for the safety measures on the fertilizer store to also include workers training on Fertilizer Store WI.		
Assessment Conclusion:	ASA 1 Verification:		

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	The new fertiliser store already been build and used by management, this verified as per site verification, thus minor NC was close accordingly on 9/2/2021.
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Non-conformity			
NCR Ref #	1843576-201910-N2	Clause & Category (Critical / Minor)	Indicator 2.1.3 Minor
Closed (Yes / No)	Yes	Date of nonconformity Closure	9/2/2021
Statement of Nonconformity:	The implementation of legal compliance is insufficiently demonstrated.		
Requirement Reference:	A mechanism for ensuring compliance shall be implemented.		
Objective Evidence:	<p>1. The diesel purchase permit has expired on 14/03/2019. There is continue follow-up with the authorities, however there was no license issued prior purchasing diesel in May 2019 and July 2019.</p> <p>2) Worker with Employee No.: 619126 who worked on 24/8/2019 (rest day) was not captured in the system and thus he did not receive two days' wages at the ordinary rate of pay for the rest day work.</p> <p>3) Worker with Employee No.: 619133) who worked for daily rate work on 3 rest days (3/8/2019, 10/8/2019 and 24/8/2019). However, one of the rest day work was not paid two days' wages at the ordinary rate of pay.</p>		
Corrective Actions:	<p>1)Bi-monthly monitoring of license and permit by management. Estate will list down and display all license and permit expiry date at visible notice board in the office to make sure PIC and other estates staff aware on the expiry date for respective license and permit.</p> <p>2)&3) Management to review and update the I-Plant Checkroll System programming to effect and to allow the payment for Work on Rest Day to all categories of workers. To establish the guideline/flowchart on wages paid monitoring to ensure no underpaid. Detail monitoring will be done through payroll system, where the rate of pay will be automatically calculate based on code of pay i.e. normal day or rest day. In addition, Assistant Manager will check all the payment prior to payroll close for salary pay.</p>		
Assessment Conclusion:	<p>From Sample of compliance evaluated:</p> <p>1. License for water extraction under Johor Enactment 1921 (07/A/KT/026) stated that it is allowed to extract 20m3/day. The records of water extraction was cross checked that the average extraction is 10m3/day. The data are submitted to Badan Kawalselia Air Johor on monthly basis.</p> <p>2. Permit to purchase control item under Regulation on Control Item 1974 stated that it is allowed to purchase 5,460 litre of diesel. During ASA 1 verification the license for Diesel was available valid 19 September 2021.</p> <p>3. Based on review of punch cards, workers' employment contracts and payslips, evidence was available that Bukit Layang Estate is able to demonstrate compliance with Employment Contracts 1955 related to regular working hours, overtime, sickness and holiday entitlement, maternity leave, etc. This includes statutory deductions (SOCSO, EPF, EIS) and non-statutory deductions (e.g.</p>		

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	<p>mosque funds, electricity bills, etc) in accordance with Labour Office permits. These permits are as detailed out under Indicator 2.1.1 above. Sampled during the audit were the following workers' employment contracts and payslips:</p> <p><u>Bukit Layang Estate</u></p> <p>Workers No. 619049, 619124, 619137, 619141, 619076, 619098, 619114, 619129, 619135.</p> <p>Thus Minor NC was close accordingly on 9/2/2021.</p>
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Non-conformity			
NCR Ref #	1843576-201910-N3	Clause & Category (Critical / Minor)	Indicator 5.1.2 Minor
Closed (Yes / No)	Yes	Date of nonconformity Closure	9/2/2021
Statement of Nonconformity:	Management plan was not fully implemented.		
Requirement Reference:	Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons.		
Objective Evidence:	Water analysis for nitrate and phosphate is not available. Furthermore, as identified under All Field Area on fertilizer field application, there is no water analysis conducted for Sg Layang water catchment.		
Corrective Actions:	SOP on reviewing EIA will be revised to include consultation with the affected parties/stakeholder if they are related to the potential environmental risk identified. Any potential environmental risk that could potentially impact the environment (considering the location of estate) should be discussed and highlight in stakeholder and related meeting		
Assessment Conclusion:	The management have identified in the water management 2 areas that require regular monitoring. This the Sungai Layang and Water Catchment Area. The Inlet and Outlet of the river/water catchment are monitored on a monthly basis. Water samples are obtained from the pre-determined water sampling points at the inlet and outlet areas. The samples are submitted to UTCL Laboratory. The results are then provided to the estate for monitoring. Verified the recent Test Report (Report Number: WI/2021/01/23) dated 24/01/2020 was available for verification. Drinking water sampling & testing are conducted on a monthly basis to monitor the drinking water quality. Verified the Water Sampling & Testing Report (Report Number: LW/1004/20) dated 09/12/2020 stated that all tested parameters were within the required limits. Therefore Minor NC was close on 9/2/2021.		

Non-conformity			
NCR Ref #	1843576-201910-N4	Clause & Category	Indicator 5.3.3

		(Critical / Minor)	Minor
Closed (Yes / No)	Yes	Date of nonconformity Closure	9/2/2021
Statement of Nonconformity:	The implementation of the Waste and Pollution management plan is not sufficiently demonstrated.		
Requirement Reference:	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.		
Objective Evidence:	<ol style="list-style-type: none"> 1. For SW410 and SW408, there is not first generation date identified. Hence it is not able to monitor if the wastes are due for 180days. 2. There is no proper identification of SW409 (pesticide waste). 3. The design of PCD 3 oil trap is not sufficient to ensure proper oil trapping. 		
Corrective Actions:	<ol style="list-style-type: none"> 1.SQD to establish the Flowchart Guideline on Handling Waste to ensure the information easily understood by the worker. 2.SQD will revise Work Instruction on Management of Scheduled Waste and Non- Scheduled Waste. Training will be conduct for OUs regarding the Guideline. 3.SQD to establish the Flowchart Guideline on Handling Waste to ensure the information easily understood by the worker. 		
Assessment Conclusion:	The waste management plan was available dated 6/1/2021, in the plan management already identified waste that should be to reduce, recycling, reusing and how they dispose the waste. The management also establish waste management procedure (SQD/SMS/6.2) dated 1/8/2020. The disposal of waste was such as scheduled waste and recycle waste was available sampling on SW 307 dispose at Kualiti Alam Sdn Bhd dated 3/9/2020 (consignment note: 2020090307HO35BM) with total 0.036 MT. For recycle waste sampling on empty container disposal on 12/1/2021 with total 7057 empty container to G-Planter Sdn Bhd. Therefore the Minor NC was close on 9/2/2021		

Opportunity for Improvement	
OFI#	Description
OFI 1	Nil

3.4.2 Summary of the Nonconformities and Status

CAR Ref.	Category (Critical / Minor)	P&C Indicator	Issued Date	Status & Date (Closure)
1843576-201910-M1	Major	Indicator 4.7.2	30/10/2019	Closed out on 24/03/2020
1843576-201910-M2	Major	Indicator 5.2.1	30/10/2019	Closed out on 24/03/2020
1843576-201910-M3	Major	Indicator 5.6.2	30/10/2019	Closed out on 24/03/2020

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1843576-201910-N1	Minor	Indicator 4.1.2	30/10/2019	Closed out on 09/02/2021
1843576-201910-N2	Minor	Indicator 2.1.3	30/10/2019	Closed out on 09/02/2021
1843576-201910-N3	Minor	Indicator 5.1.2	30/10/2019	Closed out on 09/02/2021
1843576-201910-N4	Minor	Indicator 5.3.3	30/10/2019	Closed out on 09/02/2021

3.5 Stakeholders and previous land owner / user consultation

Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone to arrange meetings at a location convenient to them to discuss Bukit Layang estate Certification Unit’s environmental and social performance, legal and any known dispute issues.

Meetings were conducted with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and later was verified with the management team. Any comment which is not complying to the RSPO P&C requirements have been incorporated as an assessment finding.

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

List of Stakeholders contacted	
<p>Internal Stakeholders Local communities representatives Gender Committee representatives Workers’ representatives</p>	<p>Union/Contractors Edaran Badang, Sg Rezeki Sdn Bhd, ASM Green/Sg Layang</p>
<p>Government Departments School’s representative</p>	<p>NGO NIL</p>

Stakeholders comment	
1	<p>Feedbacks: Contractor (Edaran Badang, Sg Rezeki Sdn Bhd) – So far no issue with the management. They have good relationship with the management. Payment was made promptly as per agreed timeline.</p> <p>Management Responses: The management noted and will maintain the good relationship.</p>

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	<p>Audit Team Findings: Verified the payment records found that payment was made promptly.</p>
2	<p>Feedbacks: Smallholder and estate (ASM Green/Sg Layang) – Estate boundary has been clearly demarcated (boundary marker) with the construction of trenches along boundary area. No encroachment of land has occurred.</p>
	<p>Management Responses: The management will ensure no land dispute occur.</p>
	<p>Audit Team Findings: No further issue.</p>
3	<p>Feedbacks: Gender Representatives – They are aware of the function of the committee and reported that there was no sexual harassment case reported. They were given equal opportunity to work in the company.</p>
	<p>Management Responses: The management will ensure the welfare and safety of female workers are protected.</p>
	<p>Audit Team Findings: No further issue.</p>
4	<p>Feedbacks: Workers representative: No issue with the management and always open for consultation and assistance. Equal opportunity to all workers regardless of their nationality, gender and race.</p>
	<p>Management Responses: No favouritism and all workers are equally treated.</p>
	<p>Audit Team Findings: No further issue.</p>
	<p>Management Responses: The management will continue to maintain good relationship.</p>
	<p>Audit Team Findings: No other issue.</p>

List of land owner / user contacted					
Name	Years of ownership / used	Land area (ha)	Agreement (Yes / No)	Agreement base on FPIC (Yes/No)	Compliance on the agreement terms and conditions
Not applicable as the company has acquired and planted since Year 1967.					



Previous land owner / user comment	
	Feedbacks: N/A
	Management Responses: N/A
	Audit Team Findings: N/A

3.6 Impartiality and conflict of interest

During this assessment there was no circumstances or pressure that had influenced the independence or confidentiality of the assessment team.

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Formal Signing-off of Assessment Conclusion and Recommendation

<p>The audit objectives have been achieved and the certificate scope remains appropriate. Based on the results of this audit, it is concluded that Bukit Layang Estate Certification Unit has complied with the Malaysia National Interpretation 2019 for RSPO P&C 2018 and audit criteria identified within the audit report. It is deemed that the management system continues to achieve its intended outcomes. Therefore, it is recommended that the certification of Bukit Layang Certification Unit is continued.</p>	
Report prepared by	Acceptance of Assessment Conclusion
<p>Name: Muhamad Naqiuddin</p>	<p>Name: Salasah Elias</p>
<p>Company Name: BSI Services Malaysia Sdn Bhd</p>	<p>Company Name: Kulim Malaysia Berhad</p>
<p>Title: Lead Auditor</p>	<p>Title: Deputy General Manager</p>
<p>Signature:</p> 	<p>Signature:</p>  <p><i>(I the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents of this report and accept the liability in execution of the procedure in the report.)</i></p>
<p>Date: 26/2/2021</p>	<p>Date: 01.03.2021</p>

Appendix A: Summary of Findings

Criterion / Indicator	Assessment Findings	Compliance
Principle 1: Behave ethically and transparently		
Criterion 1.1: The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.		
1.1.1	<p>(C) Documents that are specified in the RSPO P&C are made available to the public.</p> <p>- Critical (Major) compliance -</p> <p>KULIM (M) Berhad has developed Transparency Procedure with Doc. No.: SQD/SMS/1.0 dated 01/08/2020 where operating units to provide adequate information when requested by stakeholders on sustainability, social and legal issues when appropriate.</p> <p>The documents may be publicly available but not limited to are such as:</p> <ul style="list-style-type: none"> i. Land title ii. OSH plan iii. Plans and impact assessment relating to environmental and social impacts iv. HCV documentation v. Pollution prevention and reduction plans vi. Complaint and grievances details vii. Human Rights policy viii. Procedure for negotiation on compensation ix. Results of FPIC processes x. HCS documentation xi. Continuous Improvement Plan xii. Report on the progress of smallholder support programme 	Complied

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		<p>Besides, the stakeholders could access to company's website, http://www.kulim.com.my/ to get the information such as annual report.</p> <p>The stakeholders have been briefed on the request of publicly available documents during the stakeholder meeting conducted on 16/6/2020 as verified in the meeting presentation slides.</p>	
1.1.2	<p>Information is provided in appropriate languages and accessible to relevant stakeholders.</p> <p>- Minor compliance -</p>	<p>The stakeholders have been briefed on the request of publicly available documents during the stakeholder meeting conducted on 16/6/2020 as verified in the meeting presentation slides in Bahasa Malaysia. All the relevant documents were in Bahasa Malaysia and English.</p>	Complied
1.1.3	<p>(C) Records of requests for information and responses are maintained.</p> <p>- Critical (Major) compliance -</p>	<p>All the request will be recorded in the Enquiry Register book as written in the procedure above. All the operating units in Bukit Layang Estate have implemented Enquiry Register Book. Seen the Enquiry Register book in Bukit Layang estate found that most of the requests were related to compliance inspection. Records of the inspection from DOSH were properly maintained.</p>	Complied
1.1.4	<p>(C) Consultation and communication procedures are documented, disclosed, implemented, made available, and explained to all relevant stakeholders by nominated representative.</p> <p>- Critical (Major) compliance -</p>	<p>KULIM (M) Berhad has established Consultation and Communication Procedure with Doc. No.: SQD/SMS/1.1 dated 01/08/2020 to ensure KULIM has an open and transparent communication methods with local communities and other internal & external stakeholders. Modes of the communication are such as muster, meetings, campaigns, suggestion boxes, letter, email, social media and face to face communication. Any request for information that publicly available and grievance shall record in Enquiry Register.</p> <p>Stakeholder Meeting was conducted on 16/6/2020 for Bukit Layang estate. Seen the attendance list of the stakeholder found that</p>	Complied

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		government authorities, local communities, FFB suppliers, neighboring plantation, contractors and suppliers were participated in the meeting. Meeting minutes and presentation slides were reviewed and questions from stakeholders were recorded in the minutes. Management already explained to all relevant stakeholder during stakeholder meeting dated 16/6/2020. No much changes from previous SOP only changes in approval (4/9/2007). For workers, record explained was on 13/7/2020.	
1.1.5	There is a current list of contact and details of stakeholders and their nominated representatives. - Minor compliance -	Stakeholder list dated Jan 2021 was sighted in Bukit Layang Estate. The stakeholder list has included the affected stakeholders such as local communities, neighboring plantations, government authorities, contractors and suppliers. Stakeholder meeting was conducted on 16/6/2020 participated by the stakeholders such as contractors, neighboring plantations and other farming and smallholders. Seen the invitation letters sent to the stakeholders where government authorities have been invited as well. Issues raised by the stakeholders was incorporated into the Social Management Plan with action to be taken.	Complied
Criterion 1.2: The unit of certification commits to ethical conduct in all business operations and transactions.			
1.2.1	A policy for ethical conduct is in place and implemented in all business operations and transactions, including recruitment and contracts. - Minor compliance -	Bukit Layang Estate subscribe to Kulim (Malaysia) Berhad Corporate Integrity Pledge signed by its Executive Director dated 15 November 2018. Additionally, there are also the following policies of Kulim (Malaysia) Berhad signed by its Executive Director on 1 May 2018: <ol style="list-style-type: none"> 1. Ethics Policy; 2. No Gift and Entertainment Policy; and 3. Conflict of Interest Policy. These Policies were communicated to all levels of workforce as follows on 17/05/2020.	Complied

		Interviews conducted with workers at the estate confirmed their understanding of this ethical conduct and integrity requirements.	
1.2.2	A system is in place to monitor compliance and the implementation of the policy and overall ethical business practice. - Minor compliance -	Evaluation of legal requirements and compliance status with legal requirement is monitored by the estate, Sustainability Team, OHS Department and Head Office Audit Department. Evaluation of compliance is part of the audit checklist as the sustainability team was assigned to cover RSPO P&C requirements. Bi-monthly legal evaluation was done for the estate and compiled by RC executive.	Complied
Principle 2: Operate legally and respect rights			
Criterion 2.1: There is compliance with all applicable local, national and ratified international laws and regulations.			
2.1.1	(C) The Unit of Certification complies with legal requirements - Critical (Major) compliance -	<p>Sample of compliance evaluated:</p> <ol style="list-style-type: none"> 1. License for water extraction under Johor Enactment 1921 (07/A/KT/026) stated that it is allowed to extract 20m³/day. The records of water extraction was cross checked that the average extraction is 10m³/day. The data are submitted to Badan Kawalselia Air Johor on monthly basis. 2. Permit to purchase control item under Regulation on Control Item 1974 stated that it is allowed to purchase 5,460 litre of diesel. During ASA 1 verification the license for Diesel was available valid 19 September 2021. 3. Power generation license (2020/02393) under Electricity Supply Act 1990 stated that it is allowed to generate 34kW electricity valid until 21/9/2021. Field assessment confirmed that the diesel gen-sets installed capacity is less than 34kW. 4. Bukit Layang Estate has applied for the permit from Pejabat Tenaga Kerja Johor Bahru for the deduction of salary for the workers. However, the authority has responded that they are no longer issue approval for the deduction. The management is allow to make deduction with the terms and conditions applied such as obtained written consent from 	Complied

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		<p>the workers regarding the deduction. Seen the replied letter with Ref. No.: (4) dlm.PTKJB/10101/34989(PMT) dated 27/8/2012. The workers have signed on the letter of Deduction of Salary for the type of deduction to be made by the management such as mosque fund.</p>	
<p>2.1.2</p>	<p>A documented system for ensuring legal compliance is in place. This system has a means to track changes to the laws and regulations. - Minor compliance -</p>	<p>The Bukit Layang estate continued to implement and maintain the established documented system for identifying, accessing, tracking and monitoring of compliance with the legal requirements that were applicable to them.</p> <ul style="list-style-type: none"> a) Legal and Other Requirements Register (LORR) and were being evaluated individually annually for compliance. The legal registers were updated by the person in-charge and approved by the respective managers. b) The SQD Department is responsible to track changes and the information was disseminated to all its plantations and department. Among the applicable legal and included in the legal register are <ul style="list-style-type: none"> - Pesticides Act 1974 and Regulations, - Environmental Quality Act 1974 and Regulations, - Factories and Machinery Act 1967 and Regulations, - Occupational Safety and Health Act 1994, - Employment Act 1955, - Energy Commission Act 2010. - Aboriginal Peoples Act 1954, - Company Act 2016 - Personal Data Protection Act 2010. 	<p>Complied</p>

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		<ul style="list-style-type: none"> - Industrial Relations Act 1967, - Children and Young Persons (Employment) Act 1966 - MPOB Regulations (Licensing) 2005. - Min retirement age Act 2012 - Passport Act 1996 - Anti Corruption Commission Amendment 2018 	
2.1.3	<p>Legal or authorised boundaries are clearly demarcated and visibly maintained, and there is no planting beyond these legal or authorised boundaries.</p> <p>- Minor compliance -</p>	<p>The Estates have maps showing the locations of boundary stones that have been physically located and marked. Inspection of boundary stones/markers/trenching at the Empangan Layang catchment, during the field inspection confirmed that they were clearly marked and maintained. All the physical markers/Boundary stones along the legal boundaries between was visibly available.</p>	Complied
<p>Criterion 2.2: All contractors providing operational services and supplying labour, and Fresh Fruit Bunch (FFB) suppliers, comply with legal requirements.</p>			
2.2.1	<p>A list of contracted parties is maintained.</p> <p>- Minor compliance -</p>	<p>In Bukit Layang estate, the list of contractors were made available under stakeholder list for 2021. The list has included for various contractor categories such as transportation, civil and mechanical works and harvesting.</p>	Complied
2.2.2	<p>All contracts, including those for FFB supply, contain specific clauses on meeting applicable legal requirements, and this can be demonstrated by the third party.</p> <p>Evidence of legal due diligence of all contracted third parties, recruitment agencies (licensed/ accredited) for migrant workers, service providers and labour contractors, is available.</p>	<p>All contracts (short and long term), contain specific clauses on meeting applicable legal requirements were spelled out in the contract.</p> <ul style="list-style-type: none"> - MPSB/LBL 2/2017, loading and harvesting of FFB from ramp of Ladang Bukit Layang to Keck Seng Palm Oil Mill, Sungai Tiram, Johor valid until 30/6/2020. Contract 	Complied

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	<p>- Minor compliance -</p>	<p>validity for contractor Sungai Rezeki Sdn Bhd was until 30th June 2020 and has been extended until 30th June 2022 based on variation order no. 1/2020 dated 1/3/20.</p> <ul style="list-style-type: none"> - MPSB/LBL 1/2018, internal transporting of FFB P14 (78.75 ha) ay Ladang Bukit Layang, Sg Tiram, Johor valid until 16/6/21. <p>Evidence of due diligence is demonstrated via declaration between contactor based on letter for Kulim (M) Berhad’s General Manager, Procurement and Contract Department. Each addendum contract signed attached with the employee data and employment practice checklist for self-declaration for compliance. Addendum contract signed dated 12/10/2020 available for verification for both contractor (Sungai Rezeki Sdn Bhd and SOKO SK Enterprise)</p>	
<p>2.2.3</p>	<p>All contracts, including those for FFB supply, contain clauses disallowing child, forced and trafficked labour. Where young workers are employed, the contracts include a clause for their protection.</p> <p>- Minor compliance -</p>	<p>All contracts included with the addendums;</p> <p>“The contractors represent and warrant that the Contractor shall comply with applicable labour and employment laws regarding; and prohibit any form of child labour, forced and trafficked labour. Any eligible your labour will be employed only in accordance with Children and Young Person (Employment) 1966.”</p> <p>Addendum agreement signed on 12/10/20 for Sungai Rezeki Sdn Bhd.</p>	<p>Complied</p>
<p>Criterion 2.3: All FFB supplies from outside the unit of certification are from legal sources.</p>			
<p>2.3.1</p>	<p>(C) For all directly sourced FFB, the mill requires:</p> <ul style="list-style-type: none"> • Information on geo-location of FFB origins • Evidence of the ownership status or the right/claim to the land, or valid use of land by the grower/smallholder • One or more supporting documents for claims 	<p>Not applicable because this was single estate certification</p>	<p>Not Applicable</p>

	<ul style="list-style-type: none"> Valid MPOB license <p>- Critical (Major) compliance -</p>														
2.3.2	<p>For all indirectly sourced FFB, the unit of certification obtains from the collection centres, agents or other intermediaries, the evidence as listed in Indicator2.3.1.</p> <p>- Minor compliance -</p>	Not applicable because this was single estate certification	Not Applicable												
Principle 3: Optimise productivity, efficiency, positive impacts and resilience															
Criterion 3.1: There is an implemented management plan that aims to achieve long-term economic and financial viability.															
3.1.1	<p>(C) A business or management plan (minimum three years) is documented that includes, where applicable, a jointly developed business case for Scheme Smallholders.</p> <p>- Critical (Major) compliance -</p>	The 5-Year business management plan for the year 2021 – 2026 was available for verification. The management plan includes Field Area Summary, Oil Palm Production, General Charges Expenditure and Oil Palm – Mature Field Expenditure. Bukit Layang is a relatively small estate therefore there were no plans for any further business extension.	Complied												
3.1.2	<p>An annual replanting programme projected for a minimum of five years with yearly review, is available.</p> <p>- Minor compliance -</p>	<p>Bukit Layang Estate have developed a replanting programme for the estate from 2019 - 2044. The estate consists of 3 sub fields and the proposed replanting for the 3 sub fields are as below.</p> <table border="1"> <thead> <tr> <th>Field</th> <th>P00</th> <th>P03</th> <th>P14</th> </tr> </thead> <tbody> <tr> <td>Ha</td> <td>154.02</td> <td>150.48</td> <td>78.75</td> </tr> <tr> <td>Replanting Year</td> <td>2024</td> <td>2022</td> <td>2023</td> </tr> </tbody> </table>	Field	P00	P03	P14	Ha	154.02	150.48	78.75	Replanting Year	2024	2022	2023	Complied
Field	P00	P03	P14												
Ha	154.02	150.48	78.75												
Replanting Year	2024	2022	2023												
3.1.3	<p>The unit of certification holds management reviews at planned intervals appropriate to the scale and nature of the activities undertake.</p> <p>- Minor compliance -</p>	The management review meeting for Bukit Layang Estate was conducted on 04/10/2020 where the meeting was chaired by the Estate Manager. The management review discussed on Operational Performance, Customer Feedback, Changes in Management, Internal Audit Findings, CAP Status and Grievances among others.	Complied												

Criterion 3.2: The unit of Certification regularly monitors and reviews their economic, social and environmental performance and develops and implements action plans that allow demonstrable Continuous improvement in key operations.			
3.2.1	<p>(C) The action plan for continuous improvement is implemented, based on consideration of the main social and environmental impacts and opportunities of the unit of certification.</p> <p>- Critical (Major) compliance -</p>	<p>Continuous Improvement Plans to address the Social, Environmental, Productivity and OSH aspects were available in Bukit Layang Estate for verification. Among the Improvement Plans sighted were as below:</p> <ol style="list-style-type: none"> 1. Training <ul style="list-style-type: none"> • First aider training for diesel handler • First aider training for Scheduled Waste handler 2. Housing <ul style="list-style-type: none"> • Upgrade room partition workers house • Repair wiring and drainage at workers house 3. Conservation Area <ul style="list-style-type: none"> • Maintain Conservation area and Records 4. Mechanization <ul style="list-style-type: none"> • Purchase 1-unit Mechanical Buffalo 5. Energy <ul style="list-style-type: none"> • Purchase 1-unit Genset 	Complied
3.2.2	<p>As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat using the [RSPO metrics template].</p> <p>PROCEDURAL NOTE: The RSPO metrics template is awaiting decision/agreement by RSPO and the issue is still being discussed.</p>	<p>The RSPO metric template is not available yet. Annual ACOP reporting was available for the year 2019 with the link attached: https://rspo.org/members/310/Johor-Corporation</p>	Complied

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	<p>Until such metrics is agreed and developed, companies will carry on with existing reporting e.g. PalmGHG, Annual Communication of Progress (ACOP) reporting, and information provided to Certification Body and feedback via RSPO Secretariat is required.</p> <p>- Minor Compliance -</p>		
Criterion 3.3: Operating procedures are Appropriately documented, consistently implemented and monitored.			
3.3.1	<p>(C) Standard Operating Procedures (SOPs) for the unit of certification are in place.</p> <p>- Critical (Major) compliance -</p>	<p>Standard Operating Procedures were available for Bukit Layang Estate in the form of a booklet. Among the SOP's that were sampled were Harvesting, Chemical Spraying (Manual), Chemical Spraying using Mist blower, Rat Baiting, Manuring Application, Mechanical Buffalo, Tractor Driver, Ramp, Workshop and Welding.</p>	Complied
3.3.2	<p>A mechanism to check consistent implementation of procedures is in place.</p> <p>- Minor Compliance -</p>	<p>The following mechanism is available and adopted as standard practices and procedures in the estates operations.</p> <ul style="list-style-type: none"> • Internal audit by Sustainability Unit 2x /year • Task Force visits • Monthly and weekly ad-hoc meetings • Daily /monthly production & financial report <p>Work Station Inspection</p>	Complied
3.3.3	<p>Records of monitoring and any actions taken are maintained and available.</p> <p>- Minor Compliance -</p>	<p>Bukit Layang estate maintained all records of monitoring and available for verification. The Plantation Advisor (PA) is accountable to monitor the estate's compliance towards the SOP, Budget and Productivity.</p> <p>Various checklists were available and being used by the estate for operations, health and safety monitoring, workers welfare and environmental issues.</p>	Complied
Criterion 3.4: A comprehensive Social and Environmental Impact Assessment (SEIA) is undertaken prior to new plantings or operations, and a social and environmental management and monitoring plan is implemented and regularly updated in ongoing operations.			

<p>3.4.1</p>	<p>(C) In new plantings or operations including mills, an independent SEIA, undertaken through a participatory methodology involving the affected stakeholders and including the impacts of any smallholder/out-grower scheme, is documented. - Critical (Major) compliance -</p>	<p>The assessment of Sustainability team to Bukit Layang estate was made in Social/Environmental Management Plan 2020/21 among others meant;</p> <ul style="list-style-type: none"> a) To assess current condition based on identified potential aspects b) To verify presence of protected & conservation areas that could be significantly affected. c) To assess the social & environmental impact on the affected areas/stakeholders arising from the estate activities. d) To comply with various sustainability certification schemes <p>The activities involved discussion with the estate management, sighting the documentation, observation on sites and surrounding, and interview with stakeholders adjacent to the conversion areas. The assessment covered the aspect of boundary control, water resources (if any), protection of river (if any), soil erosion and sedimentation of silt, planning of replanting program, protection of sensitive area, waste (oil, toxic soil and biomass) and air quality control. Interviews were conducted with stakeholders to obtain feedback on the impact of replanting activities on their daily lives.</p> <p>The Social Management Plan for period 2020-2021 produced among includes the following;</p> <ul style="list-style-type: none"> a) Organization information b) Scope of assessment & team c) Methodology assessment timeline, approach and parameters d) SEAI matrix and findings. 	<p>Complied</p>
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		All sites and the reports were visited and sighted respectively by the auditors in presence of the SQD and estates.	
3.4.2	For the unit of certification, a SEIA is available and social and environmental management and monitoring plans have been developed with participation of affected stakeholders. - Minor Compliance -	The social management plan was developed after the conducted the assessment with the selected stakeholders during internal audit. Seen the attendance list of stakeholders involved such as contractors, workers and schools’ representatives. Stakeholders such as neighbouring plantations, fish pond owners, workers and contractors. The aspects such as safety & health, housing amenities and labour rights were assessed. Positive impacts and negatives impacts were recorded in the report. Questionnaire has been used as a toolkit for social interview with the relevant stakeholders (internal and external) and use as the input for development of management plan.	Complied
3.4.3	(C) The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way. - Critical (Major) compliance -	SIA management plan was developed for year 2020 with positive and negative impacts identified. Action plan and person in charge has clearly outlined in the management plan.	Complied
Criterion 3.5: A system for managing human resources is in place.			
3.5.1	Employment procedures for recruitment, selection, hiring, promotion, retirement and termination are documented and made available to the workers and their representatives where applicable. - Minor Compliance -	Reviewed and verified during the audit were the following SOPs: a. Recruitment of New Foreign Workers Rev. No. 1 Issue No. 1 dated 1 Jan 2019. It was observed that this SOP does not contain procedures related to termination, promotion and retirement of foreign workers. Nevertheless, it was noted that termination is clearly stipulated under workers’ employment contracts. b. Recruitment of Local Workers for Operating Units Rev No. 00 Issue No. 01 dated 1 October 2020. This SOP contains procedures for recruitment, promotion, retirement, and termination.	Complied

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		The Policy was briefed to all levels of employees on 14/9/20 during morning muster.	
3.5.2	Employment procedures are implemented, and records are maintained. - Minor Compliance -	Based on the files sighted, able to demonstrate the implementation of the employment procedures, and records are maintained. Records for Malaysian workers include job application form, resume, copies of relevant certificates, NRIC and medical reports. For foreign workers, records include copies of passports, request for salary deductions for paying electricity bills, mosque funds, and consent for passports to be kept in the office. Among the files sighted belong to the following employees: <u>Bukit Layang Estate</u> Workers No. 619049, 619124, 619137, 619141, 619076, 619098, 619114, 619129, 619135.	Complied
Criterion 3.6: An occupational health and safety (H&S) plan is documented, effectively communicated and implemented.			
3.6.1	(C) All operations are risk assessed to identify H&S issues. Mitigation plans and procedures are documented and implemented. - Critical (Major) compliance -	All operations have been risk assessed, where procedures and actions were documented and implemented to address the identified risks associated to the work units. HIRARC was used to assess all risk related to the activities in the estate. The HIRARC Register was available for verification. Among the work location sampled was Engine Room, Rat Baiting, Water Treatment, Skid Tank, Covid-19 and Chemical Handling. All HIRARC was last reviewed on 01/01/2021. CHRA Report (JKKP HQ/03/ASS/00/154-2018/062) was available for verification. The report assessment was conducted by QMSPRO Sdn. Bhd, DOSH Registered Assessor (Reg Number: JKKP HQ/03/ASS/00/154 & HQ/07/ASS/00/236) registered DOSH Assessor on 13 th September 2018 to 20 th September 2018, valid for 5 years.	Complied

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		<p>The Safety Data Sheet (SDS) for the chemicals available in the estate were available at the respective stores. Verified the SDS for Diesel, Storm (Rat Bait), Glyphosate and Ally.</p> <p>The Noise Risk Assessment was scheduled to be conducted on 3 – 7 May 2020 as per the email by Kulim Safety Training and Services Sdn Bhd dated 20/02/2020. Due to the on going Covid-19 Pandemic that has hit the nation, the assessment has been postponed as per the email dated 24/12/2020.</p>	
3.6.2	<p>(C) The effectiveness of the H&S plan to address health and safety risks to people is monitored.</p> <p>- Critical (Major) compliance -</p>	<p>The effectiveness of the HIRARC is monitored and ensured through checklist and trainings that were conducted by Bukit Layang Estate in each of the operations. Site visits around the estates indicated the control measures of the HIRARC were followed and ensured by the respective managements.</p>	Complied
<p>Criterion 3.7: All staff, workers, Scheme Smallholders, out-growers, and contract workers are appropriately trained.</p>			
3.7.1	<p>(C) A documented programme that provides training is in place, which is accessible to all staff, workers, Scheme Smallholders and out-growers, taking into account gender-specific needs, and which covers applicable aspects of the RSPOP&C, in a form they understand, and which includes assessments of training.</p> <p>- Critical (Major) compliance -</p>	<p>Bukit Layang Estate has established an annual training program with latest training program for year 2020/21 that covers all aspects of the RSPO Principles and Criteria. The training need and program was made available for verification at all visited sites. Awareness and training program had been carried out. All workers involved had been adequately trained in safe working practices. The objective was to ensure all workers involved have been adequately trained e.g. in understanding of RSPO, chemical handling, safe working practices and the correct use of PPE.</p>	Complied
3.7.2	<p>Records of training are maintained.</p> <p>- Minor Compliance -</p>	<p>Training records for employees available and maintained at the office. Records are verified on a sampling basis which covers all aspect of training and RSPO P&C requirement as follows:</p> <p>Bukit Layang Estate:</p> <p>a) Manuring Training and SDS dated 17/9/2020</p>	Complied

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		<ul style="list-style-type: none"> b) Water treatment Training dated 12/6/2020 c) HCV and Buffer zone Training dated 8/10/2020 d) Chemical Handling Training dated 8/10/2020 e) Waste cleaning and landfill Training dated 8/2/2020 f) First Aid Training, ERP and CPR dated 3/7/2020 g) Fire Drill training dated 14/2/2020 h) Training for Workers on Payslip and payment dated 21/1/2020 i) Briefing on MSPO and RSPO to Stakeholder dated 16/6/2020 	
3.7.3	<p>Appropriate training is provided for personnel carrying out the tasks critical to the effective implementation of the Supply Chain Certification Standard (SCCS). Training is specific and relevant to the task(s) performed.</p> <p>- Minor Compliance -</p>	Not Applicable for Bkt Layang estate	Not Applicable
<p>Criterion 3.8: Supply chain requirement for mills (note: All supply chain requirements are considered as Critical (C). However it will not contribute to suspension if there is more than 5 non-compliance within a principle)</p>			
3.8.1	<p>Identity Preserved Module</p> <p>A mill is deemed to be Identity Preserved (IP) if the FFB processed by the mill are sourced from plantations/estates that are certified against the RSPO Principles and Criteria (RSPO P&C), or against the Group Certification scheme.</p> <p>Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. If a mill process certified and uncertified FFB without physically separating them, then only Mass Balance Module is applicable.</p>	Not Applicable for Bkt Layang estate.	Not Applicable

3.8.2	<p>Mass Balance Module</p> <p>A mill is deemed to be Mass Balance (MB) if the mill process FFB from both RSPO certified and uncertified plantations/estates. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3rd party certified supply base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</p>	Not Applicable for Bkt Layang estate	Not Applicable
3.8.3	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill shall be recorded by the certification body (CB) in the public summary of the P&C certification report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.</p>	Not Applicable for Bkt Layang estate	Not Applicable
3.8.4	<p>The mill shall also meet all registration and reporting requirements for the appropriate supply chain through the RSPO IT platform.</p>	Not Applicable for Bkt Layang estate	Not Applicable
3.8.5	<p>Documented procedures</p> <p>The mill shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following:</p> <ul style="list-style-type: none"> a) Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements. b) Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records). c) Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able 	Not Applicable for Bkt Layang estate	Not Applicable

	<p>to demonstrate awareness of the mill's procedures for the implementation of this standard.</p> <p>d) The mill shall have documented procedures for receiving and processing certified and non-certified FFBs including ensuring no contamination in the IP mill.</p>		
3.8.6	<p>Internal Audit</p> <p>i) The mill shall have a written procedure to conduct annual internal audit to determine whether the mill:</p> <p>a. Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.</p> <p>b. Effectively implements and maintains the standard requirements within its organisation.</p> <p>ii) Any non-conformities found as part of the internal audit shall be issued corrective action. The outcomes of the internal audits and all actions taken to correct non-conformities shall be subject to management review at least annually. The mill shall maintain the internal audit records and reports.</p>	Not Applicable for Bkt Layang estate	Not Applicable
3.8.7	<p>Purchasing and Goods In</p> <p>i) The mill shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.</p> <p>ii) The mill shall inform the CB immediately if there is a projected overproduction of certified tonnage.</p> <p>iii) The mill shall have a mechanism in place for handling non-conforming FFB and/or documents.</p>	Not Applicable for Bkt Layang estate	Not Applicable
3.8.8	<p>Sales and Goods Out</p> <p>The supplying mill shall ensure that the following minimum information for RSPO certified products is made available in document form. The</p>	Not Applicable for Bkt Layang estate	Not Applicable

	<p>information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation):</p> <ul style="list-style-type: none"> a) The name and address of the buyer; b) The name and address of the seller; c) The loading or shipment / delivery date; d) The date on which the documents were issued; e) RSPO certificate number; f) A description of the product, including the applicable supply chain model (Identity Preserved or Mass Balance or the approved abbreviations); g) The quantity of the products delivered; h) Any related transport documentation; i) A unique identification number. 		
<p>3.8.9</p>	<p>Outsourcing Activities</p> <ul style="list-style-type: none"> i) The mill shall not outsource its milling activities. In cases where he mill outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the mill holding the certificate shall ensure that the independent third party complies with relevant requirements of this RSPO Supply Chain Certification ii) The mill shall ensure the following: <ul style="list-style-type: none"> a) The mill has legal ownership of all input material to be included in outsourced processes b) The mill has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the mill to ensure 	<p>Not Applicable for Bkt Layang estate</p>	<p>Not Applicable</p>

	<p>that certification body (CB) has access to the outsourcing contractor or operation if an audit is deemed necessary.</p> <p>c) The mill has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</p> <p>d) The mill shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and all information, when this is announced in advance.</p>		
3.8.10	The mill shall record the names and contact details of all contractors used for the physical handling of RSPO certified oil palm products.	Not Applicable for Bkt Layang estate	Not Applicable
3.8.11	The mill shall inform its CB in advance prior to conduct of its next audit of the names and contact details of any new contractor used for the physical handling of RSPO certified oil palm products.	Not Applicable for Bkt Layang estate	Not Applicable
3.8.12	<p>Record keeping</p> <p>i) The mill shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of this RSPO Supply Chain Certification Standard requirements.</p> <p>ii) Retention times for all records and reports shall be a minimum of two (2) years and shall comply with relevant legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.</p> <p>iii) For Identity Preserved Module, the mill shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis.</p> <p>iv) For Mass Balance Module, the mill:</p>	Not Applicable for Bkt Layang estate	Not Applicable

	<ul style="list-style-type: none"> a) Shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis. b) All volumes of certified CPO and PK that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. c) The mill can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a mill is allowed to sell short (i.e. product can be sold before it is in stock). 		
3.8.13	<p>Extraction Rate</p> <p>The oil extraction rate (OER) and the kernel extraction rate (KER) shall be applied to provide a reliable estimate of the amount of certified CPO and PK from the associated inputs. Mill shall determine and set their own extraction rates based upon past experience, documented and applied it consistently.</p>	Not Applicable for Bkt Layang estate	Not Applicable
3.8.14	<p>Extraction rates shall be updated periodically to ensure accuracy against actual performance or industry average if appropriate.</p>	Not Applicable for Bkt Layang estate	Not Applicable
3.8.15	<p>Processing</p> <p>For Identity Preserved Module, the mill shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept separated from non-certified oil palm products, including during transport and storage to strive for 100% separation.</p>	Not Applicable for Bkt Layang estate	Not Applicable
3.8.16	<p>Registration of Transactions</p> <ul style="list-style-type: none"> i) Shipping Announcement in the RSPO IT platform shall be carried out by the mills when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after 	Not Applicable for Bkt Layang estate	Not Applicable

	<p>dispatch with the dispatch date being the Bill of Lading or the dispatch documentation date.</p> <p>ii) Remove: RSPO certified volumes sold under different scheme or as conventional, or in case of underproduction, loss or damage shall be removed in the RSPO IT platform.</p>		
3.8.17	<p>Claims</p> <p>The mill shall only make claims regarding the production of RSPO certified oil that are in compliance with the RSPO Rules on Market Communications and Claims.</p>	Not Applicable for Bkt Layang estate	Not Applicable
General corporate communications			
4.1	<p>A corporate communication is one made by any RSPO member that highlights its membership of the RSPO and/or its commitment to the principles of the RSPO. Corporate communication is an 'off-product' claim.</p>	Not Applicable for Bkt Layang estate	Not Applicable
4.2	<p>In corporate communications a member is allowed to:</p> <ul style="list-style-type: none"> a. Display its RSPO membership status b. Display the RSPO web address (www.rspo.org) c. State that the member supports the work of the RSPO d. State the member's history with regard to the RSPO. e. Use the RSPO trademark to promote its membership of the RSPO. <p>Additionally, where an RSPO member displays the RSPO trademark in digital format this must be accompanied by the text 'Check our progress at www.rspo.org' where the link must lead to the member's profile page.</p>	Not Applicable for Bkt Layang estate	Not Applicable
4.3	<p>In corporate communications RSPO members must not make any statement that may lead consumers to believe that RSPO membership by itself implies the selling of RSPO-certified oil palm products.</p>	Not Applicable for Bkt Layang estate	Not Applicable

4.4	Members must ensure that all communication is consistent, clear and cannot mislead consumers or other stakeholders as to the certified content of oil palm products in the member's own products.	Not Applicable for Bkt Layang estate	Not Applicable
4.5	Members are not allowed to use the RSPO corporate logo as shown in the RSPO Rules on Market Communications & Claims document. This is for the sole use of the RSPO secretariat.	Not Applicable for Bkt Layang estate	Not Applicable
Business to business communications			
5.1	Business to Business communication relates to RSPO members in the supply chain selling to and/or communicating with other organizations in the supply chain about the use of certified sustainable oil palm products.	Not Applicable for Bkt Layang estate	Not Applicable
5.2	When confirming the sale of certified oil palm products, members must adhere to the requirements of the RSPO SCCS. This includes stating the supply chain model and certificate number under which the claim is being made.	Not Applicable for Bkt Layang estate	Not Applicable
5.3	Where a distributor or wholesaler takes title to products containing certified sustainable oil palm products, the requirements of the RSPO SCCS can follow either of two options: a. If the distributor or wholesaler holds only a Distributor license, it may only communicate RSPO-certified oil palm products by linking the product to the manufacturer using the manufacturer's SCCS certificate number. This covers both brand and own brand products. However, in the case of own brand products it is essential that customers are aware that the product has been made on behalf of the distributor or wholesaler, with specific evidence either through on-pack claims or documentation. b. If the distributor or wholesaler is supply chain-certified they should follow the requirements outlined in section 5.2.	Not Applicable for Bkt Layang estate	Not Applicable

Business to consumer communication			
6.1	Only RSPO members that have supply chain certification are allowed to make business to consumer claims about the certified sustainable oil palm products contained within product(s), which are known as 'product-specific' claims. Product-specific claims are voluntary.	Not Applicable for Bkt Layang estate	Not Applicable
6.2	Only RSPO members who have supply chain certification are authorised to use the RSPO trademark and/or RSPO label, with the exception of RSPO Credits and of retailers in accordance with 6.8 below.	Not Applicable for Bkt Layang estate	Not Applicable
6.3	When on-pack claims on RSPO-certified sustainable oil palm products are used, the RSPO trademark and associated identification number must be present.	Not Applicable for Bkt Layang estate	Not Applicable
6.4	Business to consumer communication shall not include information about the claimant's RSPO membership status.	Not Applicable for Bkt Layang estate	Not Applicable
6.5	Members shall not communicate to consumers' information about their suppliers' RSPO membership status.	Not Applicable for Bkt Layang estate	Not Applicable
6.6	Use of the RSPO trademark is restricted to claims about RSPO-certified sustainable palm oil products and it is not authorised for use in relation to any other ingredient.	Not Applicable for Bkt Layang estate	Not Applicable
6.7	Use of any other trademark or logo to highlight the presence of RSPO-certified sustainable oil palm products is an unauthorised product-specific claim.	Not Applicable for Bkt Layang estate	Not Applicable
6.8	RSPO members who are retailers or food service companies can apply for an RSPO trademark license for use in business to consumer communications, provided they can demonstrate the validity of these claims to an RSPO-accredited certification body (CB). This will be undertaken via a remote audit, prior to the trademark use, during which the retailer or food service company will need to demonstrate that the use	Not Applicable for Bkt Layang estate	Not Applicable

	<p>of the trademark is in compliance with the rules contained within this document and that the claim itself can be supported through a certified supply chain. Any other palm oil claims, including those highlighting the absence of palm oil, must be highlighted to the CB during the audit to ensure that all claims comply with the requirements of these rules. The CB will confirm the outcome of these audits, to be conducted annually, to RSPO who may continue to grant a trademark license or withdraw permission based upon the audit findings. This is in keeping with the rules applying to RSPO supply chain certified members. The guidance document for audits is available on www.rspo.org.</p>		
MODULE B – MASS BALANCE SPECIFIC RULES			
Minimum Mass Balance content			
	<p>95% or above of the oil palm content must be RSPO MB-certified.</p>	<p>Not Applicable for Bkt Layang estate</p>	<p>Not Applicable</p>
	<p>Where there is any percentage of non-certified oil palm within the product, the reason for this must be fully justified and an action plan for moving to fully certified oil palm must be in place, in accordance with the requirements of the RSPO SCCS. In addition, the non-certified volume must be covered by equivalent volume of RSPO Credits.</p>	<p>Not Applicable for Bkt Layang estate</p>	<p>Not Applicable</p>
Labelling and trademark (MB)			
	<p>Members are allowed to use the RSPO label in one of the following ways:</p> <ul style="list-style-type: none"> • Surrounded by the text: 'Certified sustainable palm oil'. • The RSPO label MUST contain the tag 'MIXED'. The tag MIXED designates oil palm products sourced under the Mass Balance (MB) supply chain system, which administratively balances inputs and outputs of certain palm oil volumes. The tag 'MIXED' on a product does not guarantee that the product itself contains the certified material; some or all of it may reside in a product that does not carry a claim. 	<p>Not Applicable for Bkt Layang estate</p>	<p>Not Applicable</p>

	<ul style="list-style-type: none"> • The RSPO label can also include the statement: '[The palm oil contained in this product] contributes to the production of certified sustainable palm oil'. • Wherever the RSPO trademark is displayed, the applicable trademark license number must be shown immediately under or next to the trademark or the 'statement'. Font must be Calibri, font size must be at least 4 pt (1.4 mm or 0.06 inch). • In on-pack communications, the RSPO trademark can be printed anywhere on the pack. Further guidance on use of the trademark is provided in the RSPO Trademark License Terms and Conditions and in Annex 1 of the Rules on Market Communications & Claims document. 		
Messaging (MB)			
	<p>Messaging ALLOWED in storytelling in product-related communications includes:</p> <ul style="list-style-type: none"> • [Oil palm products]/[palm oil]/[palm kernel oil] from RSPO-certified mills and plantations were mixed with non-certified oil palm products in the supply chain. • The volume of [oil palm products][palm oil]/[palm kernel oil] in this product reflects an equivalent volume of palm oil or palm kernel oil produced by RSPO certified mills and plantations. <p>In off-product communications, reference to (or images of) particular RSPO-certified production units, if the relationship to those units can be shown in company records is allowed.</p> <p>Messaging NOT ALLOWED in storytelling in product-related communications:</p> <ul style="list-style-type: none"> • Anything that can lead consumers to believe that RSPO-certified palm products are (certified to be) part of the product. 	Not Applicable for Bkt Layang estate	Not Applicable
Principle 4: Respect community and human rights and deliver benefits			

Criterion 4.1: The unit of Certification respects human rights, which includes respecting the rights of Human Rights Defenders.			
4.1.1	<p>(C) A policy to respect human rights, including prohibiting retaliation against Human Rights Defenders (HRD), is documented and communicated to all levels of the workforce, operations, FFB suppliers and local communities and prohibits intimidation and harassment by the unit of certification and contracted services, including contracted security forces.</p> <p>- Critical (Major) compliance -</p>	<p>Kulim (Malaysia) Berhad has a Sustainability Policy which among others, states its commitment to respect, support and protect international human rights against violence, threats, all forms of retaliation, and effective elimination of all forms of violation of human rights which include against HRD, whistle blowers, complainants and community spokespersons.</p> <p>This policy was communicated to all levels of workforce during briefing held on 14/9/20.</p>	Complied
4.1.2	<p>The unit of certification does not instigate violence or use any form of harassment in their operations.</p> <p>- Minor compliance -</p>	<p>There is no evidence of any use of violence or the instigation of violence within the estate. This was further verified during interviews held with external stakeholders such as villagers and neighbouring smallholder.</p>	Complied
Criterion 4.2: There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties			
4.2.1	<p>(C) The mutually agreed system, open to all affected parties, resolves disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants, HRD, community spokespersons and whistle-blowers, where requested, without risk of reprisal or intimidation and follows the RSPO policy on respect for HRD.</p> <p>- Critical (Major) compliance -</p>	<p>An agreed and documented system which deals with complaints and grievances is available and documented as Grievance Procedure Doc No. SQD/SMS/4.1 dated 1 August 2020. This SOP is to ensure that the Company has a documented system for dealing with complaints and grievances that is agreeable to all sides and accepted by all stakeholders. This SOP is applicable to all parties who deal with the Company who may have complaints and grievances. Clause 5.8 states that complainants' anonymity would be respected and protected if requested.</p>	Complied
4.2.2	<p>Procedures are in place to ensure that the system is understood by the affected parties, including by illiterate parties.</p> <p>- Minor compliance -</p>	<p>Briefings on grievance procedures are given to ensure that the system is understood by affected parties. The external stakeholders were briefed on 16/6/2020 during stakeholder meeting.</p>	Complied

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		To ensure understanding by illiterate parties, the briefings were given verbally, and when necessary, translators from among the workers (usually a worker representatives) are sought to translate documents including procedures for dealing with complaints and grievances. This was duly confirmed by the workers interviewed. At Bukit Layang Estate, the briefing on grievance procedure was given on 13/7/20.	
4.2.3	The unit of certification keeps parties to a grievance informed of its progress, including against agreed timeframe and the outcome is available and communicated to relevant stakeholders. - Minor compliance -	Based on complaints book sighted, aggrieved parties were informed of the progress of their grievance, and the outcome was communicated and acknowledged by the complainant. The last recorded complaint was on 26/4/19.	Complied
4.2.4	The conflict resolution mechanism includes the option of access to independent legal and technical advice, the ability for complainants to choose individuals or groups to support them and/or act as observers, as well as the option of a third-party mediator. - Minor compliance -	Clause 5.5 of Grievance Mechanism Doc. No. SQD/SMS/4.1 Issue No. 1 dated 1 August 2020 gives the option to engage independent legal, technical advice and third-party mediator.	Complied
Criterion 4.3: The unit of Certification contributes to local sustainable development as agreed by local communities.			
4.3.1	Contributions to community development that are based on the results of consultation with local communities are demonstrated. - Minor compliance -	Bukit Layang Estate management has made contribution to the local communities such as donation to the events from school and mosque. Interviewed with the workers found that the management will provided free mineral water to all the workers during raining season as the treated water was dirty to be consumed. Besides, management also supply and helping the COVID 19 suspect with food and other, record show invoice 21000070 dated 31/12/2020 with total RM 2,314. KULIM has provided food aids to the workers who are in needs during the pandemic period. Besides, KULIM HQ has supplied school	Complied

		uniform to the children once a year as corporate social responsibility.	
Criterion 4.4: Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.			
4.4.1	<p>(C) Documents showing legal ownership or lease, or authorised use of customary land authorised by customary landowners through a Free, Prior and Informed Consent (FPIC) process. Documents Related to the history of land tenure and the actual legal or customary use of the land are available.</p> <p>- Critical (Major) compliance -</p>	<p>Land title in Bukit Layang estate was available, there are 12 parcels of land for this certification unit with total of 471.40ha land area. However, Kulim has surrendered approximately 73ha back to the Johor Stated government for state development with remaining 397.76ha land management under Kulim. The surrendering is documented in the land title under Form K.</p> <p>It was planted with oil palm since 1967. The land was previously granted to Ulu Tiram Manufacturing Sdn Bhd (a subsidiary on Kulim) and later transferred to Kulim Malaysia Bhd in 2005.</p> <p>The latest quit rent payment for 2019 was sighted for all 12 parcels land.</p>	Complied
4.4.2	<p>Copies of documents evidencing agreement-making processes and negotiated agreements detailing the FPIC process are available and include:</p>	<p>There is no land dispute recorded. This was verified through stakeholders' consultation.</p> <p>In case of any arising land dispute (if applicable), the process will be based on Land Encroachment procedure (Doc. No.: PROP/MP/5 dated 09/06/2020, Rev. No. 4).</p>	Complied
4.4.2a	<p>Evidence that a plan has been developed through consultation and discussion in good faith with all affected groups in the communities, with particular assurance that vulnerable, minorities' and gender groups are consulted, and that information has been provided to all affected groups, including information on the steps that are taken to involve them in decision making.</p> <p>- Minor compliance -</p>	<p>There is no land dispute recorded. This was verified through stakeholders' consultation.</p> <p>In case of any arising land dispute (if applicable), the process will be based on Land Encroachment procedure (Doc. No.: PROP/MP/5 dated 09/06/2020, Rev. No. 4).</p>	Complied

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4.4.2b	<p>Evidence that the unit of certification has respected communities' decisions to give or withhold their consent to the operation at the time that these decisions were taken.</p> <p>- Minor compliance -</p>	<p>There is no land dispute recorded. This was verified through stakeholders' consultation.</p> <p>In case of any arising land dispute (if applicable), the process will be based on Land Encroachment procedure (Doc. No.: PROP/MP/5 dated 09/06/2020, Rev. No. 4).</p>	Complied
4.4.2c	<p>Evidence that the legal, economic, environmental and social implications of permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the unit of certification's title, concession or lease on the land.</p> <p>- Minor compliance -</p>	<p>There is no land dispute recorded. This was verified through stakeholders' consultation.</p> <p>In case of any arising land dispute (if applicable), the process will be based on Land Encroachment procedure (Doc. No.: PROP/MP/5 dated 09/06/2020, Rev. No. 4).</p>	Complied
4.4.3	<p>(C) Maps of an appropriate scale showing the extent of recognised legal, customary or user rights are developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities).</p> <p>- Critical (Major) compliance -</p>	<p>The estates maintained the following maps and documents for proof of recognized legal rights. Documents were sighted and verified. A scale of map at 1:10000 to 1: 15000 is established. Maps were prepared by AASD with data source GPS Surveyed and estates personnel.</p> <p>All the related documentation regarding the land acquisition was kept in HQ Office and was verified by the auditor. There were no issues regarding land with villagers, local community and neighbouring estate. Hence, there was no need for the establishment of map showing the legal, customary, or user right of other users as required by this indicator.</p>	Complied
4.4.4	<p>All relevant information is available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.</p> <p>- Minor compliance -</p>	<p>There is no land dispute recorded. This was verified through stakeholders' consultation.</p> <p>In case of any arising land dispute (if applicable), the process will be based on Land Encroachment procedure (Doc. No.: PROP/MP/5 dated 09/06/2020, Rev. No. 4).</p>	Complied

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4.4.5	<p>(C) Evidence is available to show that communities are represented through institutions or representatives of their own choosing, including by legal counsel if they so choose.</p> <p>- Critical (Major) compliance -</p>	<p>There is no land dispute recorded. This was verified through stakeholders' consultation.</p> <p>In case of any arising land dispute (if applicable), the process will be based on Land Encroachment procedure (Doc. No.: PROP/MP/5 dated 09/06/2020, Rev. No. 4).</p>	Complied
4.4.6	<p>There is evidence that implementation of agreements negotiated through FPIC is annually reviewed in consultation with affected parties.</p> <p>- Minor compliance -</p>	<p>There is no land dispute recorded. This was verified through stakeholders' consultation.</p> <p>In case of any arising land dispute (if applicable), the process will be based on Land Encroachment procedure (Doc. No.: PROP/MP/5 dated 09/06/2020, Rev. No. 4).</p>	Complied
<p>Criterion 4.5: No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their FPIC. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.</p>			
4.5.1	<p>(C) Documents showing identification and assessment of demonstrable legal, customary and user rights are available.</p> <p>- Critical (Major) compliance -</p>	<p>There are no new planting in Bukit Layang estate. The land was previously granted to Ulu Tiram Manufacturing Sdn Bhd (a subsidiary on Kulim) and later transferred to Kulim Malaysia Bhd in 2005. The latest quit rent payment for 2019 was sighted for all 12 parcels land</p>	Not Applicable
4.5.2	<p>(C) FPIC is obtained for all oil palm development through a comprehensive process, including in particular, full respect for their legal and customary rights to the territories, lands and resources via local communities' own representative institutions, with all the relevant information and documents made available, with option of resourced access to independent advice through a documented, long-term and two-way process of consultation and negotiation.</p> <p>- Critical (Major) compliance -</p>	<p>No new plantings are established on local peoples' land. This was verified through stakeholders' consultation.</p>	Not Applicable
4.5.3	<p>Evidence is available that affected local peoples understand they have the right to say 'no' to operations planned on their lands before and during initial discussions, during the stage of information gathering and</p>	<p>No new plantings are established on local peoples' land. This was verified through stakeholders' consultation.</p>	Not Applicable

	<p>associated consultations, during negotiations, and up until an agreement with the unit of certification is signed and ratified by these local peoples. Negotiated agreements are non-coercive and entered into voluntarily and carried out prior to new operations.</p> <p>- Minor compliance -</p>		
4.5.4	<p>To ensure local food and water security, as part of the FPIC process, participatory SEIA and participatory land-use planning with local peoples, the full range of food and water provisioning options are considered. There is transparency of the land allocation process.</p> <p>- Minor compliance -</p>	No new plantings are established on local peoples' land. This was verified through stakeholders' consultation.	Not Applicable
4.5.5	<p>Evidence is available that the affected communities and rights holders have had the option to access to information and advice that is independent of the project proponent, concerning the legal, economic, environmental and social implications of the proposed operations on their lands.</p> <p>- Minor compliance -</p>	No new plantings are established on local peoples' land. This was verified through stakeholders' consultation.	Not Applicable
4.5.6	<p>Evidence is available that the communities (or their representatives) gave consent to the initial planning phases of the operations prior to the issuance of a new concession or land title to the operator.</p> <p>- Minor compliance -</p>	No new plantings are established on local peoples' land. This was verified through stakeholders' consultation.	Not Applicable
4.5.7	<p>New lands are not acquired for plantations and mills after 15 November 2018 as a result of recent (2005 or later) expropriations without consent under the right of eminent domain of the federal and state land acquisition legislations.</p> <p>- Minor compliance -</p>	No new plantings are established on local peoples' land. This was verified through stakeholders' consultation.	Not Applicable
4.5.8	<p>(C) New lands are not acquired in areas inhabited by communities in voluntary isolation.</p>	No new plantings are established on local peoples' land. This was verified through stakeholders' consultation.	Not Applicable

	- Critical (Major) compliance -		
Criterion 4.6: Any negotiations Concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.			
4.6.1	<p>(C) A mutually agreed procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, is in place.</p> <p>- Critical (Major) compliance -</p>	KULIM (M) Berhad has developed Land Encroachment procedure (Doc. No.: PROP/MP/5 dated 09/06/2020, Rev. No. 4). The objective is to establish and maintain the procedures on handling properties encroachment cases. Flow chart of handling the land encroachment by the company and local communities was developed. Besides, compensation calculation (based on situation and management approval) was described in the procedure as well.	Complied
4.6.2	<p>(C) A mutually agreed procedure for calculating and distributing fair compensation (monetary or otherwise) is established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation.</p> <p>- Critical (Major) compliance -</p>	SOP as per indicator 4.6.1. There was no dispute that involved compensation in Bukit Layang estate.	Complied
4.6.3	<p>Evidence is available that equal opportunities are provided to both men and women to hold land titles for scheme small holdings.</p> <p>- Minor compliance -</p>	There were no scheme smallholders attached with Bukit Layang estate	Complied
4.6.4	<p>The process and outcomes of any negotiated agreements, compensation and payments are documented, with evidence of the participation of affected parties, and made publicly available to them.</p> <p>- Minor compliance -</p>	There were no scheme smallholders attached with Bukit Layang estate	Complied
Criterion 4.7: Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their FPIC and negotiated agreements.			
4.7.1	<p>(C) A mutually agreed procedure for identifying people entitled to compensation is in place.</p>	KULIM (M) Berhad has developed Land Encroachment procedure (Doc. No.: PROP/MP/5 dated 09/06/2020, Rev. No. 4). The objective is to establish and maintain the procedures on handling	Complied

	- Critical (Major) compliance -	properties encroachment cases. Flow chart of handling the land encroachment by the company and local communities was developed. Besides, compensation calculation (based on situation and management approval) was described in the procedure as well.	
4.7.2	<p>(C) A mutually agreed procedure for calculating and distributing fair and gender-equal compensation (monetary or otherwise) is established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation.</p> <p>- Critical (Major) compliance -</p>	SOP as per indicator 4.6.1.	Complied
4.7.3	<p>Communities that have lost access and rights to land for plantation expansion are given opportunities including employment and supply contracts to benefit from plantation development.</p> <p>- Minor compliance -</p>	There was no community that have lost access and rights to land for plantation since there was no expansion by the company during the time of audit. However, the company has provided job opportunity to the local communities as this has verified through the master list of employees.	Complied
<p>Criterion 4.8: The right to use the land is demonstrated and is not legitimately contested by local people who can demonstrate that they have legal, customary, or user rights.</p>			
4.8.1	<p>Where there are or have been disputes, proof of legal acquisition of title and evidence that mutually agreed compensation has been made to all people who held legal, customary, or user rights at the time of acquisition is available and provided to parties to a dispute, and that any compensation was accepted following a documented process of FPIC.</p> <p>- Minor compliance -</p>	No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported during the time of audit through interviewed with the local communities. Boundary stone and trenches were available to demarcate the boundary of land.	Complied
4.8.2	<p>(C) Land conflict is not present in the area of the unit of certification. Where land conflict exists, acceptable conflict resolution processes (see Criteria 4.2 and 4.6) are implemented and accepted by the parties involved. In the case of newly acquired plantations, the unit of certification addresses any unresolved conflict through appropriate conflict resolution mechanisms.</p>	No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported during the time of audit through interviewed with the local communities. Boundary stone and trenches were available to demarcate the boundary of land.	Complied

	- Critical (Major) compliance -		
4.8.3	Where there is evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations and there remain parties with demonstrable customary and land use rights, these claims will be settled using the relevant requirements (Indicators 4.4.2, 4.4.3 and 4.4.4) - Minor compliance -	No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported during the time of audit through interviewed with the local communities. Boundary stone and trenches were available to demarcate the boundary of land.	Complied
4.8.4	For any conflict or dispute over the land, the extent of the disputed area is mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable). - Minor compliance -	No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported during the time of audit through interviewed with the local communities. Boundary stone and trenches were available to demarcate the boundary of land.	Complied
Principle 5: Support smallholder inclusion			
Criterion 5.1: The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.			
5.1.1	Current and previous period prices paid for FFB are publicly available and accessible by smallholders. - Minor compliance -	Bukit Layang is under single estate certification. Therefore this Indicator is not applicable.	Not Applicable
5.1.2	(C) Evidence is available that the unit of certification explains the FFB pricing to smallholders on request from individual smallholders (at least once a year or upon request). - Critical (Major) compliance -	Bukit Layang is under single estate certification. Therefore this Indicator is not applicable	Not Applicable
5.1.3	(C) Fair pricing, calculated as a portion of the international CPO price less costs is provided to smallholders in the supply base and documented. - Critical (Major) compliance -	Bukit Layang is under single estate certification. Therefore this Indicator is not applicable	Not Applicable

5.1.4	<p>(C) Evidence is available that all parties, including women and independent representative organisations assisting smallholders where requested, are involved in decision-making processes and understand the contracts. These include those involving finance, loans/credits, and repayments through FFB price reductions for replanting and or other support mechanisms where applicable.</p> <p>- Critical (Major) compliance -</p>	<p>Bukit Layang is under single estate certification. Therefore this Indicator is not applicable</p>	<p>Not Applicable</p>
5.1.5	<p>Contracts are fair, legal and transparent and have an agreed timeframe.</p> <p>- Minor compliance -</p>	<p>Sighted during the audit were the following contracts:</p> <p>MPSB/LBL 2/2017, loading and harvesting of FFB from ramp of Ladang Bukit Layang to Keck Seng Palm Oil Mill, Sungai Tiram, Johor valid until 30/6/2020. Contract validity for contractor Sungai Rezeki Sdn Bhd was until 30th June 2020 and has been extended until 30th June 2022 based on variation order no. 1/2020 dated 1/3/20.</p> <p>MPSB/LBL 1/2018, internal transporting of FFB P14 (78.75 ha) ay Ladang Bukit Layang, Sg Tiram, Johor valid until 16/6/21.</p> <p>The above contracts are fair, legal and transparent as they contain agreed time frame, scope of work, fees and payment of services, rights and obligations of both parties, mutual termination clause, force majeure, etc. This was further confirmed during audit interviews conducted with contractors and suppliers.</p>	<p>Complied</p>
5.1.6	<p>(C) Agreed payments are made in a timely manner and receipts specifying price, weight, deductions and amount paid are given.</p> <p>- Critical (Major) compliance -</p>	<p>Clause 5.3 of all contracts signed state that parties agree that payment of fees shall be made within 30 days of submission of invoice. Based on the records, payments were made within 30 days of invoice as agreed in the contracts:</p> <p>Invoice No. 7043 dated 31 November 2020 from Sungai Rezeki Sdn Bhd for RM5,046.86 was paid via payment voucher No. 20000190 dated 7 December 2020 for RM5,046.86</p>	<p>Complied</p>

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		<p>Invoice No. 01465 dated 31 November 2020 from SK SOKO Enterprise for RM7,516.11 was paid via payment voucher No. 20000189 dated 7 December 2020 for total of RM47,593.32.</p> <p>This was further confirmed during audit interviews conducted with contractors and suppliers.</p>	
5.1.7	<p>Weighbridges used for determining payment to smallholders are verified by an independent third party on a regular basis (this can be government).</p> <p>- Minor compliance -</p>	<p>Bukit Layang Estate is under single estate certification. Therefore, this indicator is not applicable</p>	Not Applicable
5.1.8	<p>The unit of certification supports Independent Smallholders with certification, where applicable, ensuring mutual agreements between the unit of certification and the smallholders on who runs the internal control system (ICS), who holds the certificates, and who holds and sells the certified material.</p> <p>- Minor compliance -</p>	<p>Bukit Layang Estate is under single estate certification. Therefore, this indicator is not applicable.</p>	Not Applicable
5.1.9	<p>(C) The unit of certification has a grievance mechanism for smallholders and all grievances raised are dealt with in a timely manner.</p> <p>- Critical (Major) compliance -</p>	<p>An agreed and documented system which deals with complaints and grievances are available and documented as follows:</p> <ul style="list-style-type: none"> a. Grievance Policy dated 1 May 2018. This Policy commits to a transparent process ensuring stakeholder's grievances and complaints are dealt with fairly, consistently and promptly. b. Grievance Procedure Doc No. SQD/SMS/4.1 dated 1 August 2020. This SOP is applicable to all parties who deal with the Company who may have complaints and grievances. <p>This the grievance mechanism which the Company has, are applicable to all parties, including smallholders.</p>	Complied

Criterion 5.2: The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.

5.2.1	The Company consults with interested smallholders (irrespective of type) within the Unit of Certification, including women or other partners in their supply base, to assess their needs for support to improve their livelihoods and their interest in RSPO certification. - Minor compliance -	Bukit Layang Estate is under single estate certification. Therefore, this indicator is not applicable.	Not Applicable
5.2.2	The unit of certification develops and implements smallholder support programme to improve smallholder livelihood and build their capacity to enhance productivity, quality, organisational and managerial competencies, and specific elements of RSPO certification (including the RSPO Independent Smallholder Standard or RISS). - Minor compliance -	Bukit Layang Estate is under single estate certification. Therefore, this indicator is not applicable.	Not Applicable
5.2.3	Where applicable, the unit of certification provides support to smallholders to promote legality of FFB production. - Minor compliance -	Bukit Layang Estate is under single estate certification. Therefore, this indicator is not applicable.	Not Applicable
5.2.4	(C) Evidence exists that the unit of certification trains Scheme Smallholders on pesticide handling. - Critical (Major) compliance -	Bukit Layang Estate is under single estate certification. Therefore, this indicator is not applicable.	Not Applicable
5.2.5	The unit of certification regularly reviews and publicly reports on the progress of the Smallholder support programme. - Minor compliance -	Bukit Layang Estate is under single estate certification. Therefore, this indicator is not applicable.	Not Applicable

Principle 6: Respect workers' rights and conditions

Criterion 6.1: Any form of discrimination is prohibited.

6.1.1	(C) A publicly available non-discrimination and equal opportunity policy is implemented in such a way to prevent discrimination based on ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age.	The Policies that have been developed by Kulim (Malaysia) Berhad to deal with equal opportunity and non-discrimination are: a. Business Policy b. Core Labour Standard	Complied
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	- Critical (Major) compliance -	c. People Policy where fairness and equal opportunities for relevant group such as all employees, including foreign and local are embedded. These Policies prevent discrimination based on ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age.	
6.1.2	(C) Evidence is provided that workers and groups including local communities, women, and migrant workers have not been discriminated against including charging of recruitment fees for foreign workers. - Critical (Major) compliance -	Based on interviews held with Malaysian and foreign workers from Indonesia and have been able to demonstrate that no form of any discrimination occurs. Reviewed during the audit was contract dated 13 February 2020 between Kulim (Malaysia) Berhad and PT Hamparan Karya Insani for manpower supply from Indonesia. The agreement states among others that cost of workers' transportation to the respective estates will be borne by Kulim. The Demand Letter issued by Indonesian consulate dated 17 Feb 2020 also specifies that levy and PLKS fees are to be borne by employer. No recruitment fees are imposed on any of the foreign workers, and this was further confirmed by foreign workers interviewed.	Complied
6.1.3	The unit of certification demonstrates that recruitment selection, hiring, access to training and promotion are based on skills, capabilities, qualities and medical fitness necessary for the jobs available. - Minor compliance -	Evidence was available that the process of recruitment, selection and hiring are based on skills, capabilities, qualities and medical fitness.	Complied
6.1.4	Pregnancy testing is not conducted as a discriminatory measure and is only permissible when it is legally mandated. Alternative equivalent employment is offered for pregnant women. - Minor compliance -	Based on interview held with the Medical Assistant at Bukit Layang Estate and representatives of Women On Wards (WOW) pregnancy tests are not conducted on discriminatory manner and health screenings are conducted only when legally mandated (when handling chemicals). However, during audit, there was no women	Complied

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		employees were handling chemicals. Spraying and fertiliser application jobs were carried out by male workers.	
6.1.5	<p>(C) A gender committee is in place specifically to raise awareness, identify and address issues of concern, as well as opportunities and improvements for women.</p> <p>- Critical (Major) compliance -</p>	In place at Bukit Layang Estate is Women On Wards (WOW) committee which is a women employee outreach programme endorsed and funded by the Company. Its members comprise female employees and wives of workers. WOW promotes gender equality and empower women's knowledge and skills. Latest meeting was carried out on 12/12/20 which combined with Basir Ismail Estate. Based on minutes sighted, committee members were briefed on sexual harassment, domestic violence, how to make complaints if there was a case, reproductive rights, the new census for new mothers, and briefings on Company policies.	Complied
6.1.6	<p>There is evidence of equal pay for the same work scope.</p> <p>- Minor compliance -</p>	From payslips reviewed, evidence was available that workers receive equal pay for the same work scope.	Complied
<p>Criterion 6.2: Pay and conditions for staff and workers and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages (DLW).</p>			
6.2.1	<p>(C) Applicable labour laws, union and/or other collective agreements and documentation of pay and conditions are available to the workers in national languages (English or Bahasa Malaysia) and explained to them in language they understand.</p> <p>- Critical (Major) compliance -</p>	Kulim (Malaysia) Berhad is a member of the Malaysian Agricultural Producers Association (MAPA) and is therefore subjected to the agreement between MAPA and the National Union of Plantation Workers (NUPW). Applicable labour laws related to duration, hours of work, overtime, annual/medical leave, public holiday, mutual termination, salary deductions, maternity entitlement, etc are contained in workers' employment contracts. Sampled were employment contracts for Malaysian and Indonesian workers which have been prepared in Bahasa Malaysia. Clause 9 of the employment contract also specifically states that unless otherwise stated, all terms and conditions of contract are subjected to the Employment Act 1955 and SOCSO Act 1969, and the current MAPA/NUPW contract.	Complied

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		a) Also confirmed via sampled payslips that wages were paid in accordance with the relevant laws. Salary deductions and overtime were in accordance with the relevant laws (SOCSO, EPF, EIS) and Labour Office permits.	
6.2.2	<p>(C) Employment contracts and related documents detailing payments and conditions of employment (e.g. regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. in compliance with national legal requirements) and payroll documents give accurate information on compensation for all work performed. This includes a form of record for work done by family members.</p> <p>- Critical (Major) compliance -</p>	<p>Details of payments and conditions of employment are stated and documented in the employment contracts given to all workers. The contract contains terms related to duration, hours of work, overtime, annual/medical leave, public holiday, mutual termination, salary deductions, maternity entitlement, etc. The terms are in compliance with the Employment Act 1955, Minimum Wages Order 2020, SOCSO Act 1969, EPF Act 1991, EIS Act 2017, and the MAPA/NUPW agreement.</p> <p>Payroll documents, namely the payslip, also give accurate information on compensation for all work done. This includes those who receive daily-rated wages, piece rated wages, payment for any overtime work done, and public holiday pay. Also confirmed via sampled payslips that wages were paid in compliance with national legal requirements. Salary deductions and overtime were in accordance with the relevant laws (SOCSO, EPF, EIS) and Labour Office permits.</p> <p>None of the sampled workers had any family members performing work.</p>	Complied
6.2.3	<p>(C) There is evidence of legal compliance for regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice and other legal labour requirements.</p> <p>- Critical (Major) compliance -</p>	<p>Based on review of punch cards, workers' employment contracts and payslips, evidence was available that Bukit Layang Estate is able to demonstrate compliance with Employment Contracts 1955 related to regular working hours, overtime, sickness and holiday entitlement, maternity leave, etc. This includes statutory deductions (SOCSO, EPF, EIS) and non-statutory deductions (e.g. mosque funds, electricity bills, etc) in accordance with Labour Office permits. These permits are as detailed out under Indicator 2.1.1 above.</p>	Complied

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		<p>Sampled during the audit were the following workers' employment contracts and payslips:</p> <p><u>Bukit Layang Estate</u></p> <p>Workers No. 619049, 619124, 619137, 619141, 619076, 619098, 619114, 619129, 619135.</p>	
<p>6.2.4</p>	<p>(C) The unit of certification provides adequate housing, sanitation facilities, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. National laws, or in their absence the ILO Guidance on Workers' Housing Recommendation No. 115, are used. In the case of acquisitions of non-certified units, a plan is developed detailing the upgrade of infrastructure. A reasonable time (5years) is allowed to upgrade the infrastructure.</p> <p>- Critical (Major) compliance -</p>	<p>Based on visit made to the Bukit Layang estate's linesite, adequate housing, sanitation facilities, water supplies, medical and welfare amenities are being provided to all employees and their family members residing within the premises. Houses have between 2 to 3 bedrooms with between 2 to 3 occupants per house. Electricity and water are available 24 hours a day, and electricity usage of up to 50kW per month is subsidised. Water is provided free of charge.</p> <p>The areas surrounding the housing area are generally clean and well maintained. The houses were generally in good state of repair and grass kept reasonable short. Domestic waste bins are emptied thrice per week. Perimeter drains are clear of any blockages.</p> <p>Line site inspection: 7/1/21, 14/1/21, 21/1/21 and 28/1/21 (weekly) VMO visit: 26/1/21, 12/2/21 (fortnightly)</p> <p>Housing inspections are conducted once a week where records of inspections were sighted. Medical facilities are available at the Palong Cocoa mill and visited once a fortnight by a Visiting Medical Officer from Klinik Mesra Tampoi in Johor Bahru who also attends to patients.</p> <p>Available amenities include football field and surau. Linesite inspections are carried out on weekly. Workers interviewed also confirmed the above. Any repair that need to be done are written in a housing repair book and repair works carried out as soon as possible.</p>	<p>Complied</p>

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		Based on the above, Bukit Layang Estate is able to demonstrate that the housing and amenities are being provided in accordance the Employees' Standard of Housing, Accommodation and Amenities Act 1999									
6.2.5	The unit of certification makes efforts to improve workers' access to adequate, sufficient and affordable food. - Minor compliance -	Evidence is available that efforts are made to improve workers' access to adequate, sufficient and affordable food. At Bukit Layang Estate, a sundry shop is also available at the nearest town around 10 km away from the estate. Based on interview, with	Complied								
6.2.6	<p>A DLW is paid to all workers, including piece rate/quotas, for whom the calculation is based on achievable quotas during regular work hours.</p> <p>PROCEDURAL NOTE:</p> <p>STATEMENT FROM THE RSPO STANDARDS STANDING COMMITTEE REGARDING INDICATOR 6.2.6 ON DECENT LIVING WAGE</p> <p>With reference to procedural note of indicator 6.2.6, the RSPO has published a guidance on the DLW calculation in June 2019. The RSPO Secretariat will endeavour to carry out DLW country benchmarks for palm oil producing countries in which RSPO members operate and for which no Global Living Wage Coalition (GLWC) benchmarks exist (As of September 2019, GLWC has developed national benchmarks in Bangladesh, Belize, Brazil, China, Colombia, Costa Rica, Dominican Republic, Ecuador, Ethiopia, Ghana, Guatemala, India, Kenya, Malawi, Mexico, Nicaragua, Pakistan, South Africa, Sri Lanka, Uganda and Vietnam These benchmarks are developed based on banana, coffee, floriculture, textile, manufacturing, seafood processing and tea industry. The RSPO is in the process of commissioning benchmarks for Malaysia and Indonesia for the palm oil sector and will develop methods to calculate and/or define DLW applicability for all palm oil producing countries in which RSPO members operate).</p> <p><i>Where a GLWC living wage standard (benchmark), or one that fulfils the basic requirements of the RSPO-endorsed living wage methodology, has been established in the country or region of operation, the same should be used as benchmarks.</i></p> <p>In the absence of such benchmarks, the RSPO will collaborate with the GLWC and/or local experts on developing oil palm industry benchmarks (Benchmark in this context may include other approaches and/or methods to calculate the applicability of DLW in the country or region in accordance to the RSPO endorsed method for determining a DLW. Local applicability for benchmarks is important and it may differ based on the needs of each</p>	<p>Based on pay slips sighted, all sampled workers who complete the number of days offered in a month receive at least minimum wages applicable, which is RM1,200 per month, or more.</p> <p>Bukit Layang Estate has also carried out the calculation of prevailing wages and in-kind benefits. The calculation took into account housing, electricity, water, education and healthcare. The breakdown of the prevailing wage calculation is therefore as follows:</p> <table border="1" data-bbox="1160 951 1939 1114"> <thead> <tr> <th>Estate</th> <th>In-kind benefits</th> <th>Average take-home pay</th> <th>Prevailing wage</th> </tr> </thead> <tbody> <tr> <td>Bukit Layang</td> <td>RM2,738.24</td> <td>RM1,200</td> <td>RM3,938.24</td> </tr> </tbody> </table> <p>Based on the breakdown given, the calculation of prevailing wages including in-kind benefits is reasonable.</p>	Estate	In-kind benefits	Average take-home pay	Prevailing wage	Bukit Layang	RM2,738.24	RM1,200	RM3,938.24	Complied
Estate	In-kind benefits	Average take-home pay	Prevailing wage								
Bukit Layang	RM2,738.24	RM1,200	RM3,938.24								

	<p>locality or country). These benchmarks will be developed in collaboration and consultation with relevant stakeholders such as palm oil industry members, workers' union, authorities and/or relevant organisations.</p> <p><i>For countries where no living wage standard is established, until such time that an RSPO endorsed benchmark for the country is in place, national minimum wages shall be paid to all workers. In addition to the payment of minimum wages, the Unit of Certification (UoC) shall conduct an assessment of the prevailing wages and in-kind benefits provided to workers in the Unit of Certification aligned with the RSPO Guidance for Implementing a Decent Living Wage (RSPO Guidance for Implementing a Decent Living Wage. The RSPO will also develop further guidance and tools to calculate DLW in line with the RSPO endorsed methodology which may include independent studies by local experts in their respective region or country).</i></p> <p>Once these benchmarks are available, this procedural note is no longer applicable. UoC shall have an implementation plan towards the payment of a DLW with specific targets, and a phased implementation process including:</p> <p>Updated assessment on prevailing wages and in-kind benefits</p> <p>There is annual progress on the implementation of living wages</p> <p>Where a minimum wage, based on equivalent of baskets of goods, is stipulated in Collective Bargaining Agreements (CBAs), this should be used as the foundation for the gradual implementation of the living wage payment</p> <p>The UoC may choose to implement the living wage payment in a specific section as a pilot project; the pilot will then be evaluated and adapted before eventual scale up of the living wage implementation.</p> <p>- Minor compliance -</p>		
6.2.7	<p>Permanent, full-time employment is used for all core work performed by the unit of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal.</p> <p>- Minor compliance -</p>	<p>Based on documents sighted and interviews conducted with workers and management, Bukit Layang Estate only employ full-time employees. All employees are employed on either permanent or contractual full-time basis. There is no casual, temporary or day labour employed.</p>	Complied

<p>Criterion 6.3: The unit of Certification respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.</p>			
6.3.1	<p>(C) A published statement recognising freedom of association and right to collective bargaining in national languages (English and/or Bahasa Malaysia) is available and is explained to all workers, in language that they understand, and is demonstrably implemented.</p> <p>- Critical (Major) compliance -</p>	<p>A published statement on freedom of association is available and displayed at the main notice boards within the Bukit Layang estate. Also sighted were:</p> <ul style="list-style-type: none"> - Paragraph 2 of the Employees’ Guide Book which confirms and respects workers’ rights to join a union recognized by the Kulim (Malaysia) Berhad. - Kulim (Malaysia) Berhad’s Core Labour Standards on Rights of Employees which states that Kulim recognises and respects the rights of employees to form and/or join trade unions of their choice which are given due recognition by KULIM. <p>Training was also held on 13/3/20 for freedom of association.</p>	Complied
6.3.2	<p>Minutes of meetings between the unit of certification with trade unions or workers representatives, who are freely elected, are documented in national languages (English and/or Bahasa Malaysia) and made available upon request.</p> <p>- Minor compliance -</p>	<p>There were no official minutes of meeting for trade union where was no workers joined as official members of union/NUPW in the estate. Workers related issues were discussed during other meeting with the management team. The representatives comprise female worker representative, Malaysian and Indonesian representatives. All minutes of meetings were prepared and documented in Bahasa Malaysia.</p>	Complied
6.3.3	<p>Management does not interfere with the formation or operation of registered unions/ labour organisations or associations, or other freely elected representatives for all workers including migrant and contract workers.</p> <p>- Minor compliance -</p>	<p>Based on interviews held with workers representatives, review of minutes of meeting between representatives and management, evidence was available that management will not interfere with the formation of operation of the union. So far there were no workers joined as official members of union/NUPW in the estate.</p>	Complied
<p>Criterion 6.4: Children are not employed or exploited.</p>			

6.4.1	<p>A formal policy for the protection of children, including prohibition of child labour and remediation is in place, and included into service contracts and supplier agreements.</p> <p>- Minor compliance -</p>	<p>Kulim (Malaysia) Berhad has established Core Labour Standard Policy dated 1 May 2018 where they are not engage in or support the use of Child Labour and will provide adequate support to enable children of its employees to attend and remain in school until no longer a child. The minimum age of workers to recruit is 18 years old. This requirement is also included in all agreements with its contractors via Addendum to the Agreement. Sighted were the addendums signed by SK SOKO Enterprise and Sungai Rezeki Sdn Bhd</p>	Complied
6.4.2	<p>(C) There is evidence that minimum age requirements are met. Personnel files show that all workers are above the national minimum age or above company policy minimum age, whichever is higher. There is a documented age screening verification procedure.</p> <p>- Critical (Major) compliance -</p>	<p>Documentary evidence is available that minimum age requirements are met. This is based on workers' check roll list and copies of their passport/NRIC details. Based on workers' NRIC and passports, all workers were at least 18 years old when employed.</p>	Complied
6.4.3	<p>(C) Young persons may be employed only for non- hazardous work, with protective restrictions in place for that work.</p> <p>- Critical (Major) compliance -</p>	<p>Based on the workers list, interviews conducted and observations made, there is no evidence that young persons are being employed.</p>	Complied
6.4.4	<p>The unit of certification demonstrates communication about its 'no child labour' policy and the negative effects of child labour, and promotes child protection to supervisors and other key staff, smallholders, FFB suppliers and communities where workers live.</p> <p>- Minor compliance -</p>	<p>Kulim (Malaysia) Berhad has established Core Labour Standard Policy dated 1 May 2018 where they are not engage in or support the use of Child Labour and will provide adequate support to enable children of its employees to attend and remain in school until no longer a child. This Policy is displayed on main notice boards.</p> <p>This Policy was also communicated during stakeholder meeting held on 5/10/20. Further, an Addendum to agreements sighed with contractors also contains a provision which states that the contractor shall comply with applicable labour and employment laws regarding and prohibit any form of child labour, forced or trafficked labour. Reviewed during the audit were the contract Addendum signed by SK SOKO Enterprise and Sungai Rezeki Sdn Bhd.</p>	Complied

		Interviews held with contractors and suppliers also confirmed their understanding of this obligation.	
Criterion 6.5: There is no harassment or abuse in the workplace, and reproductive rights are protected.			
6.5.1	(C) A policy to prevent sexual and all other forms of harassment and violence is implemented and communicated to all levels of the workforce. - Critical (Major) compliance -	A Policy to prevent sexual and other forms of harassment are available in Sexual Harassment Policy dated 1 May 2018 signed by Executive Director. This Policy has been communicated to all levels of workforce via Wow meetings on 23/9/20. Interviews held with women employees also confirmed their awareness of this Policy and its implementation.	Complied
6.5.2	(C) A policy to protect the reproductive rights of all, especially of women, is implemented and communicated to all levels of the workforce. - Critical (Major) compliance -	Kulim (Malaysia) Berhad’s Core Labour Standard dated 1 May 2018 signed by Executive Director provides protection of reproductive rights of all workers. The Labour Standard specifies that the Company recognizes the rights of employees to reproduction and reproductive health, including the right to make decision on reproduction. Based on interviews with the workers, there is evidence that this Standard is being implemented where female workers are entitled to 60 days paid maternity leave, and pregnant women are given light work to do. This Standard has been communicated to all levels of workforce during muster briefings on 14/9/20. Interviews held with women employees also confirmed their awareness of this Policy and its implementation.	Complied
6.5.3	Management has assessed the needs of new mothers, in consultation with the new mothers, and actions are taken to address the needs that have been identified. - Minor compliance -	Assessment of new mothers’ needs were done via a census form. The census form assessed the mothers’ needs for creche/childcare, antenatal, vaccination, maternity and paternity, postpartum care, prenatal check-up, breastfeeding facilities, awareness and counselling. New mother’s need assessment was carried out concurrently during WOW meeting on 12/10/20.	Complied

6.5.4	<p>A grievance mechanism, which respects anonymity and protects complainants where requested, is established, implemented and communicated to all levels of the workforce.</p> <p>- Minor compliance -</p>	<p>Available and reviewed during the audit was Grievance mechanism Doc. No. SQD/SMS/4.1 Issue No. 1 dated 1 Aug 2020. The aim of this mechanism is to have a documented system for dealing with complaints and grievances that is agreeable and accepted by all stakeholders. The scope covers all parties who deal with Kulim (Malaysia) Berhad who may have complaints or grievances. Clause 5.8 states that anonymity of complainants will be respected and protected if requested.</p>	Complied
Criterion 6.6: No forms of forced or trafficked labour are used.			
6.6.1	<p>(C) All workers have entered into employment voluntarily and the following are prohibited:</p> <p>Retention of identity documents or passports (except for administration purposes including legalisation and renewal processes)</p> <p>Charging the workers for recruitment fees.</p> <p>Contract substitution</p> <p>Involuntary overtime</p> <p>Lack of freedom of workers to resign</p> <p>Penalty for termination of employment</p> <p>Debt bondage</p> <p>Withholding of wages</p> <p>- Critical (Major) compliance -</p>	<p>Bukit Layang Estate is able to demonstrate that all workers have entered into employment voluntarily. This was further confirmed from interviews conducted with the workers themselves.</p> <p>Passports:</p> <p>Workers are given the option of either keeping their own passports, or to keep their passports at the management office for safety reasons. Sighted during the audit, letters from workers confirming their preference to keep their passports at the office for safety reasons.</p> <p>Recruitment fees:</p> <p>Reviewed was contract dated 13 February 2020 between Kulim (Malaysia) Berhad and PT Hamparan Karya Insani for manpower supply from Indonesia. The agreement states among others, that cost of transportation to the respective estates/mill will be borne by Kulim. The Demand Letter issued by Indonesian consulate dated 17 Feb 2020 also specifies that levy and PLKS fees are to be borne by employer. No recruitment fees are imposed on any of the foreign workers. This was further confirmed in interviews held with the workers from Indonesia.</p>	Complied

		<p>Contract substitution:</p> <p>Employment contracts with workers, recruitment agent contracts with PT Hamparan Karya Insani, and interviews held with the workers from Indonesia confirmed that no contract substitution has occurred at Bukit Layang Estate.</p> <p>Involuntary overtime:</p> <p>Based on documents signed by workers on overtime, and based on interviews conducted, there is no evidence of involuntary overtime within the Bukit Layang estate.</p> <p>Lack of freedom of workers to resign & penalty for termination of employment:</p> <p>Clause 5 of employment contracts allow for early termination of contract by giving of 2 months’ notice (upon confirmation) and 2 weeks’ notice (on probation). There is no mention of any penalty payable.</p> <p>Debt bondage & withholding of wages:</p> <p>Based on payslips sighted and interview with workers, there was no evidence of any debt bondage and withholding of wages.</p>	
6.6.2	<p>(C) Where temporary or migrant workers are employed, a specific labour policy and/or procedures are established and implemented.</p> <p>- Critical (Major) compliance -</p>	<p>A special labour policy and procedures have been established under the Kulim (Malaysia) Berhad Core Labour Standard signed by Executive Director dated 1 May 2018. This Policy:</p> <p>prohibits the employment of children and young persons, forced and bonded labour</p> <p>provides for signing of written employment contracts in a language they understand with clear remuneration and description of duties</p>	Complied

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		<p>workers' entitlement to housing and basic amenities which are at par with statutory requirements</p> <p>free of discrimination, coercion or violence</p> <p>rights of employees to join trade unions</p> <p>accessibility to grievance procedure</p> <p>entitled to one day off per week.</p> <p>Based on pay slips, employment contracts, punch cards reviewed, and interviews conducted with workers, Bukit Layang estate are able to demonstrate the implementation of this Policy.</p>	
<p>Criterion 6.7: The unit of certification ensures that the working environment under its control is safe and without undue risk to health.</p>			
6.7.1	<p>(C) The responsible person(s) for H&S is identified. There are records of regular meetings between the responsible person(s) and workers. Concerns of all parties about health, safety and welfare are discussed at these meetings, and any issues raised are recorded.</p> <p>- Critical (Major) compliance -</p>	<p>The Estate Manager was appointed as the Chairman for Safety and Health Committee at the Bukit Layang Estate. as stated in the appointment letter dated 08/05/2019 undersigned by the Chairman, Safety and Health Main Committee Kulim (M) Berhad. The OSH Organization Chart 2021 was available consisting of the Chairman, Secretary, Management Representatives and Workers Representatives. OSH Meetings were conducted at an interval of 3 months at the estate to address all OSH related issues. Sighted the meeting minutes dated 21/12/2020 (04-2020) and 17/11/2020 (03-2020). All issues raised during the OSH Meetings were successfully addressed.</p>	Complied
6.7.2	<p>Accident and emergency procedures are in place and instructions are clearly understood by all workers. Accident procedures are available in national languages (English and/or Bahasa Malaysia) and explained in the language understandable to the workforce. Assigned operatives trained in first aid are present in both field and other operations, and first aid</p>	<p>Emergency Procedures and Safe Working Procedures were available at the office, workshop and chemical stores. Emergency Plans were available for identified incidences such as Fire, Accident, Chemical Spillage and Evacuation. Emergency Response Team was formed, available in ERP Organizational Chart 2021, to counter any unwanted emergencies. Emergency Contact Number List was also available in the estate, sighted at the office and stores. Fire Drill and</p>	Complied

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	<p>equipment is available at worksites. Records of all accidents are kept and periodically reviewed.</p> <p>- Minor compliance -</p>	<p>Fire Extinguisher Training was conducted for all workers on 14/02/2020 at the estate.</p> <p>First Aid Kits were available at all sampled work units such as Rat Baiting Gang, Workshop, Diesel Tank and Chemical Store. The first aid kits were well equipped with first aid items as stated in the list. All items were seen to be replenished and monitored regularly as per the monitoring checklist. The First Aid Kit holder was interviewed and was aware on how to use the items in case of an emergency. First Aid Kit Refresher Training was conducted on 17/09/2020 for all First Aid Kit Holders.</p> <p>Accident records were maintained and updated on a monthly basis at the estate. There was no accident for the year 2020 and 2021 to date in the estate. The JKPP Form 8 has been submitted to DOSH for the year ending 2020 with the report available for verification.</p>	
<p>6.7.3</p>	<p>(C) Workers use appropriate personal protective equipment (PPE), which is provided free of charge to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, land preparation, and harvesting. Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing.</p> <p>- Critical (Major) compliance -</p>	<p>All workers have been provided with appropriate personal protective equipment (PPE), which is provided by the management free of charge. During the field visit to the Harvesting Gang and Rat Baiting Gang and visit to the stores of the estate, it was sighted that all required PPEs were worn by all personals. The workers were interviewed and mentioned that they are aware on the importance of wearing appropriate PPE during work. They acknowledged that they have been given training by the management on PPE compliances.</p> <p>The estate has well maintained facilities for the workers to sanitise themselves prior to returning home from work near the chemical store. The shower room was well maintained. There was designated area for the workers to dry their PPEs as well.</p>	<p>Complied</p>

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6.7.4	<p>All workers are provided with medical care and covered by accident insurance. Costs incurred from work- related incidents leading to injury or sickness are covered in accordance with Malaysian law.</p> <p>- Minor compliance -</p>	<p>All workers provided with medical care and covered by accident insurance. Sampled SOCSO Contribution for the estate workers as below:</p> <table border="1" data-bbox="1137 459 1928 678"> <thead> <tr> <th>Month</th> <th>Total Workers</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>January 2021</td> <td>31</td> <td>RM 1123,80</td> </tr> <tr> <td>December 2020</td> <td>31</td> <td>RM 1501.60</td> </tr> <tr> <td>November 2020</td> <td>32</td> <td>RM 1167.40</td> </tr> <tr> <td>October 2020</td> <td>32</td> <td>RM 1131.70</td> </tr> </tbody> </table> <p>Interview with workers indicated that they are aware that they are entitled to medical care borne by the management. They mentioned that they currently are referred to the clinic at Ladang Basir Ismail for minor injuries or sickness while serious injuries or illness are referred to private clinics where all costs are borne by the management.</p>	Month	Total Workers	Amount	January 2021	31	RM 1123,80	December 2020	31	RM 1501.60	November 2020	32	RM 1167.40	October 2020	32	RM 1131.70	Complied
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6.7.5	<p>Occupational injuries are recorded using Lost Time Accident (LTA) metrics.</p> <p>- Minor compliance -</p>	<p>Occupational Injuries Records were maintained using the LTA metrics.</p> <table border="1" data-bbox="1137 1023 1928 1220"> <thead> <tr> <th>Year</th> <th>Cases</th> <th>Days Lost</th> </tr> </thead> <tbody> <tr> <td>2019</td> <td>nil</td> <td>nil</td> </tr> <tr> <td>2020</td> <td>nil</td> <td>nil</td> </tr> <tr> <td>2021</td> <td>nil</td> <td>nil</td> </tr> </tbody> </table>	Year	Cases	Days Lost	2019	nil	nil	2020	nil	nil	2021	nil	nil	Complied			
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2021	nil	nil																
<p>Principle 7: Protect, conserve and enhance ecosystems and the environment</p>																		
<p>Criterion 7.1: Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.</p>																		

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7.1.1	<p>(C) IPM plans are implemented and monitored to ensure effective pest control.</p> <p>- Critical (Major) compliance -</p>	<p>IPM plans in the estate was guided by the SPO Integrated Pest Management Program dated 04/09/2007. The IPM Plans is implemented to ensure that effective management of pests, diseases, weeds and invasive introduced species are effectively managed using integrated Pest management techniques.</p> <p>Bukit Layang Estate have planted Beneficial Plants, Tunera and Cassia in the estate. The estate has also placed Barn Owl boxes at a ratio of 1 box per 30Ha to manage the rat population in the estate. Monthly program for planting of beneficial plants and barn Owl Census was available and verified.</p>	Complied
7.1.2	<p>Species referenced in the Global Invasive Species Database and CABI.org are not to be used in managed areas, unless plans to prevent and monitor their spread are implemented.</p> <p>- Minor compliance -</p>	<p>Species referenced in the Global Invasive Species Database and CABI.org are not been used in managed areas. The estates have adequate continuous monitoring plan in place to ensure the compliance.</p>	Complied
7.1.3	<p>There is no use of fire for pest control unless in exceptional circumstances such as plantation sanitation, i.e. where no other effective methods exist, and with prior approval of government authorities.</p> <p>- Minor compliance -</p>	<p>Verified during the estate field visit that there is no use of fire for pest control. This was compiled accordingly with the Sustainability Hand Book, June 2007 on commitment on zero fire burning technique.</p>	Complied
<p>Criterion 7.2: Pesticides are used in ways that do not endanger health of workers, families, communities or the environment.</p>			
7.2.1	<p>(C) Justification of all pesticides used is demonstrated. Selective products and application methods that are specific to the target pest, weed or disease are prioritised.</p> <p>- Critical (Major) compliance -</p>	<p>The written justification of all agrochemicals is available in the Kulim Malaysia Berhad Agricultural Manual; Justification of chemical use; Table H01-2 till Table H01-6. The table states the Weed Situation, Active Ingredient, Chemical Brand Name, Product Rate/Ha and CKS Dossage/18L.</p>	Complied

7.2.2	<p>(C) Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) are provided.</p> <p>- Critical (Major) compliance -</p>	<p>Pesticides used in Bukit Layang Estate are monitored on a monthly basis. The records were available for verification as below:</p> <table border="1" data-bbox="1137 443 1930 788"> <thead> <tr> <th>Amine</th> <th>Active Ingredient</th> <th>a.i / Ha</th> <th>LD50</th> </tr> </thead> <tbody> <tr> <td>Glyphosate</td> <td>Glyphosate Isopropylamine 41%</td> <td>1.0065</td> <td>0.0002</td> </tr> <tr> <td>Foxil/ Ranger</td> <td>Tryclopvr butaxy ethylester 32.1%</td> <td>0.1226</td> <td>0.0002</td> </tr> <tr> <td>Miracle</td> <td>Polyether Modified Trisiloxane 75%</td> <td>0.0547</td> <td>0.0171</td> </tr> <tr> <td>Storm</td> <td>Flocoumafen – 0.005%</td> <td>0.0000</td> <td>0.0000</td> </tr> </tbody> </table>	Amine	Active Ingredient	a.i / Ha	LD50	Glyphosate	Glyphosate Isopropylamine 41%	1.0065	0.0002	Foxil/ Ranger	Tryclopvr butaxy ethylester 32.1%	0.1226	0.0002	Miracle	Polyether Modified Trisiloxane 75%	0.0547	0.0171	Storm	Flocoumafen – 0.005%	0.0000	0.0000	Complied
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7.2.3	<p>(C) Any use of pesticides is minimised as part of a plan, eliminated where possible, in accordance with IPM plans.</p> <p>- Critical (Major) compliance -</p>	<p>The estate has implemented a Continuous Improvement Plan where they have stated the intention to reduce the usage of chemical through implementation of Integrated Pest Management Plan.</p> <p>Sighted during the site visit at the estate, the establishment of beneficial plants along the estate roads as well as barn owl boxes placed at strategic areas.</p> <p>Paraquat was eliminated. In its place, alternatives such as Glyphosate is used instead. Verified the Chemical Register and noticed that there are only Chemical listed as Class III and IV in the estate. No chemicals class 1A or 1B used in the estate.</p>	Complied																				
7.2.4	<p>There is no prophylactic use of pesticides, unless in exceptional circumstances, as identified in national best practice guidelines.</p> <p>- Minor compliance -</p>	<p>There is no prophylactic use of pesticides in Bukit Layang Estate.</p>	Complied																				

<p>7.2.5</p>	<p>Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, unless in exceptional circumstances, as validated by a due diligence process, or when authorised by government authorities for pest outbreaks.</p> <p>The due diligence refers to:</p> <ul style="list-style-type: none"> a) Judgment of the threat and verify why this is a major threat b) Why there is no other alternative which can be used c) Which process was applied to verify why there is no other less hazardous alternative d) What is the process to limit the negative impacts of the application e) Estimation of the timescale of the application and steps taken to limit application to the specific outbreak. <p>- Minor compliance -</p>	<p>Sighted in the Chemical Registers of Bukit Layang Estate that only class III & IV chemicals were used. During the site visit to the chemical store it was justified that there were only class III and IV chemicals stored in the store. Paraquat was eliminated. In its place, alternatives such as Glyphosate was used instead. No chemicals categorised as class 1A or 1B used in the estate.</p>	<p>Complied</p>
<p>7.2.6</p>	<p>(C) Pesticides are only handled, used or applied by persons who have completed the necessary training and are always applied in accordance with the product label. All precautions attached to the products are properly observed, applied, and understood by workers (see Criteria 3.6). Personnel applying pesticides must show evidence of regular updates on the knowledge about the activity they carry out.</p> <p>- Critical (Major) compliance -</p>	<p>Pesticide operators are given training on the safe handling and application of the pesticides. Suitable personal protective equipment's and application equipment provided to the operators. All precautions attached to the products SDS was explained to operators and understood by them. This was noted during the interview with workers in the estate.</p> <p>Sampled the training conducted for pesticide handlers as below: -</p> <ul style="list-style-type: none"> Chemical Store Operator Safety & Health Training – 23/11/2020 Circle Spraying SOP & Buffer Zone Training – 08/10/2020 Triple Rinsing of Chemical Containers & Storage at Non-Scheduled Waste Store Training – 22/11/2020 	<p>Complied</p>

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7.2.7	<p>(C) Storage of all pesticides is in accordance with recognised best practices.</p> <p>- Critical (Major) compliance -</p>	<p>Pesticides were found stored in the estate’s Chemical Store in accordance with the Occupational Safety and Health Act 1994 (Act 514) and Pesticides Act 1974 (Act 149) and their Regulations. The store was at all times locked and at the time of visit, the store keeper was seen to unlock the pad-lock to open entrance door for auditor to inspect the store. At the entrance door, signage requiring donning of PPE were visibly available. The Chemical Store signage with required Hazard Symbols were available at the entrance. The facility ventilation fan was found working with adequate ventilation available, spill kits, up-to-date chemical register, trade and generic names and their Safety Data Sheet were available.</p>	Complied
7.2.8	<p>All pesticide containers are triple rinsed and punctured before being disposed of and/or handled responsibly if used for other purposes.</p> <p>- Minor compliance -</p>	<p>Bukit Layang Estate generates used chemical containers under recyclable waste. All chemical containers are triple rinsed, punctured and disposed, thus declared as recyclable waste. The recyclable waste is then disposed through the appointed waste manager. The details of the most recent disposal are as below:</p> <ul style="list-style-type: none"> • Recyclable waste; <ul style="list-style-type: none"> Plastic Pesticide Containers; 4 litre Container: 40 pcs, 20 Litre Container: 943 Pcs, 500g container: 19 pcs; 10kg container: 55 pcs, Altacor Container: 6000 pcs; <p>Disposed to G-Planter Sdn. Bhd on 12.01.2021.</p>	Complied
7.2.9	<p>(C) Aerial spraying of pesticides is prohibited, unless in exceptional circumstances where no other viable alternatives are available. This requires prior government authority approval. All relevant information is provided to affected local communities at least 48 hours prior to application of aerial spraying.</p> <p>- Critical (Major) compliance -</p>	<p>No aerial spraying for pesticide were done in Bukit Layang Estate.</p>	Complied

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7.2.10	<p>(C) Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.</p> <p>- Critical (Major) compliance -</p>	<p>Annual Medical Surveillance was conducted for 5 chemical handlers in the estate. The biological monitoring was conducted by Occupational Health Doctor, Dr. Rosman Bin Surie (OHD: HQ/15/DOC/00/437) on 30/07/2020. The results of the serum cholinesterase were available in the Medical Surveillance 2020 Report. The report stated that there were no health symptoms or excessive exposure towards the serum cholinesterase for all the 5 workers. Thus all workers were fit to work.</p>	Complied
7.2.11	<p>(C) No work with pesticides is undertaken by persons under the age of 18, pregnant or breastfeeding women or other people that have medical restrictions and they are offered alternative equivalent work.</p> <p>- Critical (Major) compliance -</p>	<p>For Kulim (Malaysia) Berhad, the SOP for Agrochemical Management under Sustainable Management System; Doc Number: SQD/SMS/6.1; Doc Date: 01.08.2020 (Issue 01) states <i>"No work with pesticides is undertaken by persons under the age of 18, pregnant or breastfeeding women or other people that have medical restrictions and they are offered alternative equivalent work."</i></p> <p>Bukit Layang Estates have prohibited woman workers who are confirmed pregnant or breast-feeding to handle chemicals as per Internal Memo verified in the estate. Verified with the management and during the interview with workers that no female workers are involved with chemical handling in the estate.</p>	Complied
<p>Criterion 7.3: Waste is reduced, recycled, reused and disposed of in an environmentally and socially responsible manner.</p>			
7.3.1	<p>A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented.</p> <p>- Minor compliance -</p>	<p>The Bukit Layang Estate had identified all wastes and sources of pollution. The waste management plan was available dated 6/1/2021, in the plan management already identified waste that should be to reduce, recycling, reusing and how they dispose the waste. The management also establish waste management procedure (SQD/SMS/6.2) dated 1/8/2020. The Waste Management Action Plan 2020 were established to mitigate and control the identified wastes and source of pollution. The common significant</p>	Complied

		<p>environmental receptors for the estates operations were:</p> <table border="1" data-bbox="1137 438 1921 770"> <thead> <tr> <th data-bbox="1137 438 1173 488"></th> <th data-bbox="1173 438 1317 488">Receptor</th> <th data-bbox="1317 438 1921 488">Sources</th> </tr> </thead> <tbody> <tr> <td data-bbox="1137 488 1173 572">1</td> <td data-bbox="1173 488 1317 572">Air</td> <td data-bbox="1317 488 1921 572">vehicle & genset (smoke and gases),</td> </tr> <tr> <td data-bbox="1137 572 1173 687">2</td> <td data-bbox="1173 572 1317 687">Water</td> <td data-bbox="1317 572 1921 687">Cleaning water/run-off/process station waters (hydro-cyclone /sterilizer condensate/clarification waste) & boiler quenching water and blow down</td> </tr> <tr> <td data-bbox="1137 687 1173 770">3</td> <td data-bbox="1173 687 1317 770">Land</td> <td data-bbox="1317 687 1921 770">Scheduled waste, clinical waste, Industrial waste, domestic waste and industrial/process waste.</td> </tr> </tbody> </table>		Receptor	Sources	1	Air	vehicle & genset (smoke and gases),	2	Water	Cleaning water/run-off/process station waters (hydro-cyclone /sterilizer condensate/clarification waste) & boiler quenching water and blow down	3	Land	Scheduled waste, clinical waste, Industrial waste, domestic waste and industrial/process waste.	
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7.3.2	<p>Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.</p> <p>- Minor compliance -</p>	<p>In Bukit Layang estates, procedure SNPOM/W1/17 – Scheduled Wastes (Hazardous Waste) Management has been established.</p> <ul style="list-style-type: none"> a) Management and disposal of waste water 2020 has been established compiled by Assistant /Staff. b) Waste Management Plan 2020 has been established prepared by SQD and verified by the Assistant Manager. c) Waste Management Plan 2020 has been established in Jan 2020. The management Plan for 2020 has yet to be finalised the source and disposal method of scheduled waste, domestic waste and industrial waste. d) Based on Environmental Impact Evaluation improper disposal of clinical items will be impact on community, depletion of natural resources and land contamination. e) Interview with staffs and workers i.e. storekeepers and chemical mixer were trained and they had understood the hazards involved and how the chemicals should be used and disposed in a safe manner. f) Among the identified wastes include empty chemical containers including pesticides containers. Empty pesticides containers 	Complied												

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		<p>were washed at washing station prior to disposal. Disposals were carried out in compliance with relevant regulation of scheduled waste. Inventory and consignment documents verified for confirmation of proper management and disposal. The Bukit Layang scheduled waste is disposed to the Kualiti Alam Sdn Bhd registered with DOE.</p> <p>g) The disposal of waste was such as scheduled waste and recycle waste was available sampling on SW 307 dispose at Kualiti Alam Sdn Bhd dated 3/9/2020 (consignment note: 2020090307HO35BM) with total 0.036 MT. For recycle waste sampling on empty container disposal on 12/1/2021 with total 7057 empty container to G-Planter Sdn Bhd.</p>	
7.3.3	<p>The unit of certification does not use open fire for waste disposal.</p> <p>- Minor compliance -</p>	<p>Kulim Plantation Sdn Bhd practices of "Zero open burning" is enforced and elaborated in the Sustainability Policy. The operating units adhered to the policy of "Zero open burning" for any replanting. From field visits and interviews with the workers there is no open burning being practiced in the estates. Both estates had replanting program spanned over the forthcoming years</p> <p>In the replants visited during the audit in the Estates, it was evident that all palms were felled, shredded, windrowed and left to decompose. There was no evidence that fire had been used to prepare land for replanting in the estate No fire was used for waste disposal.</p>	Complied
Criterion 7.4: Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.			
7.4.1	<p>Good agriculture practices, as contained in SOPs, are followed to manage soil fertility to optimise yield and minimise environmental impacts.</p> <p>- Minor compliance -</p>	<p>The Bukit Layang estate continued to use and implement SOP for each of the processes. Brief version of the SOP was displayed at the appropriate locations. Copies of the documented SOP were presented to the audit team. It was observed that activities being</p>	Complied

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		<p>implemented which involved safety, health, environmental, quality, employees, etc. had followed the established SOP.</p> <ul style="list-style-type: none"> a) Kulim Malaysia Berhad Agriculture Manual 1998 b) Sustainability Management System SOP - 2007 c) Quality Manual Jan 2018 d) Integrated Management Manual Jan 2018. e) Working Instruction ref SNPOM/W1 Jan 2018 f) Safety Standard Operating Procedures (SSOP) dated 25/02/2015, g) Pictorial Safety Standards and Security Guidelines (PSS). h) Security Guidelines <p>All the estates operations were guided through the manuals and SOP. The procedures as documented in the KULIM MALAYSIA BERHAD Agriculture Manual were disseminated to the staff/workers through morning briefings and training. The Manuals are kept in the main office for references of employees particularly for the supervisory personnel. The documents included all operations in the estates from seedlings in nursery to planting of young palms and plantation upkeep to mill FFB receipt, grading, processing, quality analysis and security. Site inspection and interview with workers confirmed that the SOP had been implemented and they understood the requirements of the SOP, the bottom-line of which is Good Agricultural Practice and the care for their safety and health and the environment.</p>	
7.4.2	<p>Periodic tissue and soil sampling is carried out by Companies to monitor and manage changes in soil fertility and plant health.</p> <p>- Minor compliance -</p>	<p>Periodic tissue and soil sampling were carried out in the Estates to monitor changes in nutrient status and its results formed the basis for the fertilizers input recommendation. The soil analysis provided the indication of soil health and monitors the changes in the organic carbon and total nitrogen. Leaf and soil nutrient analysis are</p>	Complied

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		<p>commonly used in the diagnosis of fertilizer requirements in oil palms. The frequency for leaf sampling must be conducted for every year while for soil analysis, the frequency for soil sampling is conducted at 5 years intervals (Leaf and Soil Sampling Notes Procedure-Kulim (M) Bhd).</p> <p>The soil sampling been done periodically latest dated 21/5/2020 by UTCL Laboratory (SI/2005/0081-0084). The leaf sampling conducted on 28/5/2020 (LI/2005/BL/0378-0381).</p>									
7.4.3	<p>A nutrient recycling strategy is in place, which includes the recycling of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), palm residues and optimal use of inorganic fertilisers.</p> <p>- Minor compliance -</p>	<p>Bukit Layang estates visited had a nutrient recycling strategy in place which included stacking pruned fronds in the respective fields to decompose, grass cutting harvesters paths and letting the cut mass to decompose in the field. In addition, during replanting, palms were felled, chipped, windowed and left to decompose. No EFB and POME implementation been used in Bukit Layang estate.</p>	Complied								
7.4.4	<p>Records of fertiliser inputs are maintained.</p> <p>- Minor compliance -</p>	<p>Fertilizer application program was monitored using records like program sheets, bin cards, field cost book, Fertilizer Application monitoring forms, etc. Records of programs and applications of fertilizers were reviewed by auditors. Review of the records revealed that the actual fertilizers applied in 2019/20 was in line with the program. The following fertilizers were applied in the estates on recommendation by the Agronomist.</p> <table border="1" data-bbox="1137 1173 1599 1369"> <thead> <tr> <th>Type of fertiliser</th> <th>Tonnage</th> </tr> </thead> <tbody> <tr> <td>AS</td> <td>181.35</td> </tr> <tr> <td>MOP</td> <td>140.25</td> </tr> <tr> <td>Mix 1</td> <td>21.4</td> </tr> </tbody> </table>	Type of fertiliser	Tonnage	AS	181.35	MOP	140.25	Mix 1	21.4	Complied
Type of fertiliser	Tonnage										
AS	181.35										
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Criterion 7.5: Practices minimise and control erosion and degradation of soils.			
7.5.1	<p>(C) Maps identifying marginal and fragile soils, including steep terrain, are available.</p> <p>- Critical (Major) compliance -</p>	<p>A soil map was available for Bukit Layang Estate, identifying the types of soil available within the estate area. The soil map was sourced from Semi Detailed Soil Map (DOA), 2012 dated 26/06/2019. The soil series were Harimau Series (14.8 %), Keranji Series (1.99 %), Rengam Series (52.02 %), Tai Tak Series (22.48 %) and Tebok Series (8.71 %). Based on the classification provided, all the soil series do not fall under the category as marginal or fragile series.</p> <p>A slope map was available for Bukit Layang Estate, identifying the slope degree within the estate. The slope map was sourced from Nextmap Type II Berhad dated 26/06/2019. Based on the slope map, it was noted that the estate had slopes within 0° to 20°.</p>	Complied
7.5.2	<p>No replanting on steep slopes (above 25 degrees) unless approved by state governments. In case of replanting is permitted, no replanting in contiguous area of steep terrain (greater than 25 degrees) larger than 25 Ha within the Unit of Certification.</p> <p>- Minor compliance -</p>	<p>A slope map was available for Bukit Layang Estate, identifying the slope degree within the estate. The slope map was sourced from Nextmap Type II Berhad dated 26/06/2019. Based on the slope map, it was noted that the estate had slopes within 0° to 20°. Therefore, this indicator is not applicable for this estate.</p>	Complied
7.5.3	<p>There is no new planting of oil palm on steep terrain.</p> <p>- Minor compliance -</p>	<p>This compliance being addressed in the Sustainable Policy - "<i>Slope and River Protection</i>" signed by the ED dated May 2018 stating the following among others;</p> <p>"Slope of >25 degree to be excluded from any new plantation development and replanting program. For slope <25 degree the existing crop all vegetative shall be maintained accordingly".</p>	Complied
Criterion 7.6: Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.			

7.6.1	<p>(C) To demonstrate the long-term suitability of land for palm oil cultivation, soil maps or soil surveys identifying marginal and fragile soils, including steep terrain, are taken into account in plans and operations.</p> <p>- Critical (Major) compliance -</p>	<p>Soil surveys are made and available in a soil map for the estate. Slope map was also available which are both used to manage the drainage and road works in the estate. There are no soils classified as marginal or fragile soils in the estate. There are no terrains exceeding 20° in the estate.</p>	Complied
7.6.2	<p>Extensive planting on marginal and fragile soils, is avoided, or, if necessary, done in accordance with the soil management plan for best practices.</p> <p>- Minor compliance -</p>	<p>A soil map was available for Bukit Layang Estate, identifying the types of soil available within the estate area. The soil map was sourced from Semi Detailed Soil Map (DOA), 2012 dated 26/06/2019. The soil series were Harimau Series (14.8 %), Keranji Series (1.99 %), Rengam Series (52.02 %), Tai Tak Series (22.48 %) and Tebok Series (8.71 %). Based on the classification provided, all the soil series do not fall under the category of marginal or fragile series.</p>	Complied
7.6.3	<p>Soil surveys and topographic information guide the planning of drainage and irrigation systems, roads and other infrastructure.</p> <p>- Minor compliance -</p>	<p>Soil surveys are made and available in a soil map at the estate. Topographic contour map is also available which are both used to manage the drainage and road works in the estate. Details as per indicator 7.5.1 and 7.5.2.</p>	Complied
<p>Criterion 7.7: No new planting on peat, regardless of depth after 15 November 2018 and all peatlands are managed responsibly.</p>			
7.7.1	<p>(C) There is no new planting on peat regardless of depth after 15 November 2018 in existing and new development areas.</p> <p>- Critical (Major) compliance -</p>	<p>There is no new planting in Bukit Layang Estate. There is no soil that are classified as Peat Soil within the estate.</p>	Not Applicable
7.7.2	<p>Areas of peat within the managed areas are inventoried, documented and reported (effective from 15 November 2018) to RSPO Secretariat.</p> <p>PROCEDURAL NOTE: Maps and other documentation of peat soils are provided, prepared and shared in line with RSPO Peatland Working Group (PLWG) audit guidance (see Procedural Note for 7.7.5 below).</p> <p>- Minor compliance -</p>	<p>There is no new planting in Bukit Layang Estate. There is no soil that are classified as Peat Soil within the estate.</p>	Not Applicable

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7.7.3	<p>(C) Subsidence of peat is monitored, documented and minimised. - Critical (Major) compliance -</p>	<p>There is no new planting in Bukit Layang Estate. There is no soil that are classified as Peat Soil within the estate.</p>	<p>Not Applicable</p>
7.7.4	<p>(C) A documented water and ground cover management programme is in place. - Critical (Major) compliance -</p>	<p>There is no new planting in Bukit Layang Estate. There is no soil that are classified as Peat Soil within the estate.</p>	<p>Not Applicable</p>
7.7.5	<p>(C) For plantations planted on peat, drainability assessments are conducted following the RSPO Drainability Assessment Procedure, or other RSPO recognised methods, at least five years prior to replanting. The assessment result is used to set the timeframe for future replanting, as well as for phasing out of oil palm cultivation at least 40 years, or two cycles, whichever is greater, before reaching the natural gravity drainability limit for peat. When oil palm is phased out, it is replaced with crops suitable for a higher water table (paludiculture) or rehabilitated with natural vegetation. This is subject to transitional (5 years: 2019 to 2024) arrangement stated in the Drainability Assessment Procedure. Within 12 months initial implementation period, company could submit other alternate methodologies to be considered by RSPO for recognition. - Critical (Major) compliance -</p>	<p>There is no new planting in Bukit Layang Estate. There is no soil that are classified as Peat Soil within the estate.</p>	<p>Not Applicable</p>
7.7.6	<p>(C) All existing plantings on peat are managed according to the 'RSPO Manual on Best Management Practices (BMPs) for existing oil palm cultivation on peat', version 2 (2019) and associated audit guidance. - Critical (Major) compliance -</p>	<p>There is no new planting in Bukit Layang Estate. There is no soil that are classified as Peat Soil within the estate.</p>	<p>Not Applicable</p>
7.7.7	<p>(C) All areas of unplanted and set-aside peatlands in the managed area (regardless of depth) are protected as "peatland conservation areas"; new drainage, road building and power lines by the unit of certification on peat soils is prohibited; peatlands are managed in accordance with the 'RSPO BMPs for Management and Rehabilitation of Natural Vegetation</p>	<p>There is no new planting in Bukit Layang Estate. There is no soil that are classified as Peat Soil within the estate.</p>	<p>Not Applicable</p>

	<p>Associated with Oil Palm Cultivation on Peat', version 2 (2019) and associated audit guidance.</p> <p>- Critical (Major) compliance -</p>		
<p>Criterion 7.8: Practices maintain the quality and availability of surface and groundwater.</p>			
<p>7.8.1</p>	<p>A water management plan is in place and implemented to promote more efficient use and continued availability of water sources and to avoid negative impacts on other users in the catchment. The plan addresses the following:</p> <p>The unit of certification does not restrict access to clean water or contribute to pollution of water used by communities.</p> <p>Workers have adequate access to clean water.</p> <p>- Minor compliance -</p>	<p>The Water Management Plan in Bukit Layang Estate is guided by the SOP Document Water Management; Doc Number: SQD/SMS/6.4; Date: 01/08/2020; Issue No: 1; Rev No: 0.</p> <p>A Water Management Plan was available in the estate, reviewed on 01/01/2021 to include the water source, activities, water Use, possible threats, action plans, timelines and related records.</p> <p>The management have identified in the water management 2 areas that require regular monitoring. This the Sungai Layang and Water Catchment Area. The Inlet and Outlet of the river/water catchment are monitored on a monthly basis. Water samples are obtained from the pre-determined water sampling points at the inlet and outlet areas. The samples are submitted to UTCL Laboratory. The results are then provided to the estate for monitoring. Verified the recent Test Report (Report Number: WI/2021/01/23) dated 24/01/2020 was available for verification.</p> <p>All workers have access to clean water provided by the estate management. Interview with the workers indicated that they are satisfied with the water quality in the estate. The estate treats the own water obtained from the water catchment area and treated in the Water Treatment Plant. Drinking water sampling & testing are conducted on a monthly basis to monitor the drinking water quality.</p>	<p>Complied</p>

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		Verified the Water Sampling & Testing Report (Report Number: LW/1004/20) dated 09/12/2020 stated that all tested parameters were within the required limits.	
7.8.2	<p>(C) Water courses and wetlands are protected, including maintaining and restoring appropriate riparian and other buffer zones in line with 'RSPO Manual on BMPs for the management and rehabilitation of riparian reserves' (April 2017) or applicable National legislation or specific environmental permit. Smallholders may replant existing planted areas provided there is no evidence of environmental deterioration having occurred during the previous cycle.</p> <p>- Critical (Major) compliance -</p>	<p>Biodiversity Report was available for Bukit Layang Estate to guide the management of water courses and wetlands in the estate. The Biodiversity Report has identified 2 water courses as HCV 4, Water Catchment Area Sg. Layang and Water Catchment Area Sungai Johor.</p> <p>Email dated 07/10/2019 by Badan Kawal Selia Air Johor, has stated the buffer zone at the banks of Water Catchment Layang Damp to be maintained at 50 meters. Visit to the area indicated that the buffer zone was well maintained with signboards prohibiting spraying and manuring erected.</p>	Complied
7.8.3	<p>Mill effluent is treated to be in compliance with national regulations. Discharge quality of mill effluent, especially Biochemical Oxygen Demand (BOD), is regularly monitored.</p> <p>- Minor compliance -</p>	Not applicable because of single estate	Not Applicable
7.8.4	<p>Mill water use per tonne of FFB is monitored and recorded.</p> <p>- Minor compliance -</p>	Not applicable because of single estate	Not Applicable
Criterion 7.9: Efficiency of fossil fuel use and the use of renewable energy is optimised			
7.9.1	<p>A plan for efficiency of the use of fossil fuels and to optimise renewable energy is implemented, monitored and documented.</p> <p>- Minor compliance -</p>	<p>A plan for improving the efficiency of the use of fossil fuels is in place and has been incorporated into the Environmental Aspect and Impact activities report for 2020. The document was reviewed/updated on Jan 2020. The Environment Management Plan for efficiency of fossil fuel usage are detailed below:</p>	Complied

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No	Target	Objective	Action plan
1	Backhoe tractor/ Machines	To reduce fossil fuel (diesel) consumption from company-owned vehicles and fuel using mobile equipment	To ensure the vehicle engine is turn off during idle time To record vehicle activity which consume fuel
2	Van / Supervisory vehicle	To reduce fossil fuel (diesel) consumption from company-owned vehicles and fuel using mobile equipment	To record vehicle activity in order to eliminate waste activity which consume fuel. To turn off vehicle engine during idle time.
3	Electrical supply	To reduce reliance on gen-sets for power supply	Try to get other source, still in progress with government to get TNB into estate Give awareness to workers regarding to electricity reduction
The utilization of fossil fuel in 2020 is being monitored with records shown below:			
Month/ 2020		Diesel usage (liter)	
Jan		2880	

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	Feb	2820	
	March	2760	
	Apr	3410	
	May	2760	
	Jun	3463.5	
	Jul	3681.5	
	Aug	2958	
	Sep	3400	
	Oct	3199	
	Nov	3167	
	Dec	3183	
	Total	37682	
	<p>A plan for improving the efficiency of the use of fossil fuels is in place incorporated into the Environmental Aspect and Impact activities report for 2020 identified in the following</p> <ul style="list-style-type: none"> a) Environmental Aspect Identification Summary FY 2020 reviewed accordingly. b) Environmental Impact Evaluation Summary FY 2020 reviewed accordingly. 		
<p>Criterion 7.10: Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are designed to minimise GHG emissions.</p>			

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7.10.1	<p>(C) GHG emissions are identified and assessed for the unit of certification. Plans to reduce or minimise them are implemented, monitored through the Palm GHG calculator and publicly reported.</p> <p>- Critical (Major) compliance -</p>	<p>The Bukit Layang Estates had identified emission of greenhouse gas (GHG) from their operations such as emission from their farm tractor and gen set operation.</p> <p>a) The management from estate had planned to reduce emission by daily inspection and monitoring for their farm tractor and gen set to prevent any leakage and problem that could adverse impact the environment.</p> <p>b) Fuel Consumption, Peat Oxidation, manuring application and reported in the Palm GHG Summary Report.</p>	Complied
7.10.2	<p>(C) Starting 2014, the carbon stock of the proposed development area and major potential sources of emissions that may result directly from the development are estimated and a plan to minimise them prepared and implemented (following the RSPO GHG Assessment Procedure for New Development).</p> <p>- Critical (Major) compliance -</p>	<p>The Bukit Layang estate has calculated the GHG using RSPO Palm GHG calculator and the calculation option used is Option 1. The Bukit Layang estate records NIL new development within the certified area. There is no new planting in the estates audited.</p>	Complied
7.10.3	<p>(C) Other significant pollutants are identified and plans to reduce or minimise them implemented and monitored.</p> <p>- Critical (Major) compliance -</p>	<p>An assessment of all polluting activities has been conducted and monitored. This included the gaseous emissions, particulate / soot emissions and effluent. The Bukit Layang estate has continued to maintain its environmental aspects/impacts register associated with their activities. Environmental aspect and impact (EAI) records i.e. which covers estates activities / operation. 'Pollution Identification Environmental Improvement Action Plan' is used to identify the waste products and sources of pollution, was in place and is reviewed accordingly. Both plans are dated 01/01/2021</p>	Complied
Criterion 7.11: Fire is not used for preparing land and is prevented in the managed area			
7.11.1	<p>(C) Land for new planting or replanting is not prepared by burning.</p> <p>- Critical (Major) compliance -</p>	<p>There was no land preparation of existence or new planting in KULIM MALAYSIA BERHAD Estates by burning ever since the management practiced zero burning as per the policy in:</p>	Complied

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		<p>KULIM MALAYSIA BERHAD Agricultural Manual A 08 Under felling/clearing & land preparation</p> <p>Sustainable Policy</p> <p>KULIM MALAYSIA BERHAD has a policy of no open burning. As advocated, the estates practiced zero burning. In the replants visited during the audit in the Estates, it was evident that all palms were felled, shredded, windrow-ed and left to decompose. There was no evidence that fire had been used to prepare land for replanting in the estate No fire was used for waste disposal. Last replanting conducted on 2014, visited the area no trace of fire been using as per site verification.</p>	
7.11.2	<p>The unit of certification establishes fire prevention and control measures for the areas directly managed by the unit of certification.</p> <p>- Minor compliance -</p>	<p>There is no fire used in preparation of existence or new planting in Bukit Layang Estates. There is a fire ERP team established by all the estates. Estate management using ASEAN Fire Alert monitoring by HQ, this monitoring depends on FWI (Fire Weather Index) and Hotspots. As per verification in system the FWI for Bukit Layang estate was yellow (means high fire intensity. Direct attack at the fire head will required water under pressure and mechanized equipment may be required) dated 8/2/2021. The Standard Operating Procedure for fire prevention available as per 'Prosedur Pencegahan dan Kawalan Kebakaran' dated 1/8/2020.</p>	Complied
7.11.3	<p>The unit of certification engages with adjacent stakeholders on fire prevention and control measures.</p> <p>- Minor compliance -</p>	<p>Estate engaged smallholders on the fire prevention and control measures on 16/6/2020 This was mentioned in the stakeholder meeting of respective units under item no 4 elaborating the following;</p> <p><i>Memelihara dan memulihara kepelbagaian biologi</i></p> <p><i>Pihak berkepentingan boleh melaporkan kepada KULIM MALAYSIA BERHAD</i></p>	Complied

		<p><i>Jika berlaku kebakaran di persempadanan kawasan ladang/kilang Pihak ladang/kilang /pekebun kecil berhampiran juga boleh mendapatkan bantuan daripada KULIM MALAYSIA BERHAD jika berlaku di kawasan mereka.</i></p>										
<p>Criterion 7.12: Land clearing does not cause deforestation or damage any area required to protect or enhance High Conservation Values (HCVs) or High Carbon Stock (HCS) forest. HCVs and HCS forests in the managed area are identified and protected or enhanced.</p>												
7.12.1	<p>(C) Land clearing since November 2005 has not damaged primary forest or any area required to protect or enhance HCVs. Land clearing since 15 November 2018 has not damaged HCVs or HCS forests.</p> <p>A historic Land Use Change Analysis (LUCA) is conducted prior to any new land clearing, in accordance with the RSPO LUCA guidance document.</p> <p>- Critical (Major) compliance -</p>	<p>The audit findings have confirmed that there is no new planting (refer 7.3.1 to 7.4.2) affecting present HCV and primary forest. There was no land clearing activities made nor had damaged any forest to protect or enhance the HCV.</p>	Complied									
7.12.2	<p>(C) HCVs, HCS forests and other conservation areas are identified as follows:</p> <p>a) For existing plantations with an HCV assessment conducted by an RSPO-approved assessor and no new land clearing after 15 November 2018, the current HCV assessment of those plantations remains valid.</p> <p>b) Any new land clearing (in existing plantations or new plantings) after 15 November 2018 is preceded by an HCV-HCS assessment, using the HCSA Toolkit and the HCV-HCSA Assessment Manual. This will include stakeholder consultation and take into account wider landscape-level considerations.</p> <p>PROCEDURAL NOTE: Requirement is further clarified under the Interpretation of Indicator 7.12.2 and Annex 5 (approved by BOG on 12 June 2019).</p>	<p>A Biodiversity Assessment was conducted internally by Mr Muhammad Syam Zakaria and Mr Sarawan on 14/03/2019. The assessment has identified “hotspots”, type of wildlife and flora. During the field assessment at Hotspot 6 at field P14/01, it was observed that there was surrounding community using the reservoir. Base on the HCV classification, this could be potential HCV 5. Due to the Bukit Layang Estate is located within the Johor State reservoir, there are other potential HCV including HCV 4 and HCV 3. The biodiversity assessment report description as per below:-</p> <table border="1"> <thead> <tr> <th>HCV category</th> <th>Hectare</th> <th>Remark</th> </tr> </thead> <tbody> <tr> <td>HCV 3 & 4</td> <td>8.9</td> <td>Bush, swampy area</td> </tr> <tr> <td>HCV 4</td> <td>3.99</td> <td>Water conservation area</td> </tr> </tbody> </table>	HCV category	Hectare	Remark	HCV 3 & 4	8.9	Bush, swampy area	HCV 4	3.99	Water conservation area	Complied
HCV category	Hectare	Remark										
HCV 3 & 4	8.9	Bush, swampy area										
HCV 4	3.99	Water conservation area										

	- Critical (Major) compliance -	Total	12.89	
7.12.3	<i>Indicator is not applicable in Malaysia context</i>			Not Applicable
7.12.4	<p>(C) Where HCVs, HCS forests after 15 November 2018, peatland and other conservation areas have been identified, they are protected and/or enhanced. An integrated management plan to protect and/or enhance HCVs, HCS forests, peatland and other conservation areas is developed, implemented and adapted where necessary, and contains monitoring requirements. The integrated management plan is reviewed at least once every five years. The integrated management plan is developed in consultation with relevant stakeholders and includes the directly managed area and any relevant wider landscape level considerations (where these are identified).</p> <p>- Critical (Major) compliance -</p>	In Kulim Bukit Layang estate, there are no peat or forest that convert after 15 November 2018 however the action plan was available to protect their HCV in estate. Sampling on action plan for HCV monitoring will be done twice per month and will record if any wild life sighting under Animal Sighting record, the latest record was on Jan 2021.		Complied
7.12.5	<p>Where rights of local communities have been identified in HCV areas, HCS forest after 15 November 2018, peat land and other conservation areas, there is no reduction of these rights without evidence of a negotiated agreement, obtained through FPIC, encouraging their involvement in the maintenance and management of these conservation areas.</p> <p>- Minor compliance -</p>	There was no rights of local communities been identified in HCV areas, HCS forest after 15 November 2018, peat land and other conservation areas. The HCV Assessment report indicated that there is no threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation operations. There is only common bird, presence of wild boar and monkeys occasionally sighted. The appropriate measures that are expected to maintain and/or enhance them were implemented through an action plan reviewed in Jan 2021.		Complied
7.12.6	All rare, threatened or endangered (RTE) species are protected, whether or not they are identified in an HCV assessment. A programme to	The management already identified the RTE. In Bukit Layang estate, there are some animal such as mammal, reptile, bird and		Complied

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	regularly educate the workforce about the status of RTE species is in place. Appropriate disciplinary measures are taken and documented in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect, trade, possess or kill these species. - Minor compliance -	plant such as Sus scrofa (Least concern), Macaca Facicularis (Least Concern), Varanus salvator (Least Concern), Naja naja (Least Concern) and etc. The last animal sighted was recorded under Rekod Haiwan Liar dated 27/1/2021 at field P03/1.	
7.12.7	The status of HCVs, HCS forests after 15 November 2018, other natural ecosystems, peatland conservation areas and RTE species is monitored. Outcomes of this monitoring are fed back into the management plan. - Minor compliance -	The audit findings have confirmed that there is no new HCVs, HCS forests peatland and other conservation areas been identified after 15 Nov 2018 in SOU 2 estates (refer 7.3.1 to 7.4.2). Monitoring of these areas are made through the daily field supervision by the field staff and executives. There were also visits by the PI/GM and also personnel from the SQD Unit. Sighting of RTE are made and recorded during the AP rounds in the estates if any.	Complied
7.12.8	(C) Where there has been land clearing without prior HCV assessment since November 2005, or without prior HCV-HCSA assessment since 15 November 2018, the Remediation and Compensation Procedure (RaCP) applies. - Critical (Major) compliance -	The audit findings have confirmed that there is no new land clearing affecting areas of HCVs, HCS forests peatland and other conservation areas.	Complied

Appendix B: Approved Time Bound Plan

Time Bound Plan for 100% Own Certified FFB

Project	Estate	Plan
Indonesia	PT RAJ	2021
	PT TPR	

List of Estate Manage by KULIM			
Mill Base	Kulim/ Jcorp Estate	Estate	Status
Tereh Mill	Kulim Estate	Tereh Utara	Certified RSPO in Jan 2009
		Tereh Selatan	
		Selai	
		Enggang	
		Mutiara	
		Sg. Sembrong	
		Sg. Tawing	
Sedenak Mill		Sedenak	
		Rengam	
		Basir Ismail	
Sindora Mill		Ulu Tiram	
		Kuala Kabong	
		Rem / Pasak	
Palong Mill		Sindora	
		Sungai Papan	
		Sepang Loi	
		Umac	
		Labis Bahru	
		Mungka	
		Kemedak	
Pasir Panjang Mill	Kulim Estate	Pasir Panjang	Certified RSPO in March 2017
		Siang	
	Jcorp Estate	Bukit Kelompok	
		Tunjuk Laut	
		Pasir Logok	
-	Kulim Estate	Bukit Payung	Certified RSPO in April 2020
		Bukit Layang Estate	
-	Trader	Eng Lee Heng	Certified RSPO in May 2020 under Wild Asia Group Scheme

Appendix C: GHG Reporting Executive Summary

The GHG emissions that were produced in **2020** for **Bukit Layang estate** was calculated using the PalmGHG Calculator version 4. The assessment team had verified the data input in the PalmGHG Calculator against operations records. PalmGHG Calculation Options selected 'Full version' and 'Exclude LUC Emission' calculation option is not applied. The records verified includes:

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

The summary of the Net GHG emitted in **2020** for **Bukit Layang estate** are as following:

Emission per product	tCO ₂ e/tProduct
CPO	0.00
PKO	0.00

Extraction	%
OER	0.00
KER	0.00

Production	t/yr
FFB Process	0.00
CPO Produced	0.00
PKO Produced	0.00

Land Use	Ha
OP Planted Area	371.1
OP Planted on peat	0
Conservation (forested)	12.89
Conservation (non-forested)	13.77
Total	397.76

Summary of Field Emission and Sink

	Own Crop*		Group		3 rd Party		Total	
	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB
Emission								
Land Conversion	3665.22	9.88	0.00	0.00	0.00	0.00	3665.22	9.88
CO ₂ Emission from fertilizer	408.35	1.10	0.00	0.00	0.00	0.00	408.35	1.10
NO ₂ Emission	324.09	0.87	0.00	0.00	0.00	3.00	324.09	0.87
Fuel Consumption	117.57	0.32	0.00	0.00	0.00	0.00	117.57	0.32
Peat Oxidation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sink								
Crop Sequestration	-3474.14	-9.36	0.00	0.00	0.00	0.00	-3474.14	-9.36
Conservation Sequestration	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	1041.08	2.81	0.00	0.00	0.00	0.00	1041.08	2.81

**Note: Includes both estates and smallholders*

Summary of Mill Emission and Credit

	tCO ₂ e	tCO ₂ e/tFFB
Emission		
POME	0.00	0.00
Fuel Consumption	0.00	0.00
Grid Electricity Utilization	0.00	0.00
Credit		
Export of Grid Electricity	0.00	0.00
Sales of PKS	0.00	0.00
Sales of EFB	0.00	0.00
Total	0.00	0.00

Summary of Kernel Crusher Emission and Credit (if applicable)

Emissions	tCO ₂ e
PK from own mill	0.00
PK from other source	0.00
Fuel Consumptions	0.00
Total Crusher emissions	0.00

*This mill has no kernel crusher operation.

Palm Oil Mill Effluent (POME) Treatment:	
Divert to Compost (%)	0.00
Divert to anaerobic diversion (%)	0.00

POME Diverted to Anaerobic Digestion:	
Divert to anaerobic pond (%)	0.00
Divert to methane captured (flaring) (%)	0.00
Divert to methane captured (energy generation) (%)	0.00

Appendix D: Supply Chain Declaration

A. Monthly Records of Certified and Uncertified FFB Received since the last audit				
No.	Month - Year	Volume of FFB from certified supply bases (mt)	Volume of FFB from uncertified supply bases (mt)	Total FFB/Month (mt)
1	Nil			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				

B. Monthly Records of Certified CPO & PK since the last audit			
No.	Month - Year	Certified CPO (mt)	Certified PK (mt)
1	Nil		
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			

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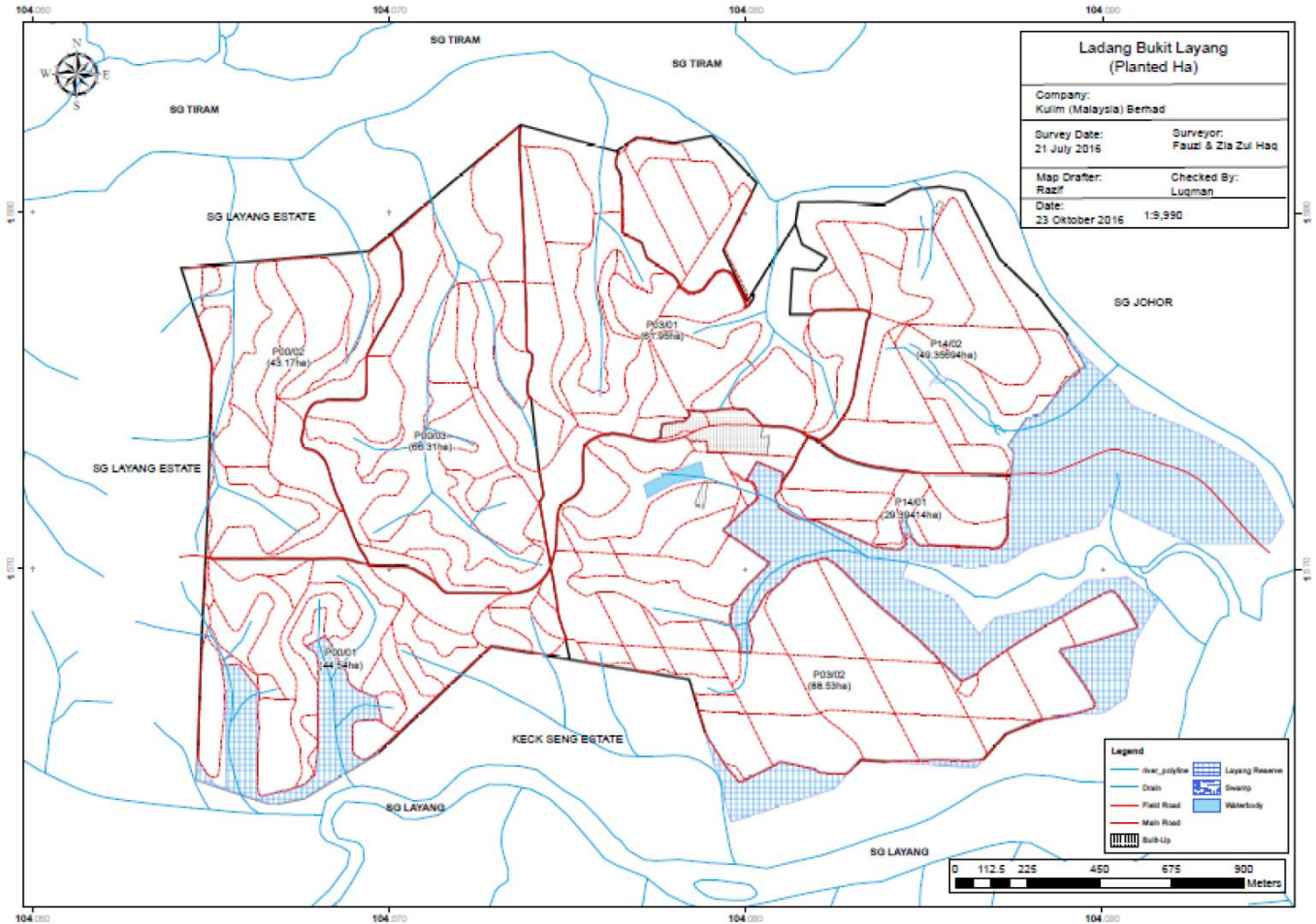
C. Records of Certified CPO & PK Sold under PalmTrace since the last audit (if any)				
No.	Buyers Name	Palmtrace Trading License Number	Certified CPO Sold (mt)	Certified PK Sold (mt)
1	N/A			
Total				

D. Records of CPO & PK Sold under other schemes since the last audit (if any)				
No.	Buyers Name	Scheme Name	CPO Sold (mt)	PK Sold (mt)
1	N/A			
Total				

E. Records of CPO & PK Sold as conventional since the last audit (if any)			
No.	Buyers Name	CPO Sold (mt)	PK Sold (mt)
1	N/A		
Total			

F. Records of Certified CPO Sold under RSPO Credits since the last audit (if any)			
No.	Buyers Name	PalmTrace Trading License Number	RSPO Credits of Certified CPO Sold (mt)
N/A			

Appendix E: Location Map of Certification Unit and Supply bases



Appendix G: List of Smallholder Sampled

Appendix H: List of Abbreviations

a.i	Active Ingredient
BOD	Biochemical Oxygen Demand
CB	Certification Bodies
CHRA	Chemical Health Risk Assessment
COD	Chemical Oxygen Demand
CPO	Crude Palm Oil
CSPO	Certified Sustainable Palm Oil
CSPKO	Certified Sustainable Palm Kernel Oil
EFB	Empty Fruit Bunch
EHS	Environmental, Health and Safety
EIA	Environmental Impact Assessment
EMS	Environmental Management System
FFB	Fresh Fruit Bunch
FPIC	Free, Prior, Informed and Consent
GAP	Good Agricultural Practice
GHG	Greenhouse Gas
GMP	Good Manufacturing Practice
GPS	Global Positioning System
HCV	High Conservation Value
IPM	Integrated Pest Management
IP	Identity Preserved
IS - CSPO	Independent Smallholder Certified Sustainable Palm Oil
IS – CSPKO	Independent Smallholder Certified Sustainable Palm Kernel Oil
IS – CSPKE	Independent Smallholder Certified Sustainable Palm Kernel Expeller
ISCC	International Sustainable Carbon Certification
LD50	Lethal Dose for 50 sample
MB	Mass Balance
MSDS	Material Safety Data Sheet
MT	Metric Tonnes
OER	Oil Extraction Rate
OSH	Occupational Safety and Health
PK	Palm Kernel
PKO	Palm Kernel Oil
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RSPO	Roundtable on Sustainable Palm Oil
P&C	Principles & Criteria
RTE	Rare, Threatened or Endangered species
SCCS	Supply Chain Certification Standard
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure